

VHM LIMITED

ACN 601 004 102

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting will be held at:

TIME: 9 am (WST); 11am (AEST) and 12pm (AEDST)

DATE: Friday, 1 November 2024

PLACE: The meeting is a **hybrid meeting**

Virtually: Online via a web-based meeting portal

Physically: Elevate 11, The Westin
111 Mary Street
Brisbane QLD, 4000

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

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

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 5pm (WST) on 30 October 2024.

IMPORTANT INFORMATION REGARDING MEETING ATTENDANCE AND VOTING

Voting in person

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

Attending the Meeting virtually

The Meeting will be virtually accessible to all Shareholders, and will allow Shareholders, as a whole, a reasonable opportunity to participate without being physically present at the Meeting.

The technology used to hold the Meeting will be reasonable and, Shareholders entitled to attend and vote at the Meeting, will be able to:

- (a) view the Meeting live;
- (b) exercise a right, orally and in writing, to ask questions and make comments; and
- (c) cast votes in real time on a poll during the Meeting.

Shareholders who wish to attend the Meeting virtually must first register their attendance with the Company by no later than 9am (WST) on 31 October 2024, the day prior to the Meeting, by email to the Company Secretary at ian.hobson@vhmltd.com.au including the Shareholder's name, address and SRN. The Company will then email the Shareholder the details to participate in the virtual Meeting via zoom (a web-based meeting portal).

Voting by poll

All votes taken at the Meeting will be conducted by way of a poll, taken both physically at the Meeting and electronically. Shareholders who wish to vote by poll during the virtual Meeting must first notify the Company of their intention by emailing the Company Secretary at ian.hobson@vhmltd.com.au, by no later than 9am (WST) on 31 October 2024, the day prior to the Meeting. Shareholders will be able to submit their email poll votes immediately after the Chair calls for a vote on each Resolution and up to a period of one hour after the Meeting ends. This means that the outcome of each Resolution will not be able to be determined until after the conclusion of the Meeting to allow the company secretary sufficient time to count such poll votes submitted by email.

Voting by Proxy

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

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and

(c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

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

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

(a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);

(b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;

(c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and

(d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

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

(a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;

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

(c) at the meeting, a poll is duly demanded, or is otherwise required under section 250JA on the resolution; and

(d) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

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

Chair's voting intentions

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

Submitting questions

Shareholders are encouraged to submit any questions that they may wish to put to the Company during the Meeting (including questions to the Company's auditor) in writing by email to the Company Secretary at ian.hobson@vhmltd.com.au by no later than 9am (WST) on 31 October 2024, the day prior to the Meeting. Shareholders will also be able to ask questions during the Meeting using the web-based meeting portal, and Shareholders will be required to give their names when asking a question.

Enquiries

Shareholders are requested to contact the Company Secretary on +61 8 9388 8290 if they have any queries in respect of the matters set out in this Notice of General Meeting or the Explanatory Statement.

BUSINESS OF THE MEETING

AGENDA

1. ANNUAL REPORT

To receive and consider the Annual Financial Report of the Company for the financial year ended 30 June 2024 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2024."

Note: Section 250R(3) of the Corporations Act provides that the vote on this resolution is advisory only and does not bind the Directors of the Company.

A voting prohibition statement applies to this Resolution. Please see below for details.

3. RESOLUTION 2 – RE-ELECTION OF MR DONALD RUNGE AS A DIRECTOR

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

"That, for the purpose of Rule 20.6(b) of the Constitution, Listing Rule 14.5 and for all other purposes, Mr Donald Runge, a Director, retires by rotation and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – ELECTION OF MR COLIN MOORHEAD AS A DIRECTOR

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

"That, for the purpose of Rule 20.4 of the Constitution and for all other purposes, Mr Colin Moorhead, a Director who was appointed casually on 1 July 2024, retires, and being eligible, is elected as a Director."

5. RESOLUTION 4 – ISSUE OF REMUNERATION OPTIONS TO DIRECTOR COLIN MOORHEAD

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 10.14 and for all other purposes, and subject to Resolution 3 being passed, approval is given for the Company to issue to Mr Colin Moorhead (or his nominee) 500,000 Remuneration Options exercisable at \$1.35 per share under the Plan on the terms and conditions set out in the Explanatory Statement."

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

6. RESOLUTION 5 – ISSUE OF ZEPOS TO DIRECTOR RON DOUGLAS

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 10.14 and for all other purposes, approval is given for the Company to issue to Mr Ron Douglas (or his nominee) 846,774 options exercisable for nil cash consideration under the Plan on the terms and conditions set out in the Explanatory Statement."

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

7. RESOLUTION 6: RATIFICATION OF PRIOR 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 purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the previous issue by the Company of 4,285,715 Shares on the terms and conditions set out in the Explanatory Statement."

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

8. RESOLUTION 7: APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

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

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities totalling up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."

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

By order of the Board



**Mr Ian Hobson
Company Secretary
20 September 2024**

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration report	<p>In accordance with sections 250BD and 250R of the Corporations Act, a vote in favour of this Resolution must not be cast by (and will be taken not to have been cast if cast contrary to this restriction), or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the remuneration report, or a Closely Related Party of such member. However, a vote may be cast by such person if:</p> <ul style="list-style-type: none"> a) the person is acting as a proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote on a resolution connected with the remuneration of a member of the Key Management Personnel.
Resolution 4 – Issue of Remuneration Options to Director Colin Moorhead Resolution 5 – Issue of ZEPOS to Director Ron Douglas	<p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on 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 the remuneration of a member of the Key Management Personnel.

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:

Resolution 4 – Issue of Remuneration Options to Director Colin Moorhead	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive Plan in question (including Mr Colin Moorhead) or an associate of that person.
Resolution 5 – Issue of ZEPOS to Director Ron Douglas	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive Plan in question (including Mr Ron Douglas) or an associate of that person.
Resolution 6 – Ratification of prior issue of Placement Shares	By or on behalf of a person who participated in the issue of the Placement Shares, or any of their respective associates.
Resolution 7 - Approval of Additional 10% Placement Capacity	<p>Any person who is:</p> <ul style="list-style-type: none"> (a) expected to participate in, or who will obtain a material benefit as a result of, the proposed issue under Listing Rule 7.1A (except a benefit solely by reason of being a Shareholder); or (b) any associate of any such person.

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:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting 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 (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- 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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9388 8290.

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.

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be both as a virtual meeting via a web-based meeting portal as well as an in-person meeting at Elevate 11, The Westin, 111 Mary Street, Brisbane, QLD, 4000 on Friday, 1 November 2024 at 11am (AEST) (**Meeting**).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

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

1. ANNUAL REPORT

In accordance with section 317 of the Corporations Act and the Constitution, the business of the Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2024 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <https://www.vhmltd.com.au/investors/announcements/>

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- discuss the Annual Report for the financial year ended 30 June 2024;
- ask questions or make comment on the management of the Company;
- ask questions about, or make comment on, the Remuneration Report; and
- ask the auditor questions about:
 - the conduct of the audit;
 - the preparation and content of the Auditor's Report;
 - accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- the content of the Auditor's Report; or
- the conduct of the audit of the Financial Report,

may be submitted no later than 5 Business Days before the Meeting (being no later than 25 October 2024) to the Company Secretary at the Company's registered office.

At the Meeting, the Company will allow a reasonable opportunity for the auditor or the auditor's representative to answer such written questions submitted to the auditor.

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

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. The resolution is advisory only and does not bind the company or the directors of the company, however, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the Annual Report of the Company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the Remuneration Report at the annual general meeting.

2.2 Voting consequences

Shareholders should note that in accordance with the "two strike rule," the vote on this Resolution may affect the Company's 2025 Annual General Meeting. The Corporations Act requires that a listed company must put to its shareholders at its annual general meeting a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against a adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting, those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

If the Remuneration Report receives a 'no' vote of 25% or more at this Annual General Meeting, Shareholders should be aware that if there is a 'no' vote of 25% or more at the Company's next annual general meeting the consequences are that all Directors (other than the Managing Director) may be up for re-election.

3. RESOLUTION 2 – RE-ELECTION OF MR DONALD RUNGE AS A DIRECTOR

Resolution 2 seeks approval for the re-election of a Director.

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Donald Runge was first appointed as Non-Executive Director of the Company, effective 14 September 2017 and was subsequently re-elected by Shareholders, most recently on 9 December 2021. Being three years since last being elected, Mr Runge retires by rotation in accordance with Clause 20.6(b) of the Constitution and seeks re-election.

A summary of the qualifications and experience of Mr Runge is provided in the Annual Report.

The Board has reviewed Mr Runge's performance since his appointment to the Board and considers that his skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Mr Runge and recommends that Shareholders vote in favour of Resolution 2.

Mr Runge has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party. Accordingly, if elected, the Board considers that Mr Runge will be an independent Director.

Resolution 2 is an ordinary resolution.

4. RESOLUTION 3 - ELECTION OF MR COLIN MOORHEAD AS A DIRECTOR

Resolutions 3 seeks approval for the election of a Director.

4.1 General

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that annual general meeting.

Colin Moorhead was appointed as Non-Executive Director of the Company, effective 1 July 2024, under Rule 20.3 of the Constitution to fill a casual vacancy.

In accordance with the Constitution, Mr Moorhead will retire and being eligible, seeks election from Shareholders.

4.2 Qualifications and other material directorships

A summary of the qualifications and experience of Mr Moorhead is provided in the Annual Report.

4.3 Independence

Mr Moorhead no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected, the Board considers that Mr Moorhead will be an independent Director.

4.4 Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. Mr Moorhead has confirmed that he considers that he will have sufficient time to fulfil his responsibilities as Director of the Company and does not consider that any other commitment will interfere with his availability to perform his duty as Director of the Company.

4.5 Board recommendation

The Board has reviewed the Director's performance since his appointment to the Board and considers that his skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Mr Moorhead and makes the following recommendation:

Each Director (other than Mr Moorhead, who is standing for election) recommends that Shareholders vote in favour of Resolution 3.

Resolution 3 is an ordinary resolution.

5. RESOLUTION 4 - ISSUE OF REMUNERATION OPTIONS TO DIRECTOR COLIN MOORHEAD

5.1 General

The Company has agreed, subject to Resolutions 3 and 4 being passed, to issue 500,000 options exercisable at \$1.35 per share to Mr Colin Moorhead (or his nominee) (**Related Party**) pursuant to the Company's Employee Option Plan (**Plan**) and on the terms and conditions set out below (**Remuneration Options**).

A summary of the Plan is provided in Schedule 1.

The issue of the Remuneration Options to the Related Party will align Mr Moorhead with the same incentives as existing non-executive directors of the Company.

5.2 Listing Rule 10.14

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

LR 10.14.1 - a director of the entity;

LR 10.14.2 - an associate of a director of the entity; or

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

The issue of Remuneration Options to the Related Party falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if Mr Moorhead elects for the Remuneration Options to be issued to his nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 4 seeks the required Shareholder approval for the issue of the Remuneration Options under and for the purposes of Listing Rule 10.14.

5.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Remuneration Options to the Related Party under the Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Remuneration Options (because approval is being obtained under Listing Rule 10.14), the issue of the Remuneration Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Remuneration Options to the Related Party under the Plan. The Company may need to consider remuneration by way of cash within the prescribed limits which would be a further call on the cash resources.

5.4 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act also requires Shareholder approval where a public company seeks to give a "financial benefit" to a "related party" (unless an exception applies). A "related party" for the purposes of the Corporations Act is defined widely. It includes a director of a public company and specified members of the director's family. It also includes an entity over which a director maintains control. Directors are considered to be related parties within the meaning of the Corporations Act, and the issue of the Remuneration Options to the Related Party will constitute a financial benefit for the purposes of Chapter 2E of the Corporations Act.

An exception to the requirement to obtain shareholder approval in accordance with Chapter 2E applies where the financial benefit constitutes part of the related party's "reasonable remuneration". The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Remuneration Options, because the issue of the Remuneration Options (and the issue of Shares upon exercise of the Remuneration Options) constitutes reasonable remuneration payable to Mr Moorhead. In reaching this conclusion, the directors (other than Mr Moorhead) have had regard to a variety of factors, including market practice and the remuneration offered to persons in comparable positions at comparable companies.

5.5 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolution 4:

- (a) The Remuneration Options will be issued to Mr Colin Moorhead (or his nominee).
- (b) Mr Moorhead is a related party of the Company and falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director. In the event the Remuneration Options are issued to a nominee of Mr Moorhead, that person will fall into the category stipulated by Listing Rule 10.14.2.
- (c) The maximum number of Remuneration Options to be issued to the Related Party (being the nature of the financial benefit proposed to be given) is 500,000 Remuneration Options.

- (d) No securities have previously been issued to Mr Moorhead or his nominee under the Plan.
- (e) A summary of the rules of the Plan is set out in Schedule 1. A summary of the material terms and conditions of the Remuneration Options is set out in Schedule 2.
- (f) The Remuneration Options are unquoted securities. The Company has chosen to issue Remuneration Options to the Related Party for the following reasons:
 - (i) Remuneration Options are unquoted, therefore, the issue of the Remuneration Options has no immediate dilutionary impact on Shareholders;
 - (ii) the milestones attached to the exercise of the Remuneration Options will align the interests of the Related Party with those of Shareholders;
 - (iii) the issue of the Remuneration 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 Mr Moorhead; and
 - (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Remuneration Options on the terms proposed;
- (g) The number of Remuneration Options to be issued to the Related Party has been determined based upon a consideration of:
 - (i) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
 - (ii) the remuneration of Mr Moorhead; and
 - (iii) incentives to attract and ensure continuity of service/retain the service of Mr Moorhead who has appropriate knowledge and expertise, while maintaining the Company's cash reserves.

The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Remuneration Options upon the terms proposed.

- (h) Mr Moorhead commenced as a director on 1 July 2024 with a total remuneration package of \$90,000 including superannuation.

If the Remuneration Options are issued, the total remuneration package of Mr Moorhead will increase by \$55,000 to \$145,000, being the value of the Remuneration Options (based on Black Scholes valuation).

- (i) The Remuneration Options are valued at \$0.11 per option based on the following inputs:
 - Share price: \$0.53
 - Exercise price: \$1.35
 - Risk-free rate: 4.11%
 - Expiry date: 1 December 2026
 - Standard deviation: 80%

- (j) The Remuneration Options will be issued to the Related Party no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Remuneration Options will be issued on one date.
- (k) The issue price of the Remuneration Options will be nil, as such no funds will be raised from the issue of the Remuneration Options.
- (l) The purpose of the issue of the Remuneration Options is to provide a performance linked incentive component in the remuneration package for Mr Moorhead to align the interests of Mr Moorhead with those of Shareholders, to motivate and reward the performance of Mr Moorhead in his role as Director and to provide a cost effective way from the Company to remunerate Mr Moorhead, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Moorhead.
- (m) No loans are being made to the Related Party in connection with the acquisition of the Remuneration Options.
- (n) Details of the Remuneration Options issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (o) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of the Remuneration Options under the Plan after Resolution 4 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

6. RESOLUTION 5 - ISSUE OF ZEPOS TO DIRECTOR DON DOUGLAS

6.1 General

The Company has agreed, subject to obtaining Shareholder approval under Resolution 2 to issue 846,774 options exercisable for nil cash consideration to Mr Ron Douglas (or his nominee) (**Related Party**) pursuant to the Plan, a summary of which is provided in Schedule 1, and on the terms and conditions set out below (**ZEPOS**).

The purpose of the issue of the ZEPOS to the Related Party is to align Mr Douglas' long term incentives with the interests of shareholders. The ZEPOS vest conditional upon Mr Douglas serving 3 years as an executive director/employee from the date of issue.

6.2 Listing Rule 10.14

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

LR 10.14.1 - a director of the entity;

LR 10.14.2 - an associate of a director of the entity; or

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

The issue of ZEPOS to the Related Party falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if Mr Douglas elects for the ZEPOS to be issued to his nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 5 seeks the required Shareholder approval for the issue of the ZEPOS under and for the purposes of Listing Rule 10.14.

6.3 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with the issue of the ZEPOS to the Related Party under the Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the ZEPOS (because approval is being obtained under Listing Rule 10.14), the issue of the Remuneration Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the ZEPOS to the Related Party under the Plan. The Company may need to consider remuneration by way of cash within the prescribed limits which would be a further call on the cash resources.

6.4 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act also requires shareholder approval where a public company seeks to give a "financial benefit" to a "related party" (unless an exception applies). A "related party" for the purposes of the Corporations Act is defined widely. It includes a director of a public company and specified members of the director's family. It also includes an entity over which a director maintains control. Directors are considered to be related parties within the meaning of the Corporations Act, and the issue of the ZEPOS to the Related Party (or their nominees) will constitute a financial benefit for the purposes of Chapter 2E of the Corporations Act.

An exception to the requirement to obtain Shareholder approval in accordance with Chapter 2E applies where the financial benefit constitutes part of the related party's "reasonable remuneration". The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of ZEPOS, because the issue of the ZEPOS (and the issue of Shares upon vesting of the ZEPOS) constitutes reasonable remuneration payable to Mr Douglas. In reaching this conclusion, the directors (other than Mr Douglas) have had regard to a variety of factors, including the 3 year vesting service condition, market practice and the remuneration offered to persons in comparable positions at comparable companies.

6.5 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to the Resolution:

- (a) The ZEPOS will be issued to Mr Ron Douglas (or his nominee). Mr Douglas is a related party of the Company and falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director. In the event the ZEPOS are issued to a nominee of Mr Douglas, that person will fall into the category stipulated by Listing Rule 10.14.2.
- (b) The maximum number of ZEPOS to be issued to the Related Party (being the nature of the financial benefit proposed to be given) is 846,774 ZEPOS.
- (c) Mr Douglas was previously awarded 500,000 options exercisable at \$1.35 per share under the Plan following shareholder approval at the Company's AGM in November 2023.

- (d) A summary of the rules of the Plan is set out in Schedule 1. A summary of the material terms and conditions of the ZEPOS is set out in Schedule 3.
- (e) The ZEPOS are unquoted securities. The Company has chosen to issue ZEPOS to the Related Party for the following reasons:
 - (i) ZEPOS are unquoted, therefore, the issue of the ZEPOS has no immediate dilutionary impact on Shareholders;
 - (ii) the milestones attached to the exercise of the ZEPOS will align the interests of the Related Party with those of Shareholders;
 - (iii) the issue of the ZEPOS is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Douglas; and
 - (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the ZEPOS on the terms proposed.
- (f) The number of ZEPOS to be issued to the Related Party has been determined based upon a consideration of:
 - (i) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
 - (ii) the remuneration of Mr Douglas; and
 - (iii) incentives to attract and ensure continuity of service/retain the service of Mr Douglas who has appropriate knowledge and expertise, while maintaining the Company's cash reserves.

The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the ZEPOS upon the terms proposed.

- (g) Mr Douglas was appointed a Non-Executive Director of the Company on 18 August 2023 with remuneration set at \$90,000 including superannuation. Mr Douglas transitioned to an Executive Director and CEO on 1 October 2023 with remuneration set at \$525,000 including superannuation.

If the ZEPOS are issued, Mr Douglas' annual remuneration package will increase by the value of the ZEPOS over the vesting term being $(\$0.53 \times 846,774 / 3)$ to \$674,597.

- (h) The ZEPOS have been valued internally based on the direct method at \$0.53 per ZEPOS based on the share price at the date of this notice of meeting over the vesting term of 3 years.
- (i) The ZEPOS will be issued to the Related Party no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the ZEPOS will be issued on one date.
- (j) The issue price of the ZEPOS will be nil, as such no funds will be raised from the issue of the ZEPOS.

- (k) The purpose of the issue of the ZEPOS is to provide a performance linked incentive component in the remuneration package for Mr Douglas to align the interests of Mr Douglas with those of Shareholders, to motivate and reward the performance of Mr Douglas in his role as Director and to provide a cost effective way from the Company to remunerate Mr Douglas, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Douglas.
- (l) No loans are being made to the Related Party in connection with the acquisition of the ZEPOS.
- (m) Details of the ZEPOS issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (n) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of the ZEPOS under the Plan after Resolution 5 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

7. RESOLUTION 6 - RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

7.1 Background

On 25 July 2024, the Company announced that it had secured commitments for a Placement to raise approximately \$1.8 million (before costs) by the issue of 4,285,715 shares at a price of \$0.42 per share (**Placement Shares**) to institutional and sophisticated investors (**Placement**).

On 1 August 2024, the Company issued the Placement Shares using the Company's placement capacity under Listing Rule 7.1.

Resolution 6 seeks Shareholder approval pursuant to Listing Rule 7.4 to ratify the issue of the Placement Shares.

Shareholders' attention is drawn to the voting exclusion statements in the Notice.

7.2 Listing Rules 7.1 and 7.4

Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more equity securities in any 12 month period other than the amount which is equal to 15% of its fully paid ordinary securities on issue at the start of that 12 month period (**15% issue capacity**).

Listing Rule 7.4 provides that an issue of securities made without approval under Listing Rule 7.1 will be treated as having been made with shareholder approval for the purposes of those Listing Rules if shareholders subsequently ratify it and the issue did not breach Listing Rule 7.1.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and as such, without Shareholder approval pursuant to Listing Rule 7.4, the issue will be counted towards the Company's 15% issue capacity and will therefore reduce the Company's capacity to issue securities in the future without obtaining Shareholder approval.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

Accordingly, Resolution 6 seeks Shareholder approval under and for the purposes of Listing Rule 7.4, allowing the Company to substantially refresh its 15% issue capacity.

If Resolution 6 is passed, the issue will be excluded in calculating the Company's 15% issue capacity, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the date of issue.

If Resolution 6 is not passed, the issue of the Placement Shares will be included in calculating the Company's 15% issue capacity, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the date of issue.

Resolution 6 is an ordinary resolution.

7.3 Specific Information Required by Listing Rule 7.5

In accordance with Listing Rule 7.5, the following information is provided for Shareholders:

- a) The Placement Shares were issued to sophisticated and institutional investors, none of whom are a related party of the Company. Canaccord Genuity (Australia) Limited acted as Lead Manager to the Placement with MST Capital Markets acting as Co-Manager. The participants in the Placement were identified through a bookbuild process, which involved the Lead Manager and the Co-Manager seeking expressions of interest to participate in the Placement from existing contacts of the Company and clients of the Lead Manager and Co-Manager.
- b) In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company advises that there were no substantial shareholders in the Company that were issued with more than 1% of the Company's current issue capital.
- c) Otherwise, none of the other 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.
- d) 4,285,715 Placement Shares were issued.
- e) The Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- f) The Placement Shares were issued on 1 August 2024
- g) The Placement Shares were issued at \$0.42 per Share.
- h) The proceeds from the issue of the Placement Shares are intended to be applied towards underpinning ongoing work programs to advance the development of the Goschen Project in anticipation of the ministerial approval for the Environmental Effects Statement ahead of a Final Investment Decision on the 100% owned Goschen Project in Q1 CY25.

- i) There are no other material terms to the agreement for the subscription of Placement Shares.

7.4 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

8. RESOLUTION 7 - APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

8.1 General

As explained in section 7 above, Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more equity securities in any 12 month period other than the amount which is equal to 15% of its fully paid ordinary securities it had on issue at the start of that 12 month period (**15% issue capacity**).

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to have the capacity to issue Equity Securities comprising of up to 10% of its issued capital in addition to its 15% issue capacity (**10% Placement Capacity**).

Resolution 7 seeks Shareholder approval by way of special resolution to provide the Company the ability to issue Equity Securities under the 10% Placement Capacity during the period which the 10% Placement Capacity is valid (as set out in 8.2(f) below). The number of Equity Securities to be issued under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out in 8.2(c) below).

For note, a special resolution is a resolution requiring at least 75% of votes cast by shareholders present and eligible to vote at the meeting in favour of the resolution.

If Resolution 7 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 Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% issue capacity as set out in Listing Rule 7.1.

The Directors of the Company believe that Resolution 7 is in the best interests of the Company and recommend that Shareholders vote in favour of this Resolution.

8.2 Description of Listing Rule 7.1A

(a) Is the Company an eligible entity

An 'eligible entity' for the purposes of Listing Rule 7.1A means an entity which, as at the date of the relevant annual general meeting, is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$120,000,000 (based on the number of Shares on issue and the closing price of Shares on the ASX on 19 September 2024).

(b) **What Equity Securities can be issued?**

Any Equity Security issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities. The Company currently has 215,646,964 ordinary shares on issue.

(c) **How many Equity Securities can be issued?**

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** is the number of Shares on issue at the commencement of the relevant period,
- (i) plus the number of Shares issued in the relevant period under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
 - (ii) plus the number of Shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - A. the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - B. the issue of, or agreement to issue, the +convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
 - (iii) plus the number of Shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - A. the agreement was entered into before the commencement of the relevant period; or
 - B. the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
 - (iv) plus the number of any other Shares issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4,

Note: This may include fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 17 where the issue is subsequently approved under rule 7.1.
 - (v) plus the number of partly paid ordinary securities that became fully paid in the relevant period,
 - (vi) less the number of fully paid ordinary securities cancelled in the relevant period;
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been approved by the holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

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

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

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to 8.2(c) above).

(e) **At what price can the Equity Securities be issued?**

Any Equity Securities issued under ASX Listing Rule 7.1A must be issued for a cash consideration per security which is not less than 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- 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,

(Minimum Issue Price).

(f) **When can Equity be issued?**

The 10% Placement Capacity will commence on the date of the Meeting and expire on the first to occur of the following:

- the date that is 12 months after the date of this Meeting;
- the time and date of the Company's next annual general meeting; and
- the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

8.3 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 7:

(a) **Period for which the 7.1A 10% Placement Capacity is valid**

The Company will only issue Equity Securities under the 10% Placement Capacity during the 10% Placement Period (as set out in 8.2(f) above).

(b) **Class and Minimum price**

As noted above, any Equity Securities issued under the 10% Placement Capacity must be in an existing quoted class of Equity Securities and be issued for cash consideration with the issue price being not less than the Minimum Issue Price.

(c) **Use of funds raised under the 10% Placement Capacity**

The Company intends to use funds raised from issues of Equity Securities under the 10% Placement Capacity:

- to raise funds to advance the development of the Goschen Project;
- for the development of the Company's current business; and
- for general working capital.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 7 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares on 19 September 2024 and the number of Equity Securities on issue or proposed to be issued as at 19 September 2024.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.280	\$0.560	\$0.840
		50% decrease in Issue Price	Current Issue Price	50% increase in Issue Price
215,646,964	Shares issued	21,564,696	21,564,696	21,564,696
(Current)		Shares	Shares	Shares
	Funds raised	\$6,038,115	\$12,076,230	\$18,114,345
323,470,446	Shares issued	32,347,045	32,347,045	32,347,045
(50% increase)		Shares	Shares	Shares
	Funds raised	\$9,057,172	\$18,114,345	\$27,171,517
431,293,928	Shares issued	43,129,393	43,129,393	43,129,393
(100% increase)		Shares	Shares	Shares
	Funds raised	\$12,076,230	\$24,152,460	\$36,228,690

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 215,646,964 Shares on issue as at the date of this Notice.
2. The issue price set out above is the closing market price of the Shares on the ASX on 19 September 2024 (being \$0.56).
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.

5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

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

(e) **Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

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

(f) **Previous approval under Listing Rule 7.1A**

The Company has not previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A and therefore Company has not issued any Equity Securities pursuant to approval under Listing Rule 7.1A .

8.2 Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of the Notice of Meeting and the date of the Meeting, the Company proposes to make an issue of Equity Securities under ASX Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded in accordance with the voting exclusion statement.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in section 8.1 of the Explanatory Memorandum.

15% issue capacity has the meaning given in section 7.2 of the Explanatory Memorandum.

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2024.

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

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.

ASX Listing Rules or **Listing Rules** means the listing rules of ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means VHM LIMITED (ACN 601 004 102).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Employee has the same meaning as the Plan.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** 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.

Placement has the meaning given in section 6.1 of the Explanatory Memorandum.

Placement Shares has the meaning given in section 6.1 of the Explanatory Memorandum.

Plan means the VHM Employee Option Plan adopted by the Company on 11 October 2022, the key terms of which are set out in the Prospectus dated 21 November 2022, and a summary of which is provided in Schedule 1.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Options has the meaning given in section 5.1 of the Explanatory Memorandum.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2024.

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.

ZEPOS has the meaning given in section 6.1 of the Explanatory Memorandum.

SCHEDULE 1 – VHM LIMITED EMPLOYEE OPTION PLAN – SUMMARY OF RULES

A summary of the key terms of the Plan is set out below:

- (a) (Eligible Employee): Eligible Employees include natural persons who are a:
 - (i) permanent full time or permanent part-time employee
 - (ii) consultant or contractor; or
 - (iii) director,of the Company or any associated company who the Board determines to be eligible to participate in the Plan (**Eligible Plan Participant**).
- (b) (Plan interests): Eligible Plan Participants will be provided with an opportunity to acquire a financial interest in the Company, which will align their interests more closely with shareholders and provide greater incentive for them to focus on the Company's longer-term goals.
- (c) (Quantum): The number of Options offered to an Eligible Plan Participant will be specified in the invitation made to that Eligible Plan Participant.
- (d) (Terms and conditions): The Board may from time to time invite an Eligible Plan Participant to participate in the Plan. Invitations will be subject to such terms as the Board determines and will specify, amongst other things, the following:
 - (i) any option fee that may be applicable;
 - (ii) the exercise price of the Options;
 - (iii) the duration of the Options, including the first and last exercise date of the Options, subject to a maximum expiry date of 5 years from the date of issue of the Option;
 - (iv) any vesting conditions (including length of service or performance milestones) that the Board considers appropriate; and
 - (v) the time period for making an application to participate in the Plan.

Following receipt by an Eligible Plan Participant of an invitation as described above, the Eligible Plan Participant may make an application by delivering to the Company a duly completed and executed application form within the closing time specified in the invitation or in accordance with any other procedure set out in the invitation. The Board may then decide to accept or reject the offer made by the Eligible Plan Participant.

- (e) (Nominee): Following receipt by a Plan Eligible Employee of an invitation, a Plan Eligible Employee may nominate a nominee in whose favour the Plan Eligible Employee wishes to renounce its invitation (Nominee).

A Nominee, in relation to a Plan Eligible Employee, means:

- (i) an immediate family member of the Plan Eligible Employee;
- (ii) a company whose members comprise only the Plan Eligible Employee or their immediate family members; or
- (iii) a corporate trustee of a self-managed superannuation fund where the Plan Eligible Employee is a director of the trustee, and the self-managed superannuation fund is an associate of the Plan Eligible Employee, as defined in the *Income Tax Assessment Act 1936* (Cth).

Following the receipt by a Plan Eligible Employee of an invitation, a Nominee may apply for Options by delivering to the Company a duly completed and executed renunciation form.

The terms and conditions of the Plan as summarised in this Schedule 1 otherwise apply to a Nominee of a Plan Participant where applicable.

- (f) (Quotation): No application for quotation of the Options will be made by the Company.
- (g) (Exercise of Options): Subject to the satisfaction of any vesting conditions and the Plan rules, an Option which has not lapsed may be exercised by the Plan Participant during the relevant exercise period by lodging an exercise notice with the Company secretary or such other period nominated by the Board accompanied by the exercise price for the number of Options specified in the exercise notice and the certificate for those Options.
- (h) (Cashless exercise): At the time that a participant provides an exercise notice, the participant may request that the Board approves the application of the cashless exercise rule. If approved, this would enable the participant to satisfy the aggregate exercise price, by the Company allocating a number of Shares that are equal in value to the difference between the aggregate exercise price and the market value of the Shares which would otherwise have been allocated as at the time of exercise (rounded down to the nearest whole Share).
- (i) (Issue of Shares on exercise): Following the valid exercise of an Option, the Company will:
 - (i) issue the number of Shares required under the terms and conditions attached to the Options (being one Share per Option); and
 - (ii) if admitted to the official list of ASX at the time (and subject to any escrow arrangements), apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (j) (Shares issued on exercise): Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.
- (k) (Restrictions): A Plan Participant may only exercise an Option in accordance with the terms of the Plan.

An Option issued under the Plan:

- (i) is not transferable and must not be assigned, sold, or subject to a security interest or otherwise dealt with;
 - (ii) does not carry any voting rights or entitle the holder to any dividends;
 - (iii) does not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company. The Options do not confer any right to a return of capital, whether in winding up, upon reduction of capital or otherwise; and
 - (iv) does not confer any participation rights or entitlements in respect of new issues of new securities (including bonus issues or entitlement issues to existing Shareholders) during the currency of the Options without exercising the Options, unless and until any applicable vesting conditions or performance milestones are achieved and the Option converts into Shares.
- (l) (Adjustment for bonus issue): If securities are issued pro-rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Options to which the holder is entitled will be increased by that number of securities which the holder

would have been entitled if the Options held by the holder were exercised immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Listing Rules at the time of the bonus issue.

- (m) (Reorganisation of capital): In the event that the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all the holder's rights as a holder of Options will be changed to the extent necessary to comply with the Listing Rules at the time of reorganization.
- (n) (Amendments): Subject to compliance with the ASX Listing Rules, the Board may at any time amend the Plan or waive or amend the application of any of the rules under the Plan in relation to a Plan Participant at any time and a change may be given retrospective effect. However, where any amendments will reduce any of the Plan Participants' rights in respect of their Plan Options, the Board must obtain the prior written consent of at least 75% of the Plan Participants affected by the change unless the amendment is to correct a manifest error or for the purpose of complying with applicable laws or to take into consideration possible adverse tax implications to the Plan arising from changes to relevant tax guidance.

SCHEDULE 2 - TERMS AND CONDITIONS OF REMUNERATION OPTIONS

1. Entitlement

Subject to the terms and conditions set out below, each Option entitles the holder, on exercise, to the issue of one fully paid ordinary share in the capital of the Company (**Share**).

Exercise Price: \$1.35 per Option

Expiry Date: 1 December 2026.

Vesting Conditions: 1 July 2025 (being 12 months from the date that the Eligible Employee became a director), provided the Eligible Employee remains a director of the Company until that date, otherwise the Options will automatically lapse.

2. Plan

The Options are issued under the VHM Limited Employee Option Plan (**Plan**). Defined terms in these terms and conditions have the same meaning as in the Plan. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.

3. Consideration

The Options will be granted to the Eligible Employee (or their permitted nominee) for nil cash consideration.

4. Exercise

The holder may exercise their Options by lodging with the Company, on or prior to the Expiry Date:

- a. in whole or in part, and if exercised in part, multiples of [1,000] must be exercised on each occasion;
- b. a written notice of exercise of Options specifying the number of Options being exercised ; and
- c. a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised.

5. Timing of issue of Shares and quotation of Shares on exercise

As soon as practicable after the issue of a notice of exercise by the holder, the Company will:

- a. issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
- b. if required, issue a substitute Certificate for any remaining unexercised Options held by the holder;
- c. if required and subject to paragraph 6, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- d. do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the Listing Rules.

6. Restrictions on disposal / transfer of Shares

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

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SCHEDULE 3 – TERMS AND CONDITIONS OF ZEPOS

1.	Entitlement	Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
2.	Plan	<p>The Options are granted under the VHM Limited Employee Option Plan (Plan).</p> <p>Defined terms in these terms and conditions have the same meaning as in the Plan. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.</p>
3.	Consideration	Nil cash consideration is payable for the grant of the Options.
4.	Exercise Price	Nil cash consideration
5.	Vesting Conditions / Milestones	The Options will vest provided the employee remains an employee for three years following the date of issue of the Option. An Option will vest when a vesting notice is given.
6.	Expiry Date	<p>Each Option will expire five years from the date of issue (Expiry Date).</p> <p>For the avoidance of doubt, any unexercised Options will automatically lapse on the Expiry Date.</p>
7.	Forfeiture Conditions	<p>Options will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> (a) in the case of unvested Option only, where a Participant acts fraudulently, dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group; (b) where there is a failure to satisfy the vesting conditions in accordance with this offer and the Plan; (c) on the date the holder or their Nominated Party (if applicable) becomes insolvent; or (d) on the Expiry Date, <p>subject to the discretion of the Board.</p>
8.	Exercise	<p>The holder may exercise their Options by lodging with the Company, on or prior to the Expiry Date:</p> <ul style="list-style-type: none"> (a) in whole or in part; and (b) a written notice of exercise of Options specifying the number of Options being exercised.
9.	Timing of issue of Shares and quotation of Shares on exercise	<p>Within five business days after the issue of a notice of exercise by the holder, the Company will:</p> <ul style="list-style-type: none"> (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled; and (b) if required, issue a substitute certificate for any remaining unexercised Options held by the holder; and do all such acts, matters and things to obtain the grant

		of quotation of the Shares by ASX in accordance with the ASX Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the ASX Listing Rules.
10.	Restriction period and restrictions on transfer of Shares on exercise	The Shares issued on exercise of the Options will not be subject to any restriction periods.
11.	Change of Control	<p>The Options awarded will vest in the event of the announcement of a change of control transaction in respect of the Company which:</p> <ul style="list-style-type: none"> - has been recommended to shareholders by the Company's board; or - where the change of control conditions have been satisfied or waived.
12.	Withholding	If the Company, a trustee or the Plan administrator is obliged, or reasonably believes that it may have an obligation to account for any tax, or any superannuation amounts (or equivalent social security contributions, if applicable) in respect of a Participant (Withholding Amount), then the Company, trustee or Plan administrator (as applicable) is entitled to withhold or be reimbursed by the Participant for the Withholding Amount payable or paid.



VHM Limited

VHM Limited | ABN 58 601 004 102

Proxy Voting Form

If you are attending the Meeting in person, please bring this with you for Securityholder registration.

Your proxy voting instruction must be received by **11.00am (AEST) on Wednesday, 30 October 2024**, 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 Key Management Personnel.

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:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au/>

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

