

1 July 2025



Dear Shareholders

QEM – UPCOMING GENERAL MEETING

QEM Limited (ASX: QEM) (**QEM** or the **Company**) will be holding a General Meeting at **11.00am** (AEST) on **Wednesday, 30 July 2025** at HopgoodGanim Lawyers, Level 8, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000.

In accordance with section 110D(1) of the *Corporations Act 2001* (Cth), the Company will not be sending hard copies of the Notice of Meeting (**Notice**) to shareholders unless a shareholder has made a valid election to receive such documents in hard copy. The Notice can be viewed and downloaded from the Company's website at www.qldem.com.au or ASX at www.asx.com.au.

The Company strongly encourages Shareholders to lodge a directed proxy form prior to the meeting. Questions should also be submitted in advance of the Meeting as this will provide management with the best opportunity to prepare for the meeting, for example by preparing answers in advance to Shareholders questions. However, votes and questions may also be submitted during the Meeting.

Please find below link to the Notice of Meeting and Explanatory Memorandum:
<https://www.qldem.com.au/investor-centre/#asx>

Alternatively, a complete copy of the Notice of Meeting and Explanatory Statement has been posted on the Company's ASX market announcements page.

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice of Meeting and Explanatory Statement.

In order to receive electronic communications from the Company in the future, please update your Shareholder details online at <https://investor.automic.com.au/#/home> and log in with your unique shareholder identification number and postcode (or country for overseas residents), where you can find on your enclosed personalised proxy form. Once logged in you can also lodge your proxy vote online.

If you are unable to access the Notice of Meeting and Explanatory Memorandum online please contact the Company Secretary, Mr Duncan Cornish on (07) 3212 6299 or via email at dcornish@corpservices.com.au

Authorised for release by

Duncan Cornish
Company Secretary

Notice of General Meeting



Date of Meeting: Wednesday, 30 July 2025

Time of Meeting: 11:00am(AEST)

Venue: HopgoodGanim Lawyers, Level 8, Waterfront Place, 1 Eagle Street,
Brisbane Qld 4000

Notice is given that a General Meeting of Shareholders of QEM Limited ACN 167 966 770 (**Company**) will be held at HopgoodGanim Lawyers, Level 8, Waterfront Place, 1 Eagle Street, Brisbane Qld 4000, on Wednesday, 30 July 2025 at 11:00am (AEST).

Terms used in this Notice of Meeting are defined in the Glossary forming part of the Explanatory Statement.

The Explanatory Statement and the Proxy Form accompanying this Notice of Meeting are incorporated in and comprise part of this Notice of Meeting.

Shareholders are encouraged to vote by lodging the proxy form attached to the Notice

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

The Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from a suitably qualified professional advisor 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 General Meeting are those who are registered Shareholders at 7.00pm (AEST) on 28 July 2025.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (07) 3212 6299.

AGENDA

1. Resolution 1 – Ratification of previous issue of 26,483,297 Placement Shares (ASX Listing Rule 7.1)

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 26,483,297 Placement Shares issued to Placement Participants (or their respective nominees) under the Company's ASX Listing Rule 7.1 capacity, in accordance with the terms set out in the Explanatory Memorandum."

2. Resolution 2 – Ratification of previous issue of 19,083,368 Placement Shares (ASX Listing Rule 7.1A)

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 19,083,368 Placement Shares issued to Placement Participants (or their respective nominees) under the Company's ASX Listing Rule 7.1A capacity, in accordance with the terms set out in the Explanatory Memorandum."

3. Resolution 3 - Approval to issue up to 22,783,335 Placement Options to Placement Participants

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

"That, in accordance with Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue up to 22,783,335 Placement Options to Placement Participants (or their respective nominees), on the terms and conditions set out in the Explanatory Statement."

4. Resolution 4 - Approval to issue up to 1,767,672 Fee Options to the Lead Manager

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

"That, in accordance with Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue up to 1,767,672 Fee Options to the Lead Manager (or their respective nominees), on the terms and conditions set out in the Explanatory Statement."

VOTING EXCLUSIONS

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

- (a) Resolution 1 or Resolution 2, by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely, Placement Participants (or their respective nominees), or any of their respective associates; and
- (b) Resolution 3 or Resolution 4, by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or any of their respective associates.

The above voting exclusion does not apply to a vote cast in favour of the relevant Resolution by:

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

BY ORDER OF THE BOARD

Duncan Cornish
Company Secretary
1 July 2025

IMPORTANT INFORMATION ABOUT VOTING ON THE RESOLUTIONS

Voting and attendance information

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

Voting in person

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

Voting by proxy

Shareholders are encouraged to vote by completing a Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form to the Notice of Meeting and Proxy Forms must be received by the Company no later than 11:00am (AEST) on Monday, 28 July 2025 being at least 48 hours before the Meeting.

Proxy Forms can be lodged:

Online:	https://investor.automic.com.au/#/loginsah
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 mobile:	Scan the QR Code on your Proxy Form and follow the prompts

Chair's voting intentions

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

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on any of the Resolutions by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

EXPLANATORY MEMORANDUM

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at HopgoodGanim Lawyers, Level 8, Waterfront Place, 1 Eagle Street, Brisbane Qld 4000 on Wednesday, 30 July 2025 at 11:00am (AEST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

Background to the Private Placement

On 29 May 2025, the Company announced that it had received firm commitments from institutional and sophisticated investors to raise A\$2.05 million (before expenses) by way of a private placement (**Placement**) of approximately 45.55 million new fully paid ordinary shares (**Placement Shares**), at an issue price of \$0.045 per Placement Share, together with 22.78 million free attaching options (**Placement Options**).

The Placement is being undertaken to accelerate development of the Julia Creek Vanadium and Energy Project.

The Placement Shares and Placement Options were issued to those institutional and sophisticated investors who participated in the Placement (**Placement Participants**) as follows:

- (a) 26,483,297 Placement Shares were issued on 6-Jun-25, under the Company's available placement capacity under Listing Rule 7.1 (the subject of Resolution 1); and
- (b) 19,083,368 Placement Shares were issued on 6-Jun-25, under the Company's available Listing Rule 7.1A capacity (the subject of Resolution 2).

Resolutions 1 and 2 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 45,566,665 Placement Shares to the Placement Participants.

The Company also agreed, subject to obtaining the necessary shareholder approvals, to issue:

- (a) up to 22,783,335 Placement Options (exercisable at \$0.065 each and expiring 11-Jul-28) to the Placement Participants on the basis of one Placement Option for every two Placement Shares subscribed for under the Placement (the subject of Resolution 3); and
- (b) 1,767,672 options (**Fee Options**) to Equity Story Securities Pty Ltd (**Lead Manager**) in its capacity as the lead manager of the Placement (the subject of Resolution 4).

As at the date of this Notice, the Placement Options and Lead Manager Options have not yet been issued.

Resolutions 3 and 4 seek Shareholder approval pursuant to ASX Listing Rule 7.1 for, respectively, the issue of the Placement Options to the Placement Participants and the issue of the Fee Options to the Lead Manager.

Resolutions 1 and 2 – Ratification of prior issue of Placement Shares – Listing Rules 7.1 and 7.1A

As set out in the *Background to the Private Placement* section above, on 6 June 2025 the Company issued 45,566,665 Placement Shares to the Placement Participants (being those institutional and sophisticated investors who participated in the Placement).

A total of 45,566,665 Placement Shares were issued pursuant to the Company's available capacity under Listing Rule 7.1 and Listing Rule 7.1A (which was approved by Shareholders at the Company's annual general meeting held on 6 November 2024).

In accordance with Listing Rule 7.4, Shareholder approval is sought to ratify the issue and allotment of the 45,566,665 Placement Shares. The issue of the Placement Shares did not breach Listing Rule 7.1 at the time of issue.

Listing Rules 7.1 and 7.1A

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 12 month period.

Under Listing Rule 7.1A, shareholders can give prior approval (by special resolution at an annual general meeting) to the issue of securities equivalent to an additional 10% of the entity's capital over a 12-month period. Shareholders gave their approval for the issue of additional shares under Listing Rule 7.1A at the last annual general meeting of the Company held on 6 November 2024.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Shares under the Placement.

Listing Rule 7.4

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

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

To this end, Resolution 1 and Resolution 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the 45,566,665 Placement Shares referred to above.

Technical information required by Listing Rule 14.1A

If Resolution 1 and Resolution 2 are passed, the Placement Shares will be excluded in calculating the Company's combined 25% placement limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolution 1 and Resolution 2 are not passed, the Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 1 and Resolution 2:

Listing Rule	Requirement	Information
7.5.1	The names of the persons to whom the Securities are issued or agreed to be issued or the basis on which those persons were identified or selected	<p>The Placement Shares were issued to sophisticated and professional investors (Placement Participants) who are either existing Shareholders of the Company or clients of the Lead Manager.</p> <p>In seeking to procure commitments under the Placement, the Lead Manager identified investors through a bookbuild process, which involved the Lead Manager seeking expressions of interest to participate in the capital raising from</p>

Listing Rule	Requirement	Information
		<p>non-related parties of the Company. Equity Story Securities Pty Ltd was appointed as lead manager to undertake the Placement a summary of the Lead Manager Mandate agreement is set out below in respect of Resolution 4.</p> <p>None of the Placement Participants are related parties of the Company.</p> <p>David Fitch, a substantial holder of 29.21% of the Company (as at 12-Jun-24), participated in the Placement for an amount of \$100,000 and 2,222,223 shares. Mr Fitch now holds 25.62% of the Company</p> <p>None of the Placement Participants are:</p> <ul style="list-style-type: none"> • a member of the Company's Key Management Personnel; • an adviser to the Company; • an associate of any of the above. <p>Aside from Mr Fitch, no other Placement Participants will be considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.2.</p>
7.5.2	The number and class of Securities issued or agreed to be issued	<p>Listing Rule 7.1 – 26,483,297 Placement Shares.</p> <p>Listing Rule 7.1A – 19,083,368 Placement Shares.</p>
7.5.3	Summary of the material terms of the Securities	The Placement Shares are all fully paid ordinary shares in the capital of the Company and will rank pari passu with all other fully paid ordinary shares on issue in the Company.
7.5.4	Date or dates on which the Securities were or will be issued	The Placement Shares were issued on 6 June 2025.
7.5.5	The price or other consideration the entity has received or will receive for the issue	\$0.045 per Placement Share
7.5.6	The purpose of the issue, including the use or intended use of any funds raised by the issue	Funds raised from the issue of the Placement Shares are intended to be used for concept design for electrolyte production plant, UQ test work (kerogen flotation, oil extraction, petrology), infill and sample drilling, environmental studies, water modelling, early PFS packages and for general working capital and placement costs.
7.5.7	Summary of the material terms of the agreement	The Placement Shares will be issued under a placement acceptance letter that contains standard terms for a placement of shares and attaching options.
7.5.8	A voting exclusion statement.	A voting exclusion statement is included in the Notice of Meeting for Resolutions 1 and 2.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1 and Resolution 2.

Resolution 3 - Approval to issue up to 22,783,335 Placement Options to Placement Participants

As set out in the *Background to the Private Placement* section above, the Company has undertaken a Placement to raise \$2.05 million to accelerate development of the Julia Creek Vanadium and Energy Project.

In connection with the Placement, the Company will, subject to obtaining shareholder approval, also issue one free-attaching option in the Company (**Placement Options**) for every two Placement Shares subscribed for under the Placement. The Placement Options are exercisable at \$0.065 per option and will expire on the date which is 3 years from their date of issue.

Resolution 3 is an Ordinary Resolution and seeks Shareholder approval to the issue of the Placement Options for the purposes of Listing Rule 7.1.

A summary of the terms of the Placement Options is set out in Schedule 1 to this Explanatory Memorandum.

Listing Rule 7.1

As discussed above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period (**15% Capacity**).

Equity Securities issued with shareholder approval under Listing Rule 7.1 do not count towards an entity's 15% Capacity.

The Placement Options are Equity Securities under the Listing Rules.

Further, under Listing Rule 7.2 (*Exception 9*), an issue of Equity Securities on the conversion of 'Convertible Securities' (including options) does not count towards the 15% Capacity provided that the entity issued the Convertible Securities:

- (a) before it was listed and disclosed the existence and material terms of the Convertible Securities in the prospectus, PDS or information memorandum lodged with ASX under the Listing Rule 1.1 condition 3; or
- (b) after it was listed and complied with the Listing Rules when it did so.

The purpose of Resolution 3 is to seek Shareholder approval for the issue of the Placement Options in accordance with Listing Rule 7.1 so that the Placement Options, and any shares issued upon the exercise of the Placement Options, do not count towards the Company's 15% Capacity.

If Resolution 3 is passed, the Company will issue up to a total of 22,783,335 Placement Options to the Placement Participants. In addition, those Placement Options, and any Shares issued upon exercise of the Placement Options, will be excluded from the calculation of the Company's 15% Capacity under Listing Rule 7.1, maintaining the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the issue of the Placement Options.

If Resolution 3 is not passed, the Company will not be able to issue the Placement Options in relation to the Placement.

Listing Rule 7.3

For the purposes of Listing Rule 7.3, the Company provides the following information:

Listing Rule	Requirement	Information
7.3.1:	Allottees of Equity Securities	The Placement Options are to be issued to the Placement Participants.

Listing Rule	Requirement	Information
		<p>The Placement Participants are sophisticated and professional investors who are either existing Shareholders of the Company or clients of the Lead Manager.</p> <p>None of the Placement Participants are related parties of the Company.</p> <p>Equity Story Securities Pty Ltd was appointed as lead manager to undertake the Placement a summary of the Lead Manager Mandate agreement is set out below in respect of Resolution 4.</p> <p>David Fitch, a substantial holder of 29.21% of the Company (as at 12-Jun-24), participated in the Placement for an amount of \$100,000 and 2,222,223 shares.</p> <p>None of the Placement Participants are:</p> <ul style="list-style-type: none"> • a member of the Company's Key Management Personnel; • an adviser to the Company; • an associate of any of the above. <p>Aside from Mr Fitch, no other Placement Participants will be considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.4.</p>
7.3.2:	Number and class of Securities that will be issued	<p>The Company will issue up to 22,783,335 Placement Options to the Placement Participants.</p> <p>Each Placement Option will have an exercise price of \$0.065 and on exercise the optionholder will be issued one Share for each Placement Option exercised. As such, the maximum number of Shares that may be issued on the exercise of the Placement Options is 22,783,335.</p>
7.3.3	Summary of material terms of the Equity Securities	<p>A summary of the terms of the Placement Options is set out in Schedule 1 to this Explanatory Memorandum. Any Shares issued upon the exercise of the Placement Options shall rank pari passu with all other existing Shares on issue in the Company.</p>
7.3.4:	Date or dates on or by which the Company will issue the Securities	<p>The Placement Options will be issued shortly after the Meeting and, in any event, within three months of the date of the Meeting or such later date as is permitted by an ASX waiver or modification of the Listing Rules.</p>
7.3.5:	Price of Equity Securities	<p>The Placement Options are being issued as free-attaching options to the Placement Shares under the Placement. The exercise price of each Placement Option is \$0.065.</p>
7.3.6:	Purpose of issuing the Securities	<p>The Placement Options will be issued free-attaching to the Placement Shares under the Placement and the Company will receive no funds from their issue.</p>

Listing Rule	Requirement	Information
7.3.7	Summary of agreement	The Placement Options will be issued under a placement acceptance letter that contains standard terms for a placement of attaching options.
7.3.8:	Information on reverse takeover	The Placement Options are not being issued under, or to fund, a reverse takeover.
7.3.9:	Voting exclusion statement	A voting exclusion statement is included in the Notice of Meeting.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

Resolution 4 - Approval to issue up to 1,767,672 Fee Options to the Lead Manager

As set out in the *Background to the Private Placement* section above, Equity Story Securities Pty Ltd (**Lead Manager**) acted as the lead manager of the Placement.

Under the terms of an agreement entered into with the Lead Manager, the Company has agreed, subject to obtaining Shareholder approval, to issue up to 1,767,672 options to subscribe for fully paid ordinary shares in the Company (**Fee Options**) to the Lead Manager in consideration for their services as lead manager in connection with the Placement.

The Fee Options are exercisable at \$0.065 per option and will expire on the date which is 3 years from their date of issue.

Resolution 4 is an Ordinary Resolution and seeks Shareholder approval to the issue of the Fee Options for the purposes of Listing Rule 7.1.

Listing Rule 7.1

As described above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period (**15% Capacity**).

Equity Securities issued with shareholder approval under Listing Rule 7.1 do not count towards the 15% Capacity.

The Fee Options are Equity Securities under the Listing Rules.

Further under Listing Rule 7.2 (*Exception 9*), an issue of Equity Securities on the conversion of 'Convertible Securities' (including options) does not count towards the 15% Capacity provided that the Company issued the Convertible Securities:

- (a) before it was listed and disclosed the existence and material terms of the Convertible Securities in the prospectus, PDS or information memorandum lodged with ASX under the Listing Rule 1.1 condition 3; or
- (b) after it was listed and complied with the Listing Rules when it did so.

The purpose of Resolution 4 is to seek Shareholder approval for the issue of the Fee Options in accordance with Listing Rule 7.1 so that the Fee Options, and any shares issued upon the exercise of the Fee Options, do not count towards the Company's 15% Capacity.

If Resolution 4 is passed, the Company will issue a total of 1,767,672 Fee Options to the Lead Manager. In addition, those Fee Options, and any Shares issued upon the exercise of the Fee Options, will be excluded from the calculation of the Company's 15% Capacity under Listing Rule 7.1, maintaining the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the issue of the Fee Options.

If Resolution 4 is not passed, the Company will not be able to issue the Fee Options in relation to the Placement unless Resolutions 1 and/or 2 and/or 3 are passed.

Listing Rule 7.3

For the purposes of Listing Rule 7.3, the Company provides the following information:

Listing Rule	Requirement	Information
7.3.1:	Allottees of Equity Securities	The Fee Options are to be issued and allotted to the Lead Manager or its nominees.
7.3.2:	Number and class of Securities that will be issued	The Company will issue up to a maximum of 1,767,672 Fee Options to the Lead Manager. Each Fee Option will have an exercise price of \$0.065 and on exercise the Option holder will be issued one Share for each Fee Option exercised. As such, the maximum number of Shares that may be issued on the exercise of the Fee Options is 1,767,672.
7.3.3	Terms of the Equity Securities	A summary of the terms of the Fee Options is set out in Schedule 2 to this Explanatory Memorandum. Any Shares issued upon the exercise of the Fee Options shall rank pari passu with all other existing Shares on issue in the Company.
7.3.4:	Date or dates on or by which the Company will issue the Securities	The Fee Options will be issued shortly after the Meeting and, in any event, within three months of the date of the Meeting or such later date as is permitted by an ASX waiver or modification of the Listing Rules.
7.3.5:	Price of Equity Securities	The Fee Options are being issued as partial consideration for the services provided by the Lead Manager in relation to the Placement.
7.3.6:	Purpose of issuing the Securities	The Fee Options are being issued as partial consideration for the services provided by the Lead Manager in relation to Placement. Accordingly, the Company will receive no funds from their issue. If the Fee Options are exercised, the Company will receive up to \$114,898.68 (being 1,767,672 Fee Options multiplied by the exercise price of \$0.065 per Fee Option).
7.3.7	Summary of agreement	The Fee Options are being issued in accordance with the Lead Manager Agreement. The material terms of the Lead Manager Agreement are summarised below.
7.3.8:	Information on reverse takeover	The Fee Options are not being issued under, or to fund, a reverse takeover.
7.3.9:	Voting exclusion statement	A voting exclusion statement is included in the Notice of Meeting.

Summary of Lead Manager Agreement

The Company appointed Equity Story Securities (**Equity**) as lead manager to the Placement (**Mandate Agreement**) pursuant to an agreement dated 22 May 2025. Pursuant to the Mandate Agreement, Equity had the right (but not the obligation) to allocate any shortfall of the Placement.

In consideration for providing the services under the Mandate Agreement, the Company agreed to pay Equity:

- (a) a management fee of 3% of the funds raised under the Placement plus GST (**Management Fee**);
- (b) a selling fee of 3% of the funds raised under the Placement plus GST (**Selling Fee**); and
- (c) an option fee equal to 2% of the funds raised under the Placement, to be issued post completion on the following terms:
 - (i) the exercise prices shall be the lesser of:
 - the equivalent in terms to the options offered to investors under the Placement as free attaching options; or
 - a 50% premium to the 10-day Volume Weighted Average Price prior to entering trading halt for the Placement; and
 - (ii) an expiry date of 3 years from the date of issue of the options

(Option Fee).

Resolution 4 seeks Shareholder approval to issue Options in satisfaction of payment of the Option Fee.

The Company has agreed to reimburse Equity in respect of expenses incurred incidental to Placement, and further indemnify Equity and related persons against losses, liabilities and claims in respect of the Placement.

The Mandate Agreement makes provisions (inter alia) for certain covenants to be observed by the Company. Either the Lead Manager or the Company may terminate the Mandate Agreement at any time by notice to the other party.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

1. Glossary

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

\$ or A\$	means Australian Dollars.
AEST	means Australian Eastern Standard Time.
ASX	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Company	means QEM Limited (ACN 167 966 770).
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).

Director	means a director of the Company.
Equity Security	has the same meaning as in the Listing Rules.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Fee Options	means (up to) 1,767,672 options to acquire Shares for which shareholder approval is sought to issue to the Lead Manager on the terms and conditions set out in Schedule 2.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
Lead Manager	means Equity Story Securities Pty Ltd in their capacity as lead manager to the Placement.
Listing Rules	means the listing rules of ASX.
Meeting	has the meaning given in the introductory paragraph of the Notice.
Notice	means this notice of extraordinary general meeting.
Option	means an option to subscribe for a Share.
Placement	means the private placement of 45.55 million Placement Shares and 22.78 million Placement Options by the Company to the Placement Participants to raise A\$2.05 million (before expenses).
Placement Option	means the free-attaching options to acquire Shares for which shareholder approval is sought to issue to the Placement Participants on the basis of one Placement Option for every two Placement Shares subscribed for under the Placement, and otherwise on the terms and conditions set out in Schedule 1.
Placement Participants	means the institutional and sophisticated investors who participated in the Placement.
Placement Shares	means the new fully paid ordinary shares issued to the Placement Participants at an issue price of \$0.045 per Placement Share.
Proxy Form	means the proxy form attached to the Notice.
Resolution	means a resolution referred to in the Notice.
Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company (including Shares, Performance Rights and/or Options).
Share	means a fully paid ordinary share in the capital of the Company.

Shareholder	means the holder of a Share.
VWAP	means volume weighted average market price.
Vesting Condition	means, in respect of any Option, the conditions (if any) that must be satisfied before such Options may be exercised, as are determined by the Board.

Schedule 1 - Terms and Conditions of Placement Options

The terms of the Placement Options are as follows:

(a) **Entitlement**

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

(b) **Issue Price:**

No cash consideration is payable for the issue of the Placement Options.

(c) **Exercise Price:**

The Placement Options have an exercise price of \$0.065 per Placement Option (**Exercise Price**).

(d) **Expiry Date:**

The Placement Options expire at 5.00 pm (AEDT) on the date which is 3 years from their date of issue (**Expiry Date**). A Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **Vesting Conditions**

The Placement Options are not subject to any Vesting Conditions.

(f) **Exercise Period:**

The Placement Options are exercisable at any time and from time to time on or prior to the Expiry Date.

(g) **Quotation of the Placement Options:**

The Company will not apply for quotation of the Placement Options on ASX.

(h) **Transferability of the Placement Options:**

The Placement Options are not transferable, except with the prior written approval of the Company.

(i) **Notice of Exercise:**

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

Any Notice of Exercise of a Placement Option received by the Company will be deemed to be a notice of the exercise of that Placement Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Placement Option being exercised in cleared funds (**Exercise Date**).

(j) **Timing of issue of Shares on exercise:**

Within 5 Business Days after the receipt of a Notice of Exercise and the later of the following:

- (i) the Exercise Date; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Placement Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**); and

- (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Placement Options.

(k) Restrictions on transfer of Shares:

If the Company is required but unable to give ASX a Cleansing Notice, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of Placement Options may not be traded and will be subject to a holding lock 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.

(l) Shares issued on exercise:

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

(m) Quotation of Shares on exercise:

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

(n) Reconstruction of capital:

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

(o) Participation in new issues:

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

(p) Adjustment for bonus issues of Shares:

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a Placement Option will be increased by the number of Shares which the Placement Option holder would have received if the Placement Option holder had exercised the Placement Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

Schedule 2 - Terms and Conditions of Fee Options

The terms of the Fee Options are as follows:

(a) **Entitlement**

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

(b) **Issue Price:**

No cash consideration is payable for the issue of the Fee Options.

(c) **Exercise Price:**

The Fee Options have an exercise price of \$0.065 per Fee Option (**Exercise Price**).

(d) **Expiry Date:**

The Fee Options expire at 5.00 pm (AEDT) on the date which is 3 years from their date of issue. A Fee Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **Vesting Conditions**

The Fee Options are not subject to any Vesting Conditions.

(f) **Exercise Period:**

The Fee Options are exercisable at any time and from time to time on or prior to the Expiry Date.

(g) **Quotation of the Fee Options:**

The Company will not apply for quotation of the Fee Options on ASX.

(h) **Transferability of the Fee Options:**

The Fee Options are not transferable, except with the prior written approval of the Company.

(i) **Notice of Exercise:**

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

Any Notice of Exercise of a Fee Option received by the Company will be deemed to be a notice of the exercise of that Fee Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Fee Option being exercised in cleared funds (**Exercise Date**).

(j) **Timing of issue of Shares on exercise:**

Within 5 Business Days after the receipt of a Notice of Exercise and the later of the following:

- (i) the Exercise Date; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Fee Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**); and

- (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Fee Options.

(k) Restrictions on transfer of Shares:

If the Company is required but unable to give ASX a Cleansing Notice, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of Fee Options may not be traded and will be subject to a holding lock 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.

(l) Shares issued on exercise:

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

(m) Quotation of Shares on exercise:

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

(n) Reconstruction of capital:

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

(o) Participation in new issues:

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

(p) Adjustment for bonus issues of Shares:

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a Fee Option will be increased by the number of Shares which the Fee Option holder would have received if the Fee Option holder had exercised the Fee Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.



QEM Limited | ABN 13 167 966 770

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 Monday, 28 July 2025**, 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://automicgroup.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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GPO Box 5193
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IN PERSON:

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Sydney NSW 2000

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BY FACSIMILE:

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