

Notice of Extraordinary General Meeting and Explanatory Statement

Company: **Respiri Limited ACN 009 234 173**

Date of Meeting: Tuesday 8 August 2023

Time of Meeting: 10.00am (AEST)

Type of Meeting: Held as a virtual meeting

attend the meeting and watch and the listen using the following link:

<https://us02web.zoom.us/j/87286962953?pwd=TnU4MzVSMzg2WS90OHRwNDcyZ2ZVQT09>

and vote online at: <https://meetnow.global/MT6LRTQ>

This is an important document. It should be read in its entirety.

If you are in doubt as to the course you should follow, consult your financial or other professional advisor.

RESPIRI LIMITED

ACN 009 234 173

NOTICE OF GENERAL MEETING

Notice is given that the Extraordinary General Meeting of Shareholders of Respiri Limited (**Respiri** or the **Company**) will be held virtually via a webinar conferencing facility on Tuesday 8 August 2023 at 10.00am (AEST) (**Meeting**).

Shareholders are encouraged to submit their proxies as early as possible, and in any event, prior to the cut-off date for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised proxy form.

Shareholders attending the Meeting virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions at the Meeting.

The virtual meeting can be attended using the following details:

When: Tuesday 8 August 2023 at 10.00am (AEST)

Topic: Respiri Limited – Extraordinary General Meeting

Zoom link:

<https://us02web.zoom.us/j/87286962953?pwd=TnU4MzVSMzg2WS90OHRwNDcyZ2ZVQT09>

Register in advance for this Meeting: andrew.metcalfe@respiri.co

Voting can be undertaken at any time up to 48 hours *prior* to the Meeting in accordance with the instructions on your Proxy form.

Further details in respect of the resolutions proposed in this notice of Meeting (**Notice**) are set out in the Explanatory Statement accompanying this Notice. The Explanatory Statement should be read together with, and forms part of, this Notice.

Please read this Notice carefully and consider directing your proxy on how to vote on each resolution by marking the appropriate box on the proxy form included with this Notice. Shareholders who intend to appoint the Chairman as proxy (including appointment by default) should have regard to the Proxy Form and Voting Instructions appended to this Notice. Voting prior to the meeting is encouraged.

Marjan Mikel

Chief Executive Officer and Managing Director

Agenda

Defined terms used in this Notice have the meanings given to them in the Glossary at the end of this Notice.

Resolution 1: Approval to issue SPP Shares to Shareholders in connection with the SPP Offer

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

"That, subject to Resolutions 2, 3, 4(a), 4(b), 4(c) and 5 being passed, in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the proposed issue by the Company of SPP Shares under the SPP Offer, including the issue of Shortfall Shares under the Shortfall Offer (being up to 88,235,294 Shares), on the terms and conditions set out in the Explanatory Statement."

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

Resolution 2: Approval to issue SPP Options to Shareholders in connection with SPP Offer

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

"That, subject to Resolutions 1, 3, 4(a), 4(b), 4(c) and 5 being passed, in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of one free attaching Option for every two SPP Shares issued to Shareholders who subscribe for Shares under the SPP Offer, including the issue of Shortfall Options under the Shortfall Offer (being up to 44,117,647 Options), on the terms and conditions set out in the Explanatory Statement."

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

Resolution 3: Approval to issue Lead Manager Options

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

"That, subject to Resolutions 1, 2, 4(a), 4(b), 4(c) and 5 being passed, in accordance with Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 6,000,000 Lead Manager Options to the Lead Manager on the terms and conditions set out in this Explanatory Statement."

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

Resolution 4(a) – Ratification of prior issue of Convertible Notes under Convertible Note Offer

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

"That, subject to Resolution 1, 2, 3, 4(b), 4(c) and 5 being passed, in accordance with Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of Convertible Notes pursuant to the Convertible Note Agreement totalling A\$1,350,000 and subsequent entitlement to convert into ordinary shares (on the basis described in the Explanatory Statement), on the terms and conditions set out in this Explanatory Statement."

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

Resolution 4(b) Ratification of prior issue of Convertible Note Options under Convertible Note Offer

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

"That, subject to Resolution 1, 2, 3, 4(a), 4(c) and 5 being passed, in accordance with Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of up to 7,180,851 options in the Company (being a 25% coverage of the Convertible Note Investment Amount divided by the fixed conversion price), on the terms and conditions set out in this Explanatory Statement."

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

Resolution 4(c) – Ratification of prior issue of Placement Shares to the Convertible Note Investor

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

"That, subject to Resolutions 1, 2, 3, 4(a), 4(b) and 5 being passed, in accordance with Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of up to 15,000,000 Shares to Obsidian Global GP, LLC on the terms and conditions set out in this Explanatory Statement."

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

Resolution 5 – Approval of issue of Future Placement Shares

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

"That, in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the proposed issue by the Company of up to 58,823,530 Future Placement Shares, on the terms and conditions set out in the Explanatory Statement."

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

Resolution 6 – Approval to issue Options to Director Brian Leedman

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

"That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue to Mr Brian Leedman (or his nominee) of a total of 20,000,000 Options, on the terms and conditions set out in in the Explanatory Memorandum."

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

Resolution 7 – Ratification of prior issue of Shares to Marc Poulshock

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

"That, in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 1,850,000 Shares to Mr Marc Poulshock (or his nominee) on the terms and conditions set out in the Explanatory Statement."

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

Resolution 8 – Amendment to Constitution

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

"That for the purposes of section 136(2) of the Corporations Act and for all other purposes, the Company's Constitution be amended in the manner set out in the Explanatory Statement, with the amendments to take effect from the conclusion of the Meeting."

A voting exclusion statement does not apply to this Resolution.

Voting Exclusions

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

Resolution 1 – Approval to issue SPP Shares to Shareholders in connection with the SPP Offer	<ul style="list-style-type: none">• a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issued (except a benefit solely by reason of being a holder of ordinary securities); or• an Associate of those persons.
Resolution 2 – Approval to issue SPP Options to Shareholders in connection with the SPP Offer	<ul style="list-style-type: none">• a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issued (except a benefit solely by reason of being a holder of ordinary securities); or• an Associate of those persons.
Resolution 3 – Approval to issue Lead Manager Options	<ul style="list-style-type: none">• a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issued (except a benefit solely by reason of being a holder of ordinary securities); or• an Associate of those persons.
Resolution 4(a) – Ratification of prior issue of Convertible Notes under Convertible Note Offer	<ul style="list-style-type: none">• any person who participated in the issue, or is a counterparty to the agreement being approved; or• an Associate of those persons.
Resolution 4(b) – Ratification of Prior Issue of Convertible Note Options	<ul style="list-style-type: none">• any person who participated in the issue, or is a counterparty to the agreement being approved; or• an Associate of those persons.
Resolution 4(c) – Ratification of prior issue of Placement Shares to the Convertible Note Investor	<ul style="list-style-type: none">• any person who participated in the issue, or is a counterparty to the agreement being approved; or• an Associate of those persons.
Resolution 5 – Approval of issue of Future Placement Shares	<ul style="list-style-type: none">• a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issued (except a benefit solely by reason of being a holder of ordinary securities); or

	<ul style="list-style-type: none"> • an Associate of those persons.
Resolution 6 – Approval to issue Options to Director Brian Leedman	<ul style="list-style-type: none"> • Mr Brian Leedman (or his nominee) and any other person who will obtain a material benefit as a result of the proposed issue of securities (except a benefit solely by reason of being a holder of ordinary securities) or an associate of that person or those persons.
Resolution 7 – Approval to issue Shares to Marc Poulshock	<ul style="list-style-type: none"> • a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issued (except a benefit solely by reason of being a holder of ordinary securities); or • an Associate of those persons.

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

- 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
- 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
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibitions

In relation to Resolution 6, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

- the proxy is the Chair; and

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

Dated Friday 7 July 2023

By order of the Board

Marjan Mikel
Chief Executive Officer and Managing Director

Proxy and Voting Instructions

Proxy Instructions

A Shareholder who is entitled to attend and vote at this Meeting may appoint:

- (a) one proxy if the Shareholder is only entitled to one vote; and
- (b) one or two proxies if the Shareholder is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the Shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes, in which case any fraction of votes will be disregarded.

The proxy may, but need not, be a Shareholder of the Company.

Where a Shareholder appoints two proxies, on a show of hands, neither proxy may vote if more than one proxy attends and on a poll each proxy may only exercise votes in respect of those shares or voting rights the proxy represents.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged per the instructions on the appended proxy form.

The proxy form must be signed by the Shareholder (or in the case of a joint holding, by each joint holder) or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

If you sign the proxy form and do not appoint a proxy, you will have appointed the Chairman of the Meeting as your proxy.

The appointment of one or more duly appointed proxies will not preclude a Shareholder from attending this Meeting and voting personally. If the Shareholder votes on a resolution, the proxy must not vote as the Shareholder's proxy on that resolution.

A proxy form is attached to the Notice of Meeting.

How the Chairman will vote undirected proxies

The Chairman of the Meeting intends to vote all available and undirected proxies FOR all Resolutions.

Proxies that are undirected on the Resolutions

If you appoint the Chairman of the Meeting as your proxy (or if he or she may be appointed by default), but you do not direct the Chairman how to vote in respect of the Resolution, your election to appoint the Chairman as your proxy will be deemed to constitute an express authorisation by you directing the Chairman to vote FOR Resolutions 1 to 7 (inclusive).

This express authorisation acknowledges that the Chairman may vote your proxy even if he or she has an interest in the outcome of the resolution and accordingly your votes will be counted in calculating the required majority if a poll is called.

Corporate Representatives

Any corporation which is a Shareholder of the Company may appoint a proxy, as set out above, or authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the Chairperson of the Meeting) a natural person to act as its representative at any general meeting.

Corporate representatives are requested to bring appropriate evidence of appointment as a representative in accordance with the constitution of the Company. Attorneys are requested to bring the original or a certified copy of the power of attorney pursuant to which they were appointed. Proof of identity will also be required for corporate representatives and attorneys.

Voting Entitlement

For the purposes of section 1074D(2)(g)(i) of the Corporations Act and Regulation 7.11.37(3)(b) of the *Corporations Regulations 2001* (Cth), the Board has determined that Shareholders entered on the Company's Register of Members as at 7.00pm on Sunday 6 August 2023 (AEST) are entitled to attend and vote at the Meeting. Transactions registered after that time will be disregarded in determining the Shareholders entitled to attend and vote at the Meeting.

On a poll, Shareholders have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

In the case of joint holders of shares, if more than one holder votes at any Meeting, only the vote of the first named of the joint holders in the share register of the Company will be counted.

Note that you can lodge your vote online at www.investorvote.com.au using the secure access information printed on your proxy form or by using your mobile device to scan the personalised QR code (also shown on your proxy form). Shareholders are encouraged to vote using this method.

For Intermediary Online subscribers (custodians) proxy forms can be lodged online by visiting www.intermediaryonline.com.

RESPIRI LIMITED
ACN 009 234 173

NOTICE OF EXTRAORDINARY GENERAL MEETING – EXPLANATORY STATEMENT

PURPOSE OF INFORMATION

Notice is given that the Extraordinary General Meeting of Shareholders of Respiro Limited (**Respiro** or the **Company**) will be held virtually via a webinar conferencing facility on Tuesday 8 August 2023 at 10.00am (AEST) (**Meeting**).

Voting can be undertaken at any time up to 48 hours *prior* to the Meeting in accordance with the instructions on your Proxy form.

This Explanatory Statement has been prepared to assist Shareholders to understand the business to be put to Shareholders at the Meeting. It is an important document and should be read carefully and in full. The Notice incorporates, and should be read together with, this Explanatory Statement.

1. Background

1.1 Acquisition of ACCESS

On 23 May 2023, the Company announced that it had entered into a binding purchase agreement to acquire Access Managed Services, LLC, a US-based remote patient monitoring (RPM) and chronic care management (CCM) services provider and existing sales/marketing partner for the Company's Wheezo® device, for up to US\$3 million (**Acquisition**).

The Acquisition is expected to add scale to the Company and broaden its immediate growth opportunities. It is also expected to bring significant growth to the Company's recurring revenue.

The Acquisition is subject to various customary conditions to completion, including that the Company successfully completes a capital raise of not less than US\$2.5 million. As such, the Company is seeking Shareholder approval of the SPP Offer and Convertible Note Offer to facilitate completion of the Acquisition.

For further details on the Acquisition, please refer to the Company's announcement on 23 May 2023.

1.2 SPP Offer and Shortfall Offer

On 23 May 2023, the Company announced details of a securities purchase plan to raise up to \$3,000,000 by the issue of up to 88,235,294 fully paid ordinary shares in the capital of the Company, whereby eligible shareholders are each offered the opportunity to acquire up to \$30,000 worth of Shares at an offer price of \$0.034 (**Offer Price**) per SPP Share (**SPP Shares**) and (1) one free attaching option for every (2) SPP Shares subscribed for (**SPP Options**), exercisable at \$0.065 and expiring on 30 June 2025 (**SPP Offer**).

Any remaining SPP Shares and corresponding free attaching SPP Options not taken up by eligible shareholders under the SPP Offer, will be issued (at the Company's discretion) at the same price as the SPP Shares (**Shortfall Shares**) along with one (1) free-attaching Option for every two (2) Shortfall Shares issued (**Shortfall Options**), offered under the same terms as the SPP Offer (**Shortfall Offer**).

The Company intends on seeking quotation of the SPP Shares and SPP Options.

The securities issued under the SPP Offer and Shortfall Offer are offered under a transaction-specific prospectus pursuant to section 713 of the Corporations Act dated 29 June 2023 (**Prospectus**).

The issue of securities under the SPP Offer and Shortfall Offer is conditional on shareholder approval.

The Company is seeking approval of the issue of SPP Shares and SPP Options under Resolutions 1 and 2.

1.3 Lead Manager Options

The Company has engaged Evolution Capital Pty Ltd ACN 652 397 263 as the lead manager (**Lead Manager**) to the Convertible Note Offer and Shortfall Offer. The Company has entered into a mandate with the Lead Manager, the key terms of which are set out in Schedule 2 (**Lead Manager Mandate**).

Subject to Shareholder approval, the Company has agreed to issue to the Lead Manager, as part consideration for their services provided, up to 6,000,000 Options (**Lead Manager Options**).

The Lead Manager Options will be issued on the same terms as the SPP Options, Shortfall Options and Convertible Note Options, as set out in Schedule 1, and also intends to apply for the quotation of the Lead Manager Options.

The Company is seeking approval of the issue of Lead Manager Options under Resolution 3.

1.4 Convertible Notes, Convertible Note Options and Placement Shares

Further to the announcement on 23 May 2023, the Company has entered into the Convertible Note Agreement for funding of up to A\$1.35 million (**Convertible Note Investment Amount**) by way of issue of convertible notes (**Convertible Notes**) to an independent sophisticated and professional investor, Obsidian Global GP, LLC (**Convertible Note Investor**). The Convertible Notes will be issued at a face value of US\$1.15 per note and a maturity date of 36 months from the date of issue. The Convertible Note Investor can also subscribe for one (1) Option (**Convertible Note Option**) on a 25% coverage of the Convertible Note Investment Amount divided by the Fixed Conversion Price (**Convertible Note Offer**).

The key terms of the Convertible Notes are set out in Schedule 3.

The Convertible Note Offer is subject to number of conditions as set out in Schedule 3, and the Company will issue the number of Convertible Notes that is equivalent to the actual amount paid in US\$ by the Convertible Note Investor, for the Convertible Note Investment Amount.

The Convertible Notes may be converted at various conversion prices as set out in Schedule 3. Notwithstanding that, the maximum number of Shares to be issued under the Convertible Note Agreement, without shareholder approval, is 92,000,000 Shares.

In connection with the Convertible Note Offer, and pursuant to the Convertible Note Agreement (as summarised in Schedule 3), the Company also issued 15,000,000 Shares on 4 July 2023 (**Placement Shares**). These Placement Shares are intended to be used to offset any future shares issued to the Convertible Note Investor at its discretion.

The Company issued Convertible Note Options and Placement Shares on 4 July 2023 pursuant to the Company's existing placement capacity pursuant Listing Rules 7.1 and 7.1A. The Company expects to issue the Convertible Notes on 26 July 2023.

As the Company wishes to retain as much of its placement capacity as possible pursuant to Listing Rules 7.1 and 7.1A, the Company is seeking ratification of the issue of the Convertible Notes, Convertible Note Options and Placement Shares under Resolutions 4(a), 4(b) and 4(c).

1.5 Issue of Future Placement Shares

Further to the Convertible Note Offer and SPP Offer, the Company intends to seek other sophisticated, professional and institutional investors to place Shares with within 3 months of the date of the Meeting (**Future Placement Shares**), to raise up to \$2 million for general working capital requirements and in support of the Acquisition.

As such, the Company seeks Shareholder approval for additional capacity to issue Future Placement Shares to suitable potential investors under Resolution 5.

1.6 Issue of Options to Director

In connection with Mr Brian Leedman's appointment as a non-executive Director of the Company, the Company has agreed, subject to shareholder approval, to issue a total of 20,000,000 Options to Mr Leedman as part of his remuneration.

As Mr Leedman is a related party of the Company, the Company seeking approval to issue the Options under Resolution 6.

1.7 Issue of Shares to Marc Poulshock

Under separate agreements dated 22 December 2021 and 22 May 2023, the Company has engaged Mr Marc Poulshock to provide consulting services in relation to the commercialisation of Wheezo® units in the US. As remaining consideration under the agreements, the Company has agreed to issue 1,850,000 Shares to Mr Poulshock in connection with his services.

As the Company wishes to retain as much of its existing placement capacity as possible under Listing Rule 7.1 and 7.1A, the Company is seeking approval to issue the Shares to Mr Poulshock under Resolution 7.

1.8 Amendment of Constitution

As announced on 23 May 2023, the Company has appointed a new Director, bringing the number of Directors to 4, which introduces a potential of deadlock during Board meetings. The Company's Constitution does not currently provide the Chairperson with a casting vote.

To avoid any potential deadlock of votes at a Board meeting, and to ensure that the Board is able to make decisions efficiently, the Board proposes to amend the Company's Constitution to allow the Chairperson of the meeting to have a casting vote at a Board meeting.

The Company is seeking approval by special resolution to amend the Constitution under Resolution 8.

1.9 Interdependency of Resolution

Each of the Resolutions 1 to 5 are interdependent on each of the other Resolutions being passed, such that if either Resolution 1, 2, 3, 4(a), 4(b), 4(c) or 5 does not pass, then each of the other remaining Resolutions 1 to 4 will also not be passed. The Company has made the decision to make each of Resolutions 1 to 4 interdependent to:

- (a) give the Company the best possible chance to ensure that it is able to successfully complete the SPP Offer and Convertible Note Offer; and

- (b) to ensure that the Company is able to increase its ability to satisfy the conditions of the Acquisition.

It is imperative that the Company has the ability to raise the full amounts under the SPP Offer and the Convertible Note Offer to ensure it is able to meet its expansion plans (including completion of the Acquisition) and ongoing expenditure requirements.

2. Resolution 1 - Approval to Issue SPP Shares to Shareholders in connection with the SPP Offer

2.1 General

As announced to the market on 23 May 2023, the Company has undertaken a capital raising whereby the Company has agreed to issue up to 88,235,294 Shares under the SPP Offer (including any Shortfall Offer) at the Offer Price to raise \$3 million (or such other higher or lower amount that the SPP Offer is increased or reduced to at the Company's discretion).

2.2 Technical information required by Listing Rule 14.1A

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 shares it has on issue at the start of that period. Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. The Company obtained approval to increase its limit to 25% at the annual general meeting held on 15 November 2022 (**25% Placement Capacity**).

The issue of SPP Shares (including any Shortfall Shares) (**Relevant Share Issue**) does not fit within, or rely on, any of the exceptions under Listing Rule 7.2 and, as it has not yet been approved by the Company's shareholders, it effectively uses up part of the 25% Placement Capacity in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without shareholder approval under Listing Rules 7.1 and 7.1A for the 12 month period. As the Company wishes to retain as much of its 25% Placement Capacity as possible, it therefore requires the approval of the Company's shareholders under Listing Rule 7.1 for the Relevant Share Issue.

Resolution 1 seeks shareholder approval for the Relevant Share Issue under Listing Rule 7.1.

If Resolution 1 is passed, the Relevant Share Issue will be excluded in calculating the Company's 25% Placement Capacity under Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the date of the Relevant Share Issue.

If Resolution 1 is not passed, the Company will not proceed with the issue of SPP Shares under the SPP Offer and may not be able to satisfy the capital raising requirement to complete the Acquisition.

2.3 Technical information provided required by ASX Listing Rule 7.3

For the purposes of Resolution 1, the following information is provided in relation to the approval of the SPP Shares (including Shortfall Shares) pursuant to the SPP Offer (including Shortfall Offer) in accordance with ASX Listing Rule 7.3:

Recipients	<p>The Company proposes to issue the SPP Shares:</p> <ul style="list-style-type: none"> • to Eligible Shareholders under the SPP Offer, being: <ul style="list-style-type: none"> ○ the registered holders of Shares in the Company at 7.00pm (AEST) on 22 May 2023 (Record Date) and whose address on the Company's Share register is in Australia or New Zealand; and ○ who have not sold their Shares between the Record Date and 25 July 2023 (SPP Offer Closing Date); and • insofar as there is a shortfall under the SPP Offer, to eligible participants.
Number of shares to be issued	The Company proposes to issue up to 88,235,294 Shares pursuant to the SPP Offer.
Summary of terms	All SPP shares issued under the SPP Offer, including under the Shortfall Offer will be fully paid ordinary shares in the capital of the Company and will rank equally with the Company's existing Shares.
Date of issue	The SPP Shares, including any Shortfall Shares are proposed to be issued as soon as possible following the date of the meeting and in any event no later than 3 months after the date of the meeting LR 7.3.4'.
Price	The SPP Shares, including any Shortfall Shares will be issued at an offer price of \$0.034 per Share.
Purpose of issue	The purpose of the issue is to fund the Acquisition and to be used towards the Company's expansion plans as well as general working capital.
Material Terms of the Agreement	The SPP Shares, including any Shortfall Shares are not being issued under an agreement.
Reverse Takeover	The SPP Shares, including any Shortfall Shares are not being issued under, or to fund, a reverse takeover.
Voting Exclusion Statement	Please refer to the voting exclusion statement set out in the Notice.

2.4 Recommendation

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

3. Resolution 2 - Approval to issue SPP Options to Shareholders in connection with SPP Offer

3.1 General

In connection with the SPP Offer as announced on 23 May 2023, the Company also proposes to issue one (1) free SPP Option (**SPP Option**) for every two (2) SPP Shares subscribed for under the SPP Offer (being up to 44,117,647 Options).

The SPP Options will be issued for nil consideration, will be exercisable at \$0.065 and expiring on 30 June 2025. Each SPP Option gives the holder the right to subscribe for one (1) Share upon exercise and payment of the exercise price.

A summary of Listing Rules 7.1 and 7.1A is stated in section 2.2 above. The issue of SPP Options (including any Shortfall Options) (**Relevant Options Issue**) does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by the Company's shareholders, it effectively uses up part of the 25% Placement Capacity in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without shareholder approval under Listing Rules 7.1 and 7.1A for the 12 month period.

3.2 Technical information required by Listing Rule 14.1A

Resolution 2 seeks shareholder approval for the Relevant Options Issue under Listing Rule 7.1. If Resolution 2 is passed, the Relevant Options Issue will be excluded in calculating the Company's 25% Placement Capacity. Listing Rules 7.1 and 7.1A effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the date of the Relevant Options Issue.

If Resolution 2 is not passed, the Company will not proceed with the Relevant Options Issue and may not satisfy the capital raising requirement to complete the Acquisition. Furthermore, given the interdependency of Resolutions 1, 2, 3, 4(a), 4(b), 4(c) and 5, the Company may not satisfy the capital raise requirement to complete the Acquisition.

3.3 Technical information provided required by ASX Listing Rule 7.3

For the purposes of Resolution 2, the following information is provided in relation to the approval of the SPP Options (and any Shortfall Options) pursuant to the SPP Offer (including Shortfall Offer) in accordance with ASX Listing Rule 7.3:

Recipients

The Company proposes to issue the SPP Options:

- to Eligible Shareholders under the SPP Offer, being:
 - the registered holders of Shares in the Company at 7.00pm (AEST) on 22 May 2023 (**Record Date**) and whose address on the Company's Share register is in Australia or New Zealand; and

- who have not sold their Shares between the Record Date and 25 July 2023 (**SPP Offer Closing Date**); and
- insofar as there is a shortfall under the SPP Offer, to eligible participants.

Number of Options to be issued

The Company proposes to issue up to 44,117,647 Options pursuant to the SPP Offer.

Summary of terms

All SPP Options issued under the SPP Offer, including any Shortfall Options under the Shortfall Offer will be issued on the same terms. The key terms of these Options are set out in Schedule 1.

The Company intends on seeking quotation of the SPP Options. If official quotation is not approved, the Company will issue the Options as unlisted options and may seek quotation at a later date.

Date of issue

The SPP Options, including any Shortfall Options are proposed to be issued as soon as possible following the date of the meeting.

Price

The SPP Options, including any Shortfall Options will be issued nil consideration and are exercisable at \$0.065 per Option (up to 44,117,647 Shares when exercised).

Expiry Date

30 June 2025

Purpose of issue

No funds were raised from the issue of the SPP Options as they were free-attaching Options to the SPP Offer of SPP Shares. However, the proceeds from the issue of SPP Options under the SPP Offer are to fund the Acquisition and to be used towards the Company's expansion plans as well as general working capital.

Material Terms of the Agreement

The SPP Options, including any Shortfall Options are not being issued under an agreement.

Reverse Takeover

The SPP Options, including any Shortfall Options are not being issued under, or to fund, a reverse takeover.

Voting Exclusion Statement

Please refer to the voting exclusion statement set out in the Notice.

3.4 Recommendation

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

4. Resolution 3 - Approval to issue Lead Manager Options

4.1 General

As set out in section 1.3 above, the Company has entered into the Lead Manager Mandate with the Lead Manager. Under the Lead Manager Mandate, other than placement fees, the Company is also offering Lead Managers in connection with the Shortfall Offer as follows:

- (a) where the Lead Manager raises at least \$1 million from investors in connection with the Shortfall Offer, 1 million Lead Manager Options;
- (b) where the Lead Manager raises at least \$1.5 million from investors in connection with the Shortfall Offer, 3 million Lead Manager Options; or
- (c) where the Lead Manager raises at least \$1.5 million from investors in connection with the Shortfall Offer, 3 million Lead Manager Options, plus 2 Lead Manager Options for every dollar raised by the Lead Manager under the Shortfall Offer in excess of \$1.5 million.

As such, the Company is proposing to issue up to 6,000,000 Lead Manager Options to the Lead Manager (or their nominee(s)).

The key terms of the Lead Manager Mandate are set out in Schedule 2.

A summary of Listing Rules 7.1 and 7.1A is stated in section 2.2 above. The proposed issue of the Lead Manager Options does not fall within any of the exceptions of Listing Rule 7.2 and as the Company wishes to retain as much flexibility of its 25% Placement Capacity, it therefore requires the approval of Shareholders under Listing Rule 7.1.

Pursuant to the Lead Manager Mandate, if Shareholder approval is not obtained, the Company will compensate the Lead Manager an amount of \$50,000, being the agreed sum equivalent to the value of the Lead Manager Options, as a compensatory amount.

4.2 Technical information required by Listing Rule 14.1A

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Lead Manager Options.

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

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options and the Company will be required to pay the Lead Manager an amount of \$50,000, being the agreed value equivalent to the Lead Manager Options. Furthermore, given the interdependency of Resolutions 1, 2, 3, 4(a), 4(b), 4(c) and 5, the Company may not satisfy the capital raise requirement to complete the Acquisition.

4.3 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 3:

Recipient	The Company proposes to issue the Lead Manager Options to the Lead Manager.
Number of Options to be issued	The Company proposes to issue up to 6,000,000 Lead Manager Options.
Summary of terms	The Lead Manager Options are issued on the same terms and conditions as the SPP Options, the key terms of which are set out in Schedule 1.
Date of issue	The Lead Manager Options will be issued as soon as practicable, no later than 3 months after the date of the Meeting.
Price	The Lead Manager Options will be issued at a nil issue price and are exercisable at \$0.065 per Lead Manager Option (up to 6,000,000 Shares when exercised).
Expiry Date	30 June 2025
Purpose of issue	The Lead Manager Options will be issued as part consideration for the lead manager services provided by the Lead Manager in relation to the Convertible Note Offer and Shortfall Offer.
Material Terms of the Agreement	<p>The Lead Manager Options are being issued to the Lead Manager under the Lead Manager Mandate.</p> <p>The key terms of the Lead Manager Mandate are set out in Schedule 2.</p>
Reverse Takeover	The Lead Manager Options are not being issued under, or to fund, a reverse takeover.
Voting Exclusion Statement	Please refer to the voting exclusion statement set out in the Notice.

4.4 Recommendation

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

5. Resolution 4(a), 4(b) and 4(c) - Ratification of prior issue of Convertible Notes, Convertible Note Options and Placement Shares

5.1 General

As set out in section 1.4 above, the Company entered into the Convertible Note Agreement with the Convertible Note Investor for the issue of Convertible Notes (expected to be on 26 July 2023) through the Convertible Note Offer. Pursuant to the Convertible Note Offer, the Company will issue the number of Convertible Notes that is equivalent to the actual amount paid in US\$ by the Convertible Note Investor, for the Convertible Note Investment Amount. As the issue date is currently expected to be on 26 July 2023, the AUD:USD exchange rate cannot be determined at the date of this Notice.

The actual number of Convertible Note Shares which may be converted from Convertible Notes is subject to the actual Conversion Price (please refer to section 5.4 below for further details). However, the maximum number of Shares that can be issued under the Convertible Note Agreement, without shareholder approval, is 92,000,000 Shares.

Pursuant to the Convertible Note Agreement, the Company will also issue 15 million Placement Shares and up to 7,180,851 Convertible Note Options, being a 25% coverage of the Convertible Note Investment Amount divided by the Fixed Conversion Price. The Placement Shares are intended to be used to offset any future shares issued to the Convertible Note Investor at its discretion. Any Placement Shares which remain unpaid for at the end of the maturity date of the Convertible Notes (and no amount is owed to the Convertible Note Investor), will either be purchased by Obsidian at 90% of the average of the lowest 5 daily VWAP during the 15 actual trading days immediately prior to the date that the Convertible Note Investor makes the payment, or sold on-market and 95% of the net proceeds paid to the Company.

The Convertible Notes will be issued, and the Convertible Note Options and Placement Shares were issued without Shareholder approval under the Company's 25% Placement Capacity allowable under Listing Rules 7.1 and 7.1A. The Company wishes to retain flexibility to issue equity securities in the future in accordance with Listing Rules 7.1 and 7.1A. Accordingly, the Company seeks Shareholder ratification pursuant to Listing Rule 7.4 for this previous issue of Convertible Notes during the last 12 months.

5.2 Technical information required by Listing Rule 14.1A

Listing Rule 7.1 provides that a listed company must not without Shareholder approval, subject to certain exceptions, issue during any 12-month period any equity securities, including securities with rights of conversion to equity (ie convertible securities), if the number of those securities exceeds its placement capacity. Under Listing Rule 7.1A, the Company has already sought Shareholder approval for its 25% Placement Capacity and has increased its 15% limit by an extra 10% to 25%.

If the equity securities are convertible securities, Listing Rule 7.1B.1(e) provides that in working out the number of equity securities that an entity may issue or agree to issue under Listing Rule 7.1, each convertible security is counted as the maximum number of fully paid ordinary securities into which it can be converted, unless ASX determines otherwise.

An issue of equity securities which has been approved by Shareholders under Listing Rule 7.1 does not count toward a company's 25% Placement Capacity. Listing Rule 7.4 provides that an issue under Listing Rule 7.4 is treated as having been made with approval for the purposes of Listing Rule 7.1 if such issue did not breach Listing Rule 7.1 and holders of the ordinary securities subsequently approve it. The conversion of convertible securities into equity securities will fall within Listing Rule 7.2 Exception 9 and therefore no further approval under Listing Rule 7.1 is required when the issue of the fully paid ordinary securities on conversion of the Convertible Note occurs.

The Company is seeking Shareholder approval pursuant to Listing Rule 7.4 to ratify the issue of:

- (a) the Convertible Notes;
- (b) the Convertible Note Options; and
- (c) the Placement Shares,

to retain as much flexibility as possible to issue additional equity securities in the future without obtaining Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification under Listing Rule 7.4 regarding the Convertible Notes, Convertible Note Options and Placement Shares (**Convertible Note Securities**).

If Resolutions either of 4(a), 4(b) and 4(c) are passed, the relevant Convertible Note Securities will be excluded in calculating the Company's 25% Placement Capacity 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 Convertible Notes.

If Resolutions either 4(a), 4(b) and 4(c) are not passed, the issue of relevant Convertible Note Securities will be included the Company's 25% Placement Capacity in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval of the 12 months period following the date of the issue. Furthermore, given the interdependency of Resolutions 1, 2, 3, 4(a), 4(b), 4(c) and 5, the Company may not satisfy the capital raise requirement to complete the Acquisition.

5.3 Resolution 4(a) – 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 4(a):

Recipient	The Convertible Notes were issued to Obsidian Global GP, LLC (an independent, professional and sophisticated investor).
Number and class of securities issued	<p>The Company will issue up to A\$1.35 million worth of Convertible Notes, and the number of Convertible Notes will be that number which is equivalent to the actual amount paid in US\$ by the Convertible Note Investor, for the Convertible Note Investment Amount.</p> <p>As the expected date of issue is currently 26 July 2023, the number of Convertible Notes that may be issued may change depending on the prevailing AUD:USD exchange rate at the time that the Convertible Notes are issued under the Convertible Note Agreement</p>
Maximum number of Shares	The maximum number of Shares that may be issued under the Convertible Note Agreement is 92,000,000 Shares.
Summary of the material terms	On conversion of the Convertible Notes to Convertible Note Shares, the Convertible Note Shares will be issued as fully paid ordinary shares in the capital of the

Company ranking, and on the same terms and conditions, as the Company's existing Shares.

Date of issue	The Convertible Notes are proposed to be issued on 26 July 2023.
Price	US\$1.15 per Convertible Note. The Convertible Notes will convert on the basis as set out in Section 5.4.
Purpose of the issue	The purpose of the issue of Convertible Notes is to fund the Acquisition and the Company's expansion plans, as well as to otherwise to meet general working capital requirements.
Summary of material terms of agreement	The key terms of the Convertible Note are set out in Schedule 3.
Voting exclusion statement	Please refer to the voting exclusion statement set out in the Notice.

5.4 Conversion of the Convertible Notes

Pursuant to the Convertible Note Agreement, the number of Convertible Note Shares issued upon a conversion of the Convertible Notes will be determined by the following formula:

$$\text{Number of Convertible Note Shares} = \text{Face Value} / \text{Conversion Price}$$

Where:

'Face Value' means the Face Value of the Convertible Note, being US\$1.15 each, multiplied by the number of Convertible Notes to be converted.

'Conversion Price' means either:

- (a) **Fixed Conversion Price:** A\$0.047.
- (b) **Variable Conversion Price:** Is the lesser of:
 - (i) 90% of the average of the lowest 5 daily VWAPS during the 15 actual trading days prior to the date of the Conversion Notice; and
 - (ii) the Fixed Conversion Price.
- (c) **Share Purchase Plan Price:** A\$0.034, to the extent that there is any shortfall in the Company's SPP Offer and the Convertible Note Investor is invited to participate in such shortfall.
- (d) **Automatic Conversion:** if any month's VWAP is a 75% premium to the Fixed Conversion Price and the average trading volume of such month is at least

A\$50,000 per day, then the Convertible Note Investor must convert 50% of any remaining Convertible Notes.

For illustrative purposes only, assuming the Company issued 777,426 Convertible Notes (on the basis of the AUD:USD exchange rate being 1.51 as at 28 June 2023), the below shows an example of the number of Convertible Note Shares that may be issued at various conversion prices.

Conversion Price	Number of Convertible Note Shares issued on conversion	% (on a fully-diluted basis after completion of Offers under the Prospectus)²
Fixed Conversion Price	16,540,979	1.25%
Variable Conversion Price ¹	24,680,191	1.86%
200% of Variable Conversion Price	12,340,096	0.93%
50% of Fixed Conversion Price	49,360,381	3.72%
Maximum number of shares that can be issued under the Convertible Note Agreement	92,000,000	6.94%

Notes:

1. For illustrative purposes, based on 90% of the lowest share price in the 3 months preceding the date of the Prospectus, being \$0.035.
2. Assuming all Offers under the Prospectus are fully subscribed for, and on a fully-diluted basis (including exercise of all Options, and the maximum number of Shares to be issued under the Convertible Note Agreement is issued) there will be 1,326,120,138 Shares on issue.

5.5 Listing Rule 6.1

Listing Rule 6.1 requires that any convertible securities issued by a company are issued on terms that are considered appropriate and equitable. In determining whether the convertible securities are appropriate and equitable, the terms and conditions of the convertible securities must be fair to both new and existing shareholders of the company. If the convertible securities appear to be favourable to the holder of the convertible securities, the company is required to explain the circumstances underpinning the issue of the convertible securities.

The Company provides the following information for the purposes of section 4 of ASX Compliance Update No 05/20:

- (a) The Company entered into the Convertible Note Agreement with Obsidian Global GP, LLC to raise funds to acquire 100% of the member interest of Access Managed Services LLC.
- (b) The Company has negotiated the Convertible Note Agreement at arm's length with a sophisticated and professional investor who is an independent third party to the Company.
- (c) The Company considers that the issue of the Convertible Notes is an appropriate and commercial solution to provide working capital to enable the Company to advance its acquisition and growth plans.

- (d) The Company that the Convertible Note Agreement not a deed of charge or a form of security arrangement to issue 'collateral shares'.

The Company considers that that terms of the Convertible Notes under Resolution 4(a), 4(b) and 4(c) are market-standard and that none of the features noted in section 5.9 of Guidance Note 21 are present.

5.6 Resolution 4(b) – 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 4(b):

Recipient	The Convertible Note Options were issued to Obsidian Global GP, LLC.
Number and class of securities issued	The Company will issue of up to 7,180,851 Convertible Note Options, being a 25% coverage of the Convertible Note Investment Amount divided by the Fixed Conversion Price.
Summary of the material terms	A summary of the key terms of the Convertible Note Options are set out in Schedule 1 which are the same as the SPP Options.
Date of issue	4 July 2023
Price	The Convertible Note Options will be issued for nil consideration but are exercisable at \$0.065 each (up to 7,180,851 Shares when exercised).
Purpose of the issue	No funds were raised from the issue of the Convertible Note Options as they were free-attaching Options to the Convertible Note Offer. However, the proceeds from the issue of Convertible Notes under the Convertible Note Offer are to fund the Acquisition and the Company's expansion plans, as well as to meet general working capital requirements.
Summary of material terms of agreement	The key terms of the Convertible Note Options are set out in Schedule 3.
Voting exclusion statement	Please refer to the voting exclusion statement set out in the Notice.

5.7 Resolution 4(c) – 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 4(c):

Recipient	The Placement Shares were issued to Obsidian Global GP, LLC.
Number and class of securities issued	15,000,000 Shares
Summary of the material terms	The Placement Shares will rank equally with the Company's fully paid ordinary Shares and will be issued on the same terms as the Company's existing Shares.
Date of issue	4 July 2023
Price	<p>The Placement Shares were issued at nil consideration and are to be held by the Convertible Note Investor as security.</p> <p>Any Placement Shares which remain unpaid for at the end of the maturity date of the Convertible Notes (and no amount is owed to Obsidian), will either be purchased by Obsidian at 90% of the average of the lowest 5 daily VWAP during the 15 actual trading days immediately prior to the date that Obsidian makes the payment, or sold on-market and 95% of the net proceeds paid to the Company.</p>
Purpose of the issue	The Placement Shares are intended to be used to offset any future shares issued to the Convertible Note Investor.
Summary of material terms of agreement	The key terms of the Convertible Notes (which include the Placement Shares) are set out in Schedule 3.
Voting exclusion statement	Please refer to the voting exclusion statement set out in the Notice.

5.8 Recommendation

Directors recommend that Shareholders vote in favour of Resolutions 4(a), 4(b) and 4(c).

6. Resolution 5 - Approval of issue of Future Placement Shares

6.1 General

The Company intends on seeking suitable professional or sophisticated investors to place Shares with, within 3 months of the date of the Meeting, to raise capital in support of the Company's expansion plans and general working capital requirements, and in support of the Acquisition. In order to provide the Company with as much flexibility as possible, the

Company seeks Shareholder approval under Resolution 5 to issue up to 58,823,530 Future Placement Shares to suitable potential investors, to raise up to \$2 million.

6.2 Technical information required by Listing Rule 14.1A

Resolution 5 seeks shareholder approval for the issue of Future Placement Shares under Listing Rule 7.1. If Resolution 6 is passed, the issue of Future Placement Shares will be excluded in calculating the Company's 25% Placement Capacity under Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the date of the issue of Future Placement Shares.

If Resolution 5 is not passed, the issue of Future Placement Shares will not be able to proceed and the Company will have to wait until it has sufficient placement capacity. Consequentially, the Company may not be able to secure suitable strategic investors to place Shares with may have to refund any funds received. Furthermore, given the interdependency of Resolutions 1, 2, 3, 4(a), 4(b), 4(c) and 5, the Company may not satisfy the capital raise requirement to complete the Acquisition.

6.3 Technical information provided required by ASX Listing Rule 7.3

For the purposes of Resolution 5, the following information is provided in relation to the approval of the issue of Future Placement Shares in accordance with ASX Listing Rule 7.3:

Recipients	The Company proposes to issue Future Placement Shares to sophisticated, professional and institutional investors under private placement, taking into consideration: <ul style="list-style-type: none">• investment style with a focus on investors with a patient, long-term outlook;• familiarity with the Company, the Board and industry in which the Company operates; and• suitability with the Company's growth and expansion plans.
Number of Shares to be issued	The Company proposes to issue up to 58,823,530 Shares as Future Placement Shares.
Summary of terms	All Future Placement Shares will be fully paid ordinary shares in the capital of the Company and will rank equally with the Company's existing Shares.
Date of issue	The Future Placement Shares will be issued as soon as the possible, subject to the Company identifying suitable investors, but in any case, no later than 3 months after the date of this Meeting.
Price	\$0.034 per Future Placement Share
Purpose of issue	To raise capital for the Company's working capital requirements, and in support of the Acquisition.

Material Terms of the Agreement	The Future Placement Shares are not being issued under an agreement.
Reverse Takeover	The Future Placement Shares are not being issued under, or to fund, a reverse takeover.
Voting Exclusion Statement	Please refer to the voting exclusion statement set out in the Notice.

6.4 Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 5.

7. Resolution 6 – Approval to issue Director Options to Director Brian Leedman

7.1 General

On 23 May 2023, the Company announced the appointment of Mr Brian Leedman as a non-executive Director of the Company.

Under Mr Leedman's employment contract (**Leedman Employment Contract**) Mr Leedman will work full time for the Company in the position of non-executive Director and will be remunerated by an annual salary of \$120,000 plus superannuation. In view of providing a longer-term incentive following Mr Leedman's appointment, the Company has also agreed, subject to obtaining Shareholder approval, to issue a total of 20,000,000 Options to Mr Leedman as follows:

Tranche	Number	Vesting conditions	Exercise Price	Expiry
Tranche 1 Director Options	10,000,000	1/3 of the Options vest after 6 months from the date of issue;	\$0.065	30 June 2025
Tranche 2 Director Options	10,000,000	1/3 of the Options vest after 12 months from the date of issue; and 1/3 of the Options vest after 18 months from the date of issue.	\$0.10	30 June 2025

(together, the **Director Options**).

7.2 Rationale behind the issue

The Company considers that the issue of Director Options constitutes reasonable remuneration and that the value of the Director Options represents appropriate remuneration to retain the Mr Leedman which is comparable to director remuneration at similar ASX listed companies. Further the Company believes that the issue of Director Options are to motivate and reward Mr Leedman's performance as a Director, enabling 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 Leedman.

7.3 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of **the Corporations Act**; and
- (b) give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Director Options constitutes giving a financial benefit and Mr Leedman is a related party of the Company by virtue of being appointed as the Company's Director. The Directors (other than Mr Leedman who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Director Options because the agreement to grant the Director Options, reached as part of the remuneration package for Mr Leedman, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis as part of Mr Leedman's remuneration package.

7.4 ASX Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company;
- (c) a person who is, or was at the time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) a person whose relationship with the Company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders, unless it obtains the approval of its shareholders,

unless it obtains the approval of its Shareholders.

The issue of Director Options to Mr Leedman falls within Listing Rule 10.11.1, as he is related party of the Company and does not fall within any of the exceptions in Listing Rule 10.12. The proposed issue of Director Options therefore requires the approval of Shareholders under Listing Rule 10.11.

7.5 Technical Information required by Listing Rule 14.1A

If Resolution 6 is passed the Company will be able to proceed with the issue of Director Options to Mr Leedman as part of his remuneration.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of Director Shares to Mr Leedman. In such circumstances the Company may elect to implement alternative remuneration practices, which may be increased cash-based

remuneration packages for Mr Leedman and/or alternative short-term incentive arrangements which may be cash or equity based.

7.6 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 6:

Recipient	The Director Options will be issued to Mr Leedman who is a non-executive Director of the Company.
Number and class of securities to be issued	<p>A total of 20,000,000 Director Options will be issued. This will comprise;</p> <p>(a) 10,000,000 Tranche 1 Director Options; and</p> <p>(b) 10,000,000 Tranche 2 Director Options,</p> <p>pursuant to the table in section 7.1 of this Explanatory Statement.</p>
Summary of material terms	A summary of terms of the Director Options is set out in Schedule 4.
Date of issue	The Director Options will be granted as soon as possible following this Meeting and in any event, no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that vesting of the Director Options will occur pursuant to the table in section 7.1 of this Explanatory Statement.
Price	The Director Options will be issued for nil cash consideration, accordingly no funds will be raised.
Purpose of issue	The Director Options are being issued as part of Mr Leedman's remuneration package to motivate and reward Mr Leedman and to provide cost effective remuneration, enabling 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 Leedman.
Summary of agreement	The Director Options are being issued to Mr Leedman under the Leedman Employment Agreement. A summary of the material terms of the Leedman Employment Agreement are set out in section 7.1.
Voting Exclusion Statement	Please refer to the voting exclusion statement and voting prohibition statement set out in the Notice.

7.7 Recommendation

Directors recommend that Shareholders vote in favour of Resolution 6.

8. Resolution 7 – Ratification of prior issue of Shares to Marc Poulshock

8.1 General

On 22 December 2021, The Company engaged Mr Marc Poulshock under an independent contractor agreement to provide consulting services in relation to the commercialisation of Wheezo® units in the US (**Contractor Agreement**). Under the Contractor Agreement, the Company agreed to pay Mr Poulshock 3,700,000 Shares at an approximate value of US\$150,000.

On 14 June 2022, the Company issued 1,850,000 Shares to Mr Poulshock at an issue price of A\$0.059 as part consideration under the Contractor Agreement. Due to supply issues, the Contractor Agreement was unable to be completed and the Company entered into a separate agreement dated 22 May 2023 with, amongst other parties, Mr Poulshock for the return of outstanding Wheezo® units to the Company (**Settlement Agreement**) in exchange for the Company issuing the remaining 1,850,000 Shares to Mr Poulshock as consideration (**Poulshock Shares**).

The Poulshock Shares were issued to Mr Poulshock on 23 June 2023 in accordance with the Settlement Agreement.

8.2 Technical information required by Listing Rule 14.1A

A summary of Listing Rule 7.1 is stated in section 2.2 above. The proposed issue of the Poulshock Shares does not fall within any of the exceptions of Listing Rule 7.2 and the Company wishes to retain as much of its 25% Placement Capacity in Listing Rules 7.1 and 7.1A.

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

If Resolution 7 is passed, the Poulshock Shares will be excluded in calculating the Company's 25% Placement Capacity, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the date of the issue of the Poulshock Shares.

If Resolution 7 is not passed, the Poulshock Shares will be included in calculating the Company's 25% Placement Capacity, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the date of the issue of the Poulshock Shares.

8.3 Technical information provided required by ASX Listing Rule 7.5

For the purposes of Resolution 7, the following information is provided in relation to the approval of the Poulshock Shares pursuant to the Settlement Agreement in accordance with ASX Listing Rule 7.3:

Recipients The Poulshock Shares were issued to Mr Poulshock, an independent third-party consultant.

Number of shares issued The Company issued 1,850,000 Shares.

Summary of terms	The Poulshock Shares rank equally with the Company's fully paid ordinary Shares and are issued on the same terms as the Company's existing Shares.
Date of issue	23 June 2023
Price and purpose of issue	The Poulshock Shares are issued as consideration and in satisfaction of the Contractor Agreement and Settlement Agreement.
Material Terms of the Agreement	A summary of the material terms of the Settlement Agreement and Contractor Agreement are set out in Schedule 5.
Reverse Takeover	The Poulshock Shares are not being issued under, or to fund, a reverse takeover.
Voting Exclusion Statement	Please refer to the voting exclusion statement set out in the Notice.

8.4 Recommendation

Directors recommend that Shareholders vote in favour of Resolution 7.

9. Resolution 8 – Amendment to Constitution

9.1 General

Under clause 13.1 of the Constitution, the Company is able appoint, as it thinks fit, between three to ten Directors to the Board.

As announced on 23 May 2023, the Company has appointed a new Director to the Board. As such, the Company currently has an even number of Directors on the Board, being 4. In light of this, there is potential for a situation where Directors could reach a deadlock during Board meetings.

To avoid a situation of a deadlock of votes at a Board meeting, and to ensure the Board is able to make decisions efficiently, the Board proposes to amend clause 15.5 of the Company's Constitution to provide the Chairperson of the meeting with the entitlement to give a casting vote at a Board meeting.

If Resolution 8 is passed, the amended Constitution will take effect from the close of this Meeting.

9.2 Proposed amendment

The Board has proposed to amend clause 15.5 of the Constitution to read as follows:

15.5 Proceedings at meetings

- (a) *Subject to this Constitution, questions arising at a meeting of Directors are decided by a majority of votes of Directors present in person or by their alternate director (if any) and voting and for all purposes any such decision is taken to be a decision of the Directors.*
- (b) *In the case of an equality of votes, the Chairperson of the meeting may exercise a second casting vote on that resolution in addition to the Chairperson's deliberate vote.*

9.3 Technical Requirements

Section 136(2) of the *Corporations Act 2001* (Cth) (**Corporations Act**) provides that the Constitution cannot be amended or varied except by special resolution under the Corporations Act.

Resolution 8 seeks approval by a special majority, which can only be passed if at least 75% of the total votes cast by Shareholders, entitled to vote on this Resolution, are voted in its favour. This special majority of Shareholders is to be passed pursuant to a special resolution under the Corporations Act, and for all other purposes, for the Constitution to be amended as outlined above.

Shareholders may request a copy of the updated constitution which incorporates the amendments contemplated by Resolution 8 by contacting Andrew Metcalfe (Company Secretary) on andrew.metcalfe@resperi.co.

9.4 Recommendation

Directors recommend that Shareholders vote in favour of Resolution 8.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“**\$**” or “**A\$**” means Australian Dollars;

“**25% Placement Capacity**” has the meaning as defined in section 2.2 of this Explanatory Statement;

“**Acquisition**” has the meaning as defined in section 1.1 of this Explanatory Statement;

“**AEST**” means Australian Eastern Standard Time;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**Associate**” has the meaning given to that term in the Corporations Act for the purposes of subdivision C of Chapter 6.5 of the Corporations Act;

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairperson**” means the chairperson of Directors appointed under clause 15.4 of the Constitution;

“**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 Respire Limited ACN 009 234 173;

“**Constitution**” means the constitution of the Company as altered or added to from time to time;

“**Contractor Agreement**” has the meaning as defined in section 8.1 of this Explanatory Statement;

“**Convertible Note**” has the meaning as defined in section 1.4 of this Explanatory Statement;

“**Convertible Note Agreement**” means the agreement dated on or around 28 June 2023 entered into between the Company and the Convertible Note holder, pursuant to which the Convertible Notes will be issued, on the terms and conditions contained therein.

“**Convertible Note Investment Amount**” has the meaning as defined in section 1.4 of this Explanatory Statement;

“**Convertible Note Investor**” has the meaning as defined in section 1.4 of this Explanatory Statement;

“Convertible Note Offer” has the meaning as defined in section 1.4 of this Explanatory Statement;

“Convertible Note Options” has the meaning as defined in section 1.4 of this Explanatory Statement;

“Convertible Note Securities” has the meaning as defined in section 5.2 of this Explanatory Statement;

“Convertible Note Shares” has the meaning as defined in section 1.4 of this Explanatory Statement;

“Corporations Act” means the *Corporations Act 2001* (Cth);

“Director” means a director of the Company;

“Director Options” has the meaning as defined in section 7.1 of this Explanatory Statement;

“Eligible Shareholders” means Shareholders:

- (a) who were registered holders of Shares on the Record Date; and
- (b) whose registered address was in Australia or New Zealand;
- (c) are not in the United States and are not “U.S. persons” (as defined under Regulation S under the US Securities Act as amended) (US Persons) or acting for the account or benefit of US Persons; and
- (d) are eligible under all applicable securities laws to receive an offer under the SPP Offer;

“Explanatory Statement” means the explanatory statement which forms part of the Notice;

“Fixed Conversion Price” means the fixed conversion price applicable to the conversion of Convertible Notes into Shares, as set out in Section 5.4 of this Explanatory Statement;

“Future Placement Shares” has the meaning as defined in section 1.5 of this Explanatory Statement;

“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” has the meaning as defined in section 1.3 of this Explanatory Statement;

“Lead Manager Mandate” has the meaning as defined in section 1.3 of this Explanatory Statement;

“Lead Manager Option” has the meaning as defined in section 1.3 of this Explanatory Statement;

“Leedman Employment Contract” has the meaning as defined in section 7.1 of this Explanatory Statement;

“Listing Rules” means the Listing Rules of the ASX;

“Meeting” has the meaning given in the introductory paragraph of the Notice;

“Notice” means the notice of meeting including the Explanatory Statement;

“Offer Price” has the meaning as defined in section 1.2 of this Explanatory Statement;

“Option” means an option to acquire a Share, subject to conditions specified by the Board;

“Poulshock Shares” has the meaning as defined in section 8.1 of this Explanatory Statement;

“Prospectus” has the meaning as defined in section 1.2 of this Explanatory Statement;

“Proxy Form” means the proxy form attached to the Notice;

“Relevant Share Issue” has the meaning given in section 2.2 of this Notice;

“Resolution” means a resolution defined in the Notice;

“Placement Shares” has the meaning as defined in section 1.3 of this Explanatory Statement;

“Settlement Agreement” has the meaning as defined in section 8.1 of this Explanatory Statement;

“Share” means a fully paid ordinary share in the capital of the Company;

“Shareholder” means a holder of Shares;

“Shortfall Offer” has the meaning as defined in section 1.2 of this Explanatory Statement;

“Shortfall Option” has the meaning as defined in section 1.2 of this Explanatory Statement;

“Shortfall Shares” has the meaning as defined in section 1.2 of this Explanatory Statement;

“SPP Offer” has the meaning as defined in section 1.2 of this Explanatory Statement;

“SPP Option” has the meaning as defined in section 1.2 of this Explanatory Statement;

“SPP Share” has the meaning as defined in section 1.2 of this Explanatory Statement;

“Tranche 1 Director Options” has the meaning as defined in section 7.1 of this Explanatory Statement;

“Tranche 2 Director Options” has the meaning as defined in section 7.1 of this Explanatory Statement;

“US\$” or “USD” means the United States dollar; and

“VWAP” means volume weighted average price.

Schedule 1 – Option Terms

The Options (including the SPP Options, Shortfall Options, Lead Manager Options and Convertible Note Options) to be issued under the Prospectus entitle the holder to subscribe for Shares on the following terms and conditions.

(a) Entitlement

- (i) Each Option entitles the Option holder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.
- (ii) Shares issued on the exercise of Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

(b) Exercise of Option

- (i) The Options are exercisable at any time from the issue date.
- (ii) The Options expire 30 June 2025 from date of issue.
- (iii) The exercise price per option is \$0.065.
- (iv) Each Option is exercisable by the Option holder signing and delivering a notice of exercise of Option together with the exercise price in full for each Share to be issued upon exercise of each Option to the Company's Share Registry (Exercise Notice). Unless a holder is exercising all of their Options, Options must be exercised in parcels of not less than 1,000.
- (v) The Options cannot be exercised if, as a result of the exercise, the Optionholder or any of its associates would breach the provisions of Chapter 6 (and specifically section 606) of the Corporations Act.
- (vi) Remittances must be made payable to 'Respiri Limited'.
- (vii) All Options will lapse on the earlier of the:
 - (A) receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the Option; and
 - (B) expiry of the final date and time for exercise of the Option.
- (viii) In the event of liquidation of the Company, all unexercised Options will lapse.

(c) Issue of Shares

Upon receipt of a valid Exercise Notice (accompanied by the applicable Exercise Price monies), the Company must issue the number of Shares equal to the number of Options the subject of valid Exercise Notices.

(d) Constitution

Each Option holder who exercises Options consents to becoming a member of the Company and agrees to be bound by the Constitution of the Company upon the issue of the new Shares.

(e) Quotation

- (i) Application for Official Quotation of the Options offered pursuant to this Prospectus will be made within seven (7) days of the date of this Prospectus.
- (ii) If ASX does not grant Official Quotation of the SPP Options offered pursuant to this Prospectus, within three months after the date of this Prospectus (or sub period as varied by ASIC), the Company will issue the Options as unlisted Options and may seek Official Quotation at a later date.

(f) Dividends and voting

- (i) The Options do not provide the Option holder any entitlement to dividends or other distributions.
- (ii) The Options do not entitle the Option holder to receive notice of, attend or vote at, any meeting of the Company's Shareholders.

(g) Participation in Securities Issues

Subject to paragraph (h) below, the holder is not entitled to participate in new issues of securities without exercising the Options.

(h) Participation in a Reorganisation of Capital

- (i) In the event of any reconstruction or reorganisation (including consolidation, subdivision, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the ASX Listing Rules applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the Options do not result in any benefit being conferred on the Option holder which is not conferred on Shareholders of the Company.
- (ii) In any reorganisation as referred to in paragraph (h)(i), Options will be treated in the following manner:
 - (A) in the event of a consolidation of the share capital of the Company, the number of Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (B) in the event of a subdivision of the share capital of the Company, the number of Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (C) in the event of a return of the share capital of the Company, the number of Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
 - (D) in the event of a reduction of the share capital of the Company by a cancellation of paid-up capital that is lost or not represented by available assets where no securities are cancelled the number of Options and the exercise price of each Option will remain unaltered;
 - (E) in the event of a pro-rata cancellation of shares in the Company, the number of Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each Option will be amended in inverse proportion to that ratio; and

- (F) in the event of any other reorganisation of the issued capital of the Company, the number of Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on shareholders.

Schedule 2 – Lead Manager Mandate

The following is a summary of the principal provisions of the Lead Manager Mandate.

(a) Term

The Lead Manager Mandate will continue until terminated in accordance with its terms.

(b) Fees and expenses

In consideration for such services, the Company has agreed to pay the Lead Manager:

- (i) **Convertible Note Cash Fee:** a cash fee of 5% of the value of the Convertible Notes placed (plus GST);
- (ii) **SPP Shortfall Cash fee:** a cash fee of 6% of the Shortfall Shares placed by the Lead Manager (plus GST); and
- (iii) **Lead Manger Options:** after completion of the Convertible Note Offer and the Shortfall Offer:
 - (A) where Evolution Capital raises at least \$1 million from investors in connection with the Shortfall Offer, 1 million Options;
 - (B) where Evolution Capital raises at least \$1.5 million from investors in connection with the Shortfall Offer, 3 million Options; or
 - (C) where Evolution Capital raises at least \$1.5 million from investors in connection with the Shortfall Offer, 3 million Options, plus 2 Options for every dollar raised by Evolution Capital under the Shortfall Offer in excess of \$1.5 million,

and no Lead Manager Options will be issued pursuant to the Convertible Note Offer.

If the Company is unable to obtain Shareholder approval for the issue of Lead Manager Options within 2 months of executing the Lead Manager Mandate, the Company will pay the Lead Manager a sum of \$50,000, being the agreed equivalent value of the Lead Manager Options.

(c) Termination

The Lead Manager Mandate may be terminated by either the Company the Lead Manager:

- (i) at any time by giving 7 days' written notice to the other party; or
- (ii) without notice:
 - (A) upon a breach of a term of the Lead Manager Mandate that has a material and adverse effect on the other party and (if capable of remedy) that breach fails to be remedied within 7 days of receiving written notice; or
 - (B) an insolvency event under the Lead Manager Mandate occurs to either party.

Schedule 3 – Convertible Note Terms

A summary of the key terms of the Convertible Notes is as below:

Term	Detail
Investor	Obsidian Global GP, LLC (Obsidian)
Convertible Note Investment Amount	A\$1.35 million via convertible notes, comprised of: <ol style="list-style-type: none"> an advance of \$350,000 payable on the advance date; and the remaining \$1 million payable on the purchase date.
Face Value	US\$1.15 per Convertible Note. After 12 months, the Face Value on the remaining balance will increase by 10%.
Number of Convertible Notes	That number which is equivalent to the actual amount paid in US\$ by the Convertible Note Investor, for the Convertible Note Investment Amount, rounded upwards to the next whole number.
Interest	None.
Maturity Date	36 months
Ranking	The Shares on conversion will rank equally with the Company's existing Shares.
Conditions	<p>Conditions for the payment of the \$350,000 advance include:</p> <ol style="list-style-type: none"> the issue of Convertible Note Options and Placement Shares to Obsidian; and ASX has not advised the Company that the terms of the Convertible Note Agreement are not appropriate or equitable for the purposes of Listing Rule 6.1 (or the Company has subsequently remedied any such issue). <p>Conditions to the payment of the remaining \$1 million include:</p> <ol style="list-style-type: none"> this Prospectus being lodged with ASIC; Obsidian being satisfied with the terms of this Prospectus; the Company accepting an application from Obsidian for the Convertible Notes; and the Company receiving net proceeds of at least A\$2 million under the SPP Offer (inclusive of any Shortfall Securities that Evolution Capital subscribes for).
Conversion Rights	The Convertible Notes may be converted at any time up until the Maturity Date.
Conversion Price	<p>Obsidian may elect to convert the Convertible Notes on the following basis:</p> <ol style="list-style-type: none"> Fixed Conversion Price: A\$0.047.

Term	Detail
	<p>2. Share Purchase Plan Price: A\$0.034, to the extent that there is any shortfall in the Company's share purchase plan and Obsidian is invited to participate in such shortfall.</p> <p>3. Variable Conversion Price: is the lesser of:</p> <ul style="list-style-type: none"> a. 90% of the average of the lowest 5 daily VWAPS during the 15 actual trading days prior to the date of the Conversion Notice; and b. the Fixed Conversion Price, <p>to the extent the conversion is 60 days after the purchase date of the Convertible Notes.</p> <p>4. Automatic Conversion: if any month's VWAP is a 75% premium to the Fixed Conversion Price and the average trading volume of such month is at least \$50,000 per day, then Obsidian must convert 50% of any remaining Convertible Notes.</p>
Maximum number of shares to be issued	The maximum number of shares to be issued pursuant to the Convertible Note Agreement, without shareholder approval, is 92,000,000 shares.
Redemption	<p>The Company may at any time repay any outstanding amount of the Investment Amount in cash.</p> <p>If the repayment is within 90 days of the Convertible Note Execution Date, the repayment amount will be at Face Value for each Convertible Note, thereafter, the repayment amount for each Convertible Note is at a 10% premium to the Face Value.</p>
Exchange Rate	The Convertible Notes shall be held in USD.
Placement Shares	<p>The Company will issue 15 million Shares (Placement Shares), which may be used to offset any future share issues to Obsidian at Obsidian's discretion.</p> <p>Any Placement Shares which remain unpaid for at the end of the Maturity Date (and no amount is owed to Obsidian), will either be purchased by Obsidian at 90% of the average of the lowest 5 daily VWAP during the 15 actual trading days immediately prior to the date that Obsidian makes the payment, or sold on-market and 95% of the net proceeds paid to the Company.</p>
Options	The investor is entitled to subscribe for one (1) Option on a 25% coverage of the Convertible Note Investment Amount at the Fixed Conversion Price.
Trading Restrictions	<p>Obsidian, in any given day, must not sell Shares, more than the greater of 20% of the day's trading volume, or \$25,000.</p> <p>The requirements and restrictions in above will cease to apply if:</p> <ol style="list-style-type: none"> 1. there is any event of default; or

Term	Detail
	2. the daily VWAP is less than or equal to A\$0.02 for any 10 consecutive trading days.
Legal fee contribution	\$20,000 in upfront legal costs
Event of Default	<p>If an event of default occurs, interest is payable at a rate of 15% per annum, which interest shall accrue daily and shall be compounded monthly, from the date of the event of default until the Company discharges the amount outstanding in full.</p> <p>The Convertible Note Agreement provides that a default will occur on the occurrence of certain events, including:</p> <ol style="list-style-type: none"> 1. The Company fails to repay the redemption amount in respect of the number of Convertible Notes specified in an Early Redemption Notice on or before the day which is 5 Business Days after the date on which the Company gives the Early Redemption Notice. 2. The Company fails to pay or repay any amount payable under a transaction document when due. 3. Any of the materials provided by the Company is inaccurate, false or misleading in any material respect (including by omission), as of the date on which it is made or delivered. 4. Any of Obsidian's Shares are not quoted on ASX by the third Business Day immediately following the date of their issue. 5. A security interest over an asset of a group company is enforced. 6. Any present or future liabilities, including contingent liabilities, of any group company for an amount or amounts totalling more than A\$250,000 are not satisfied on time, or become prematurely payable. 7. Any group company grants any security interest over any of its assets, or a security interest comes into existence over any assets of any group company, without the prior written consent of Obsidian. 8. A change of control occurs in respect of the Company
Quotation	The Company will not apply for quotation of the Convertible Notes on the ASX. The Company will make an application to ASX for quotation of the Shares upon conversion.
Transferability	Obsidian may assign the Convertible Agreement to any person, provided that such assignee executes a deed of covenant in favour of the Company agreeing to be bound by the terms of the Convertible Note Agreement to the extent of the assignment.

Schedule 4 – Director Options

(d) Entitlement

- (i) Each Option entitles the Option holder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.
- (ii) Shares issued on the exercise of Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

(e) Exercise of Option

- (i) The Options are exercisable at any time from the issue date.
- (ii) The Options expire on 30 June 2025.
- (iii) The exercise price per Option is as follows:
 - (A) Tranche 1 Director Options: \$0.065
 - (B) Tranche 2 Director Options: \$0.10.
- (iv) Each Option is exercisable by the Option holder signing and delivering a notice of exercise of Option together with the exercise price in full for each Share to be issued upon exercise of each Option to the Company's Share Registry (**Exercise Notice**). Unless a holder is exercising all of their Options, Options must be exercised in parcels of not less than 1,000.
- (v) The Options cannot be exercised if, as a result of the exercise, the Option holder or any of its associates would breach the provisions of Chapter 6 (and specifically section 606) of the Corporations Act.
- (vi) Remittances must be made payable to 'Respiri Limited'.
- (vii) All Options will lapse on the earlier of the:
 - (A) receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the Option; and
 - (B) expiry of the final date and time for exercise of the Option.
- (viii) In the event of liquidation of the Company, all unexercised Options will lapse.

(f) Issue of Shares

Upon receipt of a valid Exercise Notice (accompanied by the applicable Exercise Price monies), the Company must issue the number of Shares equal to the number of Options the subject of valid Exercise Notices.

(g) Constitution

Each Option holder who exercises Options consents to becoming a member of the Company and agrees to be bound by the Constitution of the Company upon the issue of the new Shares.

(h) Quotation

The Director Options will not be quoted.

(i) Dividends and voting

- (i) The Options do not provide the Option holder any entitlement to dividends or other distributions.
- (ii) The Options do not entitle the Option holder to receive notice of, attend or vote at, any meeting of the Company's Shareholders.

(j) Participation in Securities Issues

Subject to paragraph (h) below, the holder is not entitled to participate in new issues of securities without exercising the Options.

(k) Participation in a Reorganisation of Capital

- (i) In the event of any reconstruction or reorganisation (including consolidation, subdivision, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the ASX Listing Rules applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the Options do not result in any benefit being conferred on the Option holder which is not conferred on Shareholders of the Company.
- (ii) In any reorganisation as referred to in paragraph (h)(i), Options will be treated in the following manner:
 - (A) in the event of a consolidation of the share capital of the Company, the number of Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (B) in the event of a subdivision of the share capital of the Company, the number of Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (C) in the event of a return of the share capital of the Company, the number of Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
 - (D) in the event of a reduction of the share capital of the Company by a cancellation of paid-up capital that is lost or not represented by available assets where no securities are cancelled the number of Options and the exercise price of each Option will remain unaltered;
 - (E) in the event of a pro-rata cancellation of shares in the Company, the number of Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each Option will be amended in inverse proportion to that ratio; and
 - (F) in the event of any other reorganisation of the issued capital of the Company, the number of Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on shareholders.

Schedule 5 – Settlement Agreement and Contractor Agreement

Settlement Agreement

The following is a summary of the principal provisions of the Settlement Agreement.

Effective Date	22 May 2023
Parties	(a) Company (b) Marc Poulshock (Mr Poulshock) (c) mTelehealth, LLC (mTelehealth)
Consideration	The Company will issue 1,850,000 fully paid ordinary shares of the Company (Respiri Shares) to Mr Poulshock.
Obligations	(a) Upon receipt of the Respiri Shares, Mr Poulshock and mTelehealth will procure the collection of the Wheezo units by UPS Ground and provide notice of same to the Company. (b) Within two (2) business days of mTelehealth's receipt of the Company's payment of the shipment, mTelehealth will prepare, generate shipping labels, and affix shipping labels to the shipping boxes of Wheezo units for pickup of the Wheezo units by UPS Ground. (c) The shipment from mTelehealth to the Company's representative, will consist of a total of 1,783 Wheezo units ready for shipment.

Contractor Agreement

The following is a summary of the principal provisions of the Contractor Agreement

Commencement Date	22 December 2021
Term	24 months
Services	Provide advice pertaining to Wheezo for its commercialisation in the United States.
Fees	3,700,000 shares (with the approximate value of US\$150,000) in the Company. Shares will be delivered electronically, upon execution of the Contractor Agreement, to a brokerage firm as designated by Mr Poulshock. Mr Poulshock can only sell these shares as follows: (a) a maximum of 155,000 shares per month beginning 1 February 2022; (b) if, in any given month, any quantity below the maximum of 155,000 shares is not sold, then that number of shares will "rollover" into the following month(s) and will be permitted to be sold in any future monthly allotment; and (c) any violation of the maximum shares allowable to be sold in any given month shall be means of termination of the Contractor Agreement.
Termination	6 weeks' notice by either party, in writing, or as otherwise mutually agreed in writing.

RESPIRI

ABN 98 009 234 173



Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

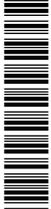


Online:

www.investorcentre.com/contact

RSH

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Respiri Limited Extraordinary General Meeting

The Respiri Limited Extraordinary General Meeting will be held virtually on Tuesday, 8 August 2023 at 10:00am (AEST). You are encouraged to participate in the meeting using the following options:



MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

For your proxy appointment to be effective it must be received by 10:00am (AEST) on Sunday, 6 August 2023.



ATTENDING THE MEETING VIRTUALLY

To view the live webcast and ask questions on the day of the meeting you will need to visit <https://us02web.zoom.us/j/87286962953?pwd=TnU4MzVSMzg2WS90OHRwNDcyZ2ZVQT09>

To vote online during the meeting you will need to visit <https://meetnow.global/MT6LRTQ>
For instructions refer to the online user guide www.computershare.com.au/onlinevotingguide

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

RESPIRI

ABN 98 009 234 173



RSH

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AEST) on Sunday, 6 August 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Respiri Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Respiri Limited to be held as a virtual meeting on Tuesday, 8 August 2023 at 10:00am (AEST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Approval to issue SPP Shares to Shareholders in connection with the SPP Offer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval to issue SPP Options to Shareholders in connection with SPP Offer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval to issue Lead Manager Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4a	Ratification of prior issue of Convertible Notes under Convertible Note Offer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4b	Ratification of prior issue of Convertible Note Options under Convertible Note Offer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4c	Ratification of prior issue of Placement Shares to the Convertible Note Investor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of issue of Future Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to issue Options to Director Brian Leedman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of prior issue of Shares to Marc Poulshock	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Amendment to Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

Mobile Number Email Address
 By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

