



# Nanoveu Limited

ABN 97 624 421 085

## NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

For the Annual General Meeting to be held on  
Wednesday, 29 July 2020 at 2.00 pm (WST) at  
1/18 Olive Street, Subiaco, WA 6008

In light of the uncertainty and potential health risks created by the COVID-19 pandemic the Company encourages shareholders to take into account any Government restrictions in place at the date of the meeting and to consider the implications of attending the Annual General Meeting in person. Shareholders can participate in the Annual General Meeting and engage with the Board by:

- lodging a directed proxy in advance of the meeting by following the instructions on the proxy form;
- lodging questions in advance of the meeting by emailing questions to [info@nanoveu.com](mailto:info@nanoveu.com) by 2.00pm (WST) on 27<sup>th</sup> July 2020;
- attending the meeting via Zoom:
  - Web address: <https://zoom.us/join>
  - Meeting ID: 831 7767 0297
  - Password: nanoAGM20

The Chair will adjourn the meeting if the number of shareholders attending the meeting will lead to a violation of relevant Government laws and regulations on crowds and gatherings.

*As this is an important document, please read it carefully.*

The 2019 Annual Report has been sent separately to those members who have elected to receive a printed copy of the Annual Report.  
The 2019 Annual Report is also available on the Company's website at [www.nanoveu.com](http://www.nanoveu.com).

## TIME AND PLACE OF MEETING AND HOW TO VOTE

### Venue

The Annual General Meeting of the Shareholders of Nanoveu Limited ("Nanoveu " or the "Company") will be held:

**1/18 Olive Street, Subiaco, WA 6008**

**Commencing at 2.00 pm (WST) on Wednesday, 29 July 2020**

### How to Vote

You may vote by attending the Meeting in person, by proxy or corporate representative.

#### Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 10.00am (WST).

#### Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- Online: lodging your proxy vote securely at <https://investor.automic.com.au/#/loginsah> ; or
- By mail: GPO Box 5193, Sydney NSW, 2001.

so it is received **not later than 2.00 pm (WST) on Monday, 27 July 2020**, being not later than 48 hours before the commencement of the Annual General Meeting. Any proxy received after that time will not be valid for the scheduled Annual General Meeting.

Your proxy form is enclosed.

#### Appointment of proxy

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder of the Company.
2. If you wish to appoint the Chairman of the Meeting as your proxy, mark the appropriate box on the proxy form. If you appoint the Chairman of the Meeting as your proxy, he or she can only cast your votes on Resolution 1 if you expressly authorise him to do so by marking the box on the proxy form. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy.
3. You are entitled to appoint up to two persons as proxies to attend the Annual General Meeting and vote on a poll. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company's share registry on +61 2 9698 5414 or you may photocopy the proxy form.
4. To appoint a second proxy you must on each proxy form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both proxy forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.
5. For the purposes of the Corporations Act, the Directors have set a snapshot time and date to determine the identity of those entitled to attend and vote at the Annual General Meeting. The **snapshot time and date is 2.00 pm (AEDT) on 2.00, Monday, 27 July 2020.**

#### Votes on Resolutions

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

### **Voting restrictions that may affect your proxy appointment**

Due to the voting exclusions that may apply to certain items of business, the Key Management Personnel and their Closely Related Parties will not be able to vote your proxy on Resolution 1 (Remuneration Report) unless you have directed them how to vote or, in the case of the Chairman, if you expressly authorise him.

### **Chairman voting undirected proxies**

The Chairman will vote undirected proxies on, and in favour of, all of the proposed resolutions, except that in respect of Resolution 1 (Remuneration Report), the Chairman will only do so where expressly authorised by the Shareholder having marked the appropriate box on the proxy form.

### **Questions from Shareholders**

At the Annual General Meeting the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.

Mr Phil Murdoch of BDO Audit (WA) Pty Ltd, as the auditor responsible for preparing the auditor's report for the year ended 31 December 2019 (or his or her representative) will attend the Annual General Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have in writing no later than **2.00 pm (WST) on Monday, 27<sup>th</sup> of July 2020** to the Company:

- by email: [info@nanoveu.com](mailto:info@nanoveu.com)

The Company will distribute a list setting out the questions directed to the auditor received in writing by 2.00 pm (WST) on Monday, 27<sup>th</sup> of July 2020, being questions which the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the financial report for the year ended 31 December 2019. The Chairman will allow reasonable opportunity to respond to the questions set out in this list.

**NANOVEU LIMITED**  
**ABN 97 624 421 085**

**NOTICE OF ANNUAL GENERAL MEETING**

**Notice is given that the Annual General Meeting of Shareholders of Nanoveu Limited ("Nanoveu" or the "Company") will be held at 1/18 Olive Street, Subiaco, WA 6008, at 2.00 pm (WST) on Wednesday, 29 July 2020.**

**AGENDA**

**BUSINESS**

The Explanatory Statement which accompanies and forms part of this Notice describes the matters to be considered as ordinary business and special business. Certain abbreviations and other defined terms are used throughout this Notice. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in the Glossary contained in the Explanatory Statement.

**ORDINARY BUSINESS**

**Annual Accounts**

To receive and consider the financial report of the Company for the year ended 31 December 2019 and the reports by the Directors and Independent Auditor.

**Resolution 1: Remuneration Report**

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

*"That the Remuneration Report contained in the Directors' Report for the year ended 31 December 2019 be adopted by the Company."*

- Although this resolution is advisory only, this resolution shall be determined as if it were an ordinary resolution.
- This resolution does not bind the Directors or the Company.
- The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.
- If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution ("spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election. For further information, please refer to the Explanatory Statement.

**Voting exclusion:** The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of Key Management Personnel whose remuneration is disclosed in the Remuneration Report and any Closely Related Parties of those persons, or as a proxy by a member of Key Management Personnel or Closely Related Party, unless the vote is cast as a proxy for a person who is entitled to vote on Resolution 1 in accordance with their instructions on the proxy form or by the Chairman of the Meeting pursuant to an express authorisation on the proxy form.

**Resolution 2: Re-election of Mr Michael van Uffelen as a Director**

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

*"That for the purposes of Listing Rule 14.4 and clause 14.2 of the Company's Constitution, Mr van Uffelen, being a Director of the Company who retires by rotation and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

## **SPECIAL BUSINESS**

### **Resolution 3: Approval of 10% Placement Facility**

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

*“That, pursuant to ASX Listing Rule 7.1A, approval be given to issue Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”*

### **Resolution 4: Amendment of Constitution**

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

*“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes.”*

### **Snapshot Date**

The Directors have determined that for the purposes of regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the persons eligible to attend and vote at the Meeting are those persons who were Shareholders at **5.00 pm (WST) on Monday, 27<sup>th</sup> of July 2020**.

### **Incorporation of Explanatory Statement**

The Explanatory Statement attached to this Notice of Meeting, is hereby incorporated into and forms part of this Notice of Meeting.

**DATED THIS 29<sup>th</sup> DAY OF JUNE 2020**

**BY ORDER OF THE BOARD**

**Mr Michael van Uffelen**

Director and Company Secretary

## EXPLANATORY STATEMENT

This Explanatory Statement and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

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

This Explanatory Statement has been prepared for the Shareholders of Nanoveu Limited in connection with the Annual General Meeting of the Company to be held on 2.00 (WST), Wednesday, 29 July 2020.

### 1. ANNUAL ACCOUNTS

The Corporations Act requires that the Annual Report (which includes the financial report, directors' report and auditors' report) be tabled at the Annual General Meeting.

Shareholders will be given an opportunity to ask questions and make comments about the Annual Report of the Company generally, but there will be no formal resolution submitted in respect of the Annual Report.

### 2. RESOLUTION 1 – REMUNERATION REPORT

The Remuneration Report is set out in the Directors' Report in the Company's 2019 Annual Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. In accordance with section 250R(3) of the Corporations Act, the vote on the Resolution is advisory only and does not bind the Directors or the Company.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

It is noted that this is the first annual general meeting of the Company.

A voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. Key Management Personnel and their closely related parties may not vote on this Resolution and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairman and expressly authorises the Chairman to exercise the proxy. The Chairman will use any such proxies to vote in favour of Resolution 1.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Remuneration Report).

### 3. RESOLUTION 2 – RE-ELECTION OF A DIRECTOR (MICHAEL VAN UFFELEN)

#### 3.1. Background

Resolution 2 seeks approval for the re-election of Mr van Uffelen as a Director. Mr van Uffelen was appointed as a non-executive Director on the formation of the Company on 14 February 2018.

In accordance with Listing Rule 14.4 and clause 14.2 of the Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office by rotation and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

Mr van Uffelen retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-election.

#### 3.2. Qualifications and other material directorships

Michael is an experienced Director, CFO and Company Secretary actively engaged in managing companies and providing corporate advisory services.

Michael holds a Bachelor of Commerce degree from the University of Western Australia and is a Chartered Accountant. He has over 30 years company and business management experience gained with major accounting firms, an investment bank, and private and public companies, in Australia and internationally.

Mr van Uffelen is also a director of Anson Resources Limited and Tian Poh Resources Limited.

### **3.3. Independence**

If elected the board considers Mr van Uffelen will not be an independent director as he also provides Chief Financial Officer and Company Secretarial services to the Company.

### **3.4. Directors' Recommendation**

All the Directors (other than Mr van Uffelen) recommend that Shareholders vote in favour of Resolution 2.

## **4. RESOLUTION 3 - APPROVAL OF 10% PLACEMENT FACILITY**

### **4.1 General**

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

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (7.1A Mandate).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes as its market capitalisation is currently \$8,614,463.

Resolution 3 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

### **4.2 Technical information required by Listing Rule 7.1A**

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

#### **(a) Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expiring on the first to occur of the following:

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

(b) **Minimum Price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date paragraph (i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company may issue Equity Securities under the 7.1A Mandate as cash consideration in which case the Company intends to use funds raised for the development of its existing products and products in development and/or for general working capital. In addition, the Company may use the cash consideration for the acquisition of new assets and investments.

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

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 26 June 2020.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Variable 'A' in Listing Rule 7.1A2		Dilution		
		\$0.033 50% decrease in Issue Price	\$0.065 Issue Price	\$0.098 50% increase in Issue Price
Current Variable A 132,530,203 Shares	10% Voting Dilution	13,253,020	13,253,020	13,253,020
	Funds Raised	\$437,350	\$861,446	\$1,298,796
50% increase in current Variable A 198,795,300 Shares	10% Voting Dilution	19,879,530	19,879,530	19,879,530
	Funds Raised	\$646,085	\$1,292,170	\$1,938,254
100% increase in current Variable A	10% Voting Dilution	26,506,041	26,506,041	26,506,041

Variable 'A' in Listing Rule 7.1A2		Dilution		
		\$0.033 50% decrease in Issue Price	\$0.065 Issue Price	\$0.098 50% increase in Issue Price
265,060,406 Shares	Funds Raised	\$861,446	\$1,722,893	\$2,584,339

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

**The table above uses the following assumptions:**

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- (iv) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1 or other issues of Equity Securities.
- (v) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
- (vi) The issue price set out above is the closing price of the Shares on the ASX on 26 June 2020.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
  - (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.
- (e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;

- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 7.1A Mandate will be vendors of the new resources, assets or investments.

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

The Company did not obtain approval under Listing Rule 7.1A at its annual general meeting held on 31 May 2019. Accordingly, the Company has not issued any Equity Securities under Listing Rule 7.1A.2 in the twelve months preceding the date of the Meeting.

During the 12 month period preceding the date of the Meeting, being on and from 24 July 2019, the Company has not issued any Equity Securities pursuant to the Previous Approval.

#### **4.3 Voting Exclusion Statement**

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

### **5. RESOLUTION 4 – REPLACEMENT OF CONSTITUTION**

#### **5.1 Voting Exclusion Statement**

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 4 is a special resolution which will enable the Company to adopt a new constitution of which is of the type updated to ensure it reflects the current provisions of the Corporations Act and Listing Rules (**Proposed Constitution**).

This will incorporate amendments to the Corporations Act and Listing Rules since the current Constitution was adopted on 14 May 2018.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website [www.nanoveu.com](http://www.nanoveu.com) and at the office of the Company. Shareholders are invited to contact the Company if they have any queries or concerns.

#### **5.2 Summary of material proposed changes**

##### **Restricted Securities (clause 2.12 of the Proposed Constitution)**

The Proposed Constitution complies with the recent changes to Listing Rule 15.12 which took effect from 1 December 2019. As a result of these changes, ASX will require certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form Appendix 9A, as is

currently the case. However, for less significant holdings (such as non-related parties and non-promoters), ASX will permit the Company to issue restriction notices to holders of restricted securities in the form of the new Appendix 9C advising them of the restriction rather than requiring signed restriction agreements.

### **Direct Voting (clause 13 of the Proposed Constitution, specifically clauses 13.35 – 13.40 )**

The Proposed Constitution includes a new provision which allows Shareholders to exercise their voting rights through direct voting (in addition to exercising their existing rights to appoint a proxy). Direct voting is a mechanism by which Shareholders can vote directly on resolutions which are to be determined by poll. Votes cast by direct vote by a Shareholder are taken to have been cast on the poll as if the Shareholder had cast the votes on the poll at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any resolutions and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.

### **Partial (proportional) takeover provisions (clause 36 of the Proposed Constitution)**

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause. The Company previously adopted the proportional takeover provisions on 14 May 2018. These provisions will be re-adopted under Resolution 4.

### **Information required by section 648G of the Corporations Act**

#### **Effect of proposed proportional takeover provisions**

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

#### **Reasons for proportional takeover provisions**

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

#### **Knowledge of any acquisition proposals**

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

### **Potential advantages and disadvantages of proportional takeover provisions**

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and
- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

### **5.3 Recommendation of the Board**

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 4.

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## GLOSSARY

“\$” means Australian dollars.

“7.1A Mandate” has the meaning given in Section 4.

“AEDT” means Australian Eastern Daylight Time.

“Annual Report” means the Company’s annual report including the reports of the Directors and the auditor and the financial statements of the Company for the year ended 31 December 2019, which can be downloaded at the Company’s website at [www.nanoveu.com](http://www.nanoveu.com).

“ASIC” means the Australian Securities and Investments Commission.

“Associate” has the meaning given to it by Division 2 of Part 1 of the Corporations Act.

“ASX” means ASX Limited ACN 008 624 691 or the Australian Securities Exchange as the context requires.

“Board” means the board of Directors.

“Business Day” means any ASX Business day that is not a Saturday, Sunday or public holiday in Western Australia.

“Closely Related Party” means, in relation to a member of Key Management Personnel:

- (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 regulations as defined in the Corporations Act.

“Company” or “Nanoveu” means Nanoveu Limited (ABN 97 624 421 085).

“Constitution” means the Company's Constitution.

“Corporations Act” means the Corporations Act 2001 (Cth).

“Directors” mean the directors of the Company.

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

“Explanatory Statement” means the explanatory statement accompanying the Notice of Meeting.

“Key Management Personnel” means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

“Listing Rules” means the Listing Rules of ASX.

“Meeting” or “Annual General Meeting” means a meeting of the Shareholders, holders or Directors;

“Notice”, “Notice of Meeting” or “Notice of Annual General Meeting” means this Notice of General Meeting including the Explanatory Statement.

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

**“Shareholders”** means the holder of the Share.

**“Shares”** means fully paid ordinary shares in the Company.

**“Variable A”** means “A” as set out in the formula in Listing Rule 7.1A(2).

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

Holder Number:

## Vote by Proxy: NVU

Your proxy voting instruction must be received by **2.00pm (WST) on Monday, 27 July 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

### SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

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

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



### SUBMIT YOUR PROXY VOTE BY PAPER

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

#### YOUR NAME AND ADDRESS

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

#### VOTING UNDER STEP 1 - APPOINTING A PROXY

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

#### DEFAULT TO THE CHAIRMAN OF THE MEETING

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

#### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

#### APPOINTMENT OF SECOND PROXY

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

#### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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

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

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

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

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

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

#### CORPORATE REPRESENTATIVES

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

#### ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

#### POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

