
CHEMX MATERIALS LIMITED
ACN 664 982 123
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.00am (WST)

DATE: 27 May 2024

PLACE: Suite 1, 1 Tully Road East Perth WA 6004

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11.00am (WST) on 25 May 2024.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1

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 7.4 and for all other purposes, Shareholders ratify the issue of 12,403,191 Shares to the Placement Participants on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement is included for this Resolution. Please see below.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1A

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 7.4 and for all other purposes, Shareholders ratify the issue of 9,534,317 Shares to the Placement Participants on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement is included for this Resolution. Please see below.

3. RESOLUTION 3 – APPROVAL TO ISSUE PLACEMENT OPTIONS

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 7.1 and for all other purposes, approval is given for the Company to issue up to 10,968,754 free attaching Options to the Placement Participants (or their nominee/s) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement is included for this Resolution. Please see below.

4. RESOLUTION 4 - DIRECTOR PARTICIPATION IN PLACEMENT FOR \$20,000 CASH – WARRICK HAZELDINE

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 416,666 Shares and 208,333 Options to Warrick Hazeldine (or his nominee/s) on the terms and conditions set out in the Explanatory Statement.”

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

5. RESOLUTION 5 - DIRECTOR PARTICIPATION IN PLACEMENT FOR \$25,000 CASH – STEPHEN STRUBEL

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 520,834 Shares and 260,417 Options to Stephen Strubel (or his nominee/s) on the terms and conditions set out in the Explanatory Statement.”

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

6. RESOLUTION 6 - DIRECTOR PARTICIPATION IN PLACEMENT FOR \$20,000 CASH – ALWYN VORSTER

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 416,666 Shares and 208,333 Options to Alwyn Vorster (or his nominee/s) on the terms and conditions set out in the Explanatory Statement.”

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

7. RESOLUTION 7 – APPROVAL TO ISSUE SPP OPTIONS

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 7.1 and for all other purposes, approval is given for the Company to issue up to 5,208,334 free attaching Options to the SPP Participants (or their nominee/s) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement is included for this Resolution. Please see below.

8. RESOLUTION 8 – APPROVAL TO ISSUE BROKER OPTIONS TO SANLAM PRIVATE WEALTH PTY LTD

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 7.1 and for all other purposes, approval is given for the Company to issue up to 900,000 Options to Sanlam Private Wealth Pty Ltd (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement is included for this Resolution. Please see below.

Voting Exclusion Statements

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

Resolution 1 – Ratification of prior issue of Placement Shares – Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely, the Placement Participants) or an associate of that person or those persons.
Resolution 2 – Ratification of prior issue of Placement Shares – Listing Rule 7.1A	
Resolution 3 – Approval to issue Placement Options	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely the Placement Participants (or their nominee/s)) or an associate of that person (or those persons).
Resolution 4 – Director Participation in Placement for \$20,000 Cash – Warrick Hazeldine	Mr Warrick Hazeldine (or his nominee/s) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 5 – Director Participation in Placement for \$25,000 Cash – Stephen Strubel	Mr Stephen Strubel (or his nominee/s) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 6 – Director Participation in Placement for \$20,000 Cash – Alwyn Vorster	Mr Alwyn Vorster (or his nominee/s) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 7 – Approval to issue SPP Options	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely the SPP Participants (or their nominee/s)) or an associate of that person (or those persons).
Resolution 8 – Approval to issue Broker Options to Sanlam Private Wealth Pty Ltd	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely the Lead Manager (or its nominee/s)) or an associate of that person (or those persons).

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

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

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

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

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary on +61 (0) 8 6374 2070.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND TO RESOLUTIONS 1 TO 7

1.1 Placement

On 25 March 2024, the Company announced it had received firm commitments from unrelated professional, sophisticated and institutional investors (**Placement Participants**) for a placement of 21,937,508 Shares at an issue price of \$0.048 per Share (**Placement Shares**) to raise \$1,053,500 (before costs) (**Placement**).

Subject to Shareholder approval, the Company also agreed to issue the Placement Participants one (1) unlisted Option for every two (2) Placement Shares subscribed for and issued, exercisable at \$0.09 each on or before the date that is three (3) years from the date of issue (**Placement Options**) (being the subject of Resolution 3).

On 8 April 2024, the Company issued 21,937,508 Placement Shares under the Placement, comprising of 12,403,191 Placement Shares pursuant to the Company's Listing Rule 7.1 placement capacity and 9,534,317 Placement Shares under the Company's Listing Rule 7.1A placement capacity. Shareholder ratification of the issue of the Placement Shares is sought under Resolutions 1 and 2 of this Notice.

Directors, Mr Warrick Hazeldine, Mr Stephen Strubel and Mr Alwyn Vorster wish to participate in the Placement on the same terms as the Placement Participants (**Director Participation**), by subscribing for an aggregate of 1,354,166 Placement Shares and 677,083 Placement Options (on the same terms as the Placement Options) (**Director Participation Securities**). Accordingly, Resolutions 4, 5 and 6 seek Shareholder approval for the issue of the Director Participation Securities to Messrs Hazeldine, Strubel and Vorster (or their nominee/s).

1.2 SPP

The Company also announced on 25 March 2024 that it intended to undertake a share purchase plan offer to Eligible Shareholders via the offer of up to 10,416,667 Shares (**SPP Shares**) at an issue price of \$0.048, being the same issue price as the Placement Shares, to raise up to an additional \$500,000 (**SPP**). The Company intends to issue the SPP Shares on or about 30 April 2024.

Subject to Shareholder approval, the Company also agreed to issue Eligible Shareholders who participate in the SPP (**SPP Participants**), one (1) Option (on the same terms as the Placement Options) for every two (2) SPP Shares subscribed for and issued (**SPP Options**) (being the subject of Resolution 7).

1.3 Use of funds

The Company intends to apply the funds raised under the Placement and SPP towards completion of the HPA Pilot Plant, working capital and costs of the offers.

1.4 Lead Manager - Placement

The Company entered into a lead manager mandate with Sanlam Private Wealth Pty Ltd (ACN 136 960 775) (**Lead Manager**), to act as lead manager to the

Placement (**Lead Manager Mandate**). Under the Lead Manager Mandate, the Lead Manager will receive the following:

- (a) a capital raising fee equal to 6% (plus GST) of the gross proceeds raised under the Placement;
- (b) \$6,000 (plus GST) as a corporate administration and management fee and \$7,000 (plus GST) as a DVP settlement fee; and
- (c) subject to Shareholder approval, 900,000 Options (on the same terms as the Placement Options) (**Broker Options**) (being the subject of Resolution 8).

Further details regarding the Placement and SPP are set out in the Company's announcements dated 25 March 2024 and 3 April 2024. The offer of the Placement Options, SPP Options and Broker Options will be made under a prospectus expected to be lodged by the Company with the ASIC in mid to late April 2024.

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES - LISTING RULES 7.1 AND 7.1A

2.1 General

As set out in Section 1.1, on 8 April 2024, the Company issued 21,937,508 Placement Shares at an issue price of \$0.048 per Placement Share to raise \$1,053,500 (before costs).

12,403,191 Shares were issued pursuant to the Company's capacity under Listing Rule 7.1 (being, the subject of Resolution 1) and 9,534,317 Shares were issued pursuant to the Company's 7.1A mandate (being, the subject of Resolution 2) which was approved by Shareholders at the annual general meeting held on 29 November 2023.

The issue of the Placement Shares did not breach Listing Rule 7.1 at the time of the issue.

2.2 Listing Rule 7.1

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 had 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 29 November 2023.

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

2.3 Listing Rule 7.4

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

2.4 Technical information required by Listing Rule 14.1A

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

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

2.5 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 Resolutions 1 and 2:

- (a) the Placement Shares were issued to the Placement Participants, being professional and sophisticated investors who are clients of the Lead Manager. The recipients were identified through a bookbuild process, which involved the Lead Manager seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that, other than R J & A Investments Pty Ltd, none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 21,937,508 Placement Shares were issued on the following basis:
 - (i) 12,403,191 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1); and

- (ii) 9,534,317 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2);
- (d) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Placement Shares were issued on 8 April 2024;
- (f) the issue price was \$0.048 per Placement Share under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (g) the purpose of the issue of the Placement Shares was to raise approximately \$1,053,000 (before costs) which will be applied towards the purposes set out above in Section 1.3; and
- (h) the Placement Shares were not issued under an agreement.

3. RESOLUTION 3 – APPROVAL TO ISSUE PLACEMENT OPTIONS

3.1 General

As set out in Section 1.1, the Company offered, subject to Shareholder approval, the Placement Participants the opportunity to subscribe for one (1) Placement Option for every two (2) Placement Shares subscribed for and issued.

The Company is therefore seeking Shareholder approval pursuant to Resolution 3 to issue up to 10,968,754 Placement Options to the Placement Participants.

3.2 Listing Rule 7.1

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Placement Options falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

3.3 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Placement Options. In addition, the issue of the Placement 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 Placement Options and the Company may potentially consider alternate ways to incentivise the Placement Participants.

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

3.4 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:

- (a) the Placement Options will be issued to the Placement Participants (or their nominee/s), being professional and sophisticated investors who are clients of the Lead Manager and who participated in the Placement;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that, other than R J & A Investments Pty Ltd, none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Placement Options to be issued is 10,968,754;
- (d) the terms and conditions of the Placement Options are set out in Schedule 1;
- (e) the Placement Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Placement Options will occur on the same date;
- (f) the issue price of the Placement Options will be nil as the Placement Options will be issued free attaching to the Placement Shares on a one for two basis;
- (g) the purpose of the issue of the Placement Options is to incentivise the Placement Participants;
- (h) the Placement Options are not being issued under an agreement; and
- (i) the Placement Options are not being issued under, or to fund, a reverse takeover.

4. RESOLUTIONS 4 TO 6 - DIRECTOR PARTICIPATION IN PLACEMENT

4.1 General

As set out in Section 1.1, Messrs Hazeldine, Strubel and Vorster wish to participate in the Placement on the same terms as the Placement Participants as follows:

- (a) 416,666 Placement Shares and 208,333 Placement Options to Mr Hazeldine (or his nominee/s) (Resolution 4);
- (b) 520,834 Placement Shares and 260,417 Placement Options to Mr Strubel (or his nominee/s) (Resolution 5); and
- (c) 416,666 Placement Shares and 208,333 Placement Options to Mr Vorster (or his nominee/s) (Resolution 6).

Accordingly, Resolutions 4 to 6 seek Shareholder approval for the issue of the Director Participation Securities to Messrs Hazeldine, Strubel and Vorster (or their nominee/s).

4.2 Chapter 2E of the Corporations Act

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 issue of the Director Participation Securities to Messrs Hazeldine, Strubel and Vorster (or their nominee/s) constitutes giving a financial benefit and Messrs Hazeldine, Strubel and Vorster are related parties of the Company by virtue of being Directors.

The Directors (other than Mr Hazeldine, who has a material personal interest in Resolution 4) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Director Participation because the Director Participation Securities will be issued to Mr Hazeldine (or his nominee/s) on the same terms as Placement Shares and Placement Options issued to the Placement Participants and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Mr Strubel, who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Director Participation because the Director Participation Securities will be issued to Mr Strubel (or his nominee/s) on the same terms as Placement Shares and Placement Options issued to the Placement Participants and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Mr Vorster, who has a material personal interest in Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Director Participation because the Director Participation Securities will be issued to Mr Vorster (or his nominee/s) on the same terms as Placement Shares and Placement Options issued to the Placement Participants and as such the giving of the financial benefit is on arm's length terms.

4.3 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:

- 10.11.1 a related party;
- 10.11.2 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;

- 10.11.3 a person who is, or was at any 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;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 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.

The Director Participation falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 4 to 6 seek the required Shareholder approval for the issue of the Director Participation Securities under and for the purposes of Listing Rule 10.11.

4.4 Technical information required by Listing Rule 14.1A

If Resolutions 4 to 6 are passed, the Company will be able to proceed with the issue of the Director Participation Securities within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Participation Securities (because approval is being obtained under Listing Rule 10.11), the issue of the Director Participation Securities will not use up any of the Company's 15% annual placement capacity.

If Resolutions 4 to 6 are not passed, the Company will not be able to proceed with the issue of the Director Participation Securities and no further funds will be raised in respect of the Placement.

4.5 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 Resolutions 4 to 6:

- (a) the Director Participation Securities will be issued to Messrs Hazeldine, Strubel and Vorster (or their nominee/s), who fall within the category set out in Listing Rule 10.11.1, as Messrs Hazeldine, Strubel and Vorster are related parties of the Company by virtue of being Directors;
- (b) under the Director Participation, the maximum number of Placement Shares to be issued is 1,354,166 and the maximum number of Placement Options to be issued is 677,083, as follows:
 - (i) 416,666 Placement Shares and 208,333 Placement Options to Mr Hazeldine (or his nominee/s) (Resolution 4);
 - (ii) 520,834 Placement Shares and 260,417 Placement Options to Mr Strubel (or his nominee/s) (Resolution 5); and
 - (iii) 416,666 Placement Shares and 208,333 Placement Options to Mr Vorster (or his nominee/s) (Resolution 6);

- (c) the Placement Shares issued under the Director Participation will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Placement Options issued under the Director Participation will be issued on the terms and conditions as the Placement Options, as set out in Schedule 1;
- (e) the Director Participation Securities will be issued 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 Listing Rules) and it is anticipated the Director Participation Securities will be issued on the same date;
- (f) the issue price per Placement Share under the Director Participation will be \$0.048 and the issue price of the Placement Options will be nil as they are to be issued free attaching with the Placement Shares on a one for two basis (being the same terms offered to the Placement Participants). The Company has not and will not receive any other consideration for the issue of the Director Participation Securities (other than in respect of funds received on exercise of the Options);
- (g) the purpose of the issue of the Director Participation Securities is to raise capital which the Company intends to use in the manner summarised in Section 1.3 above;
- (h) the Director Participation Securities to be issued are not intended to remunerate or incentivise Messrs Hazeldine, Strubel and Vorster;
- (i) the Director Participation Securities are not being issued under an agreement; and
- (j) a voting exclusion statement is included in the Notice in relation to Resolutions 4 to 6.

5. RESOLUTION 7 – APPROVAL TO ISSUE SPP OPTIONS

5.1 General

As set out in Section 1.2, the Company offered, subject to Shareholder approval, SPP Participants the opportunity to subscribe for one (1) SPP Option for every two (2) SPP Shares subscribed for under the SPP.

Accordingly, the Company is seeking approval to issue up to 5,208,334 SPP Options to SPP Participants pursuant to Resolution 7.

5.2 Listing Rule 7.1

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the SPP Options falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

5.3 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Company will be able to proceed with the issue of the SPP Options. In addition, the issue of the SPP 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 7 is not passed, the Company will not be able to proceed with the issue of the SPP Options and the Company may potentially consider alternate ways to incentivise the SPP Participants.

Resolution 7 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the SPP Options.

5.4 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 7:

- (a) the SPP Options will be issued to SPP Participants on the basis of one (1) Option for every two (2) Shares issued under the SPP;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of SPP Options to be issued is 5,208,334;
- (d) the terms and conditions of the SPP Options are set out in Schedule 1;
- (e) the SPP Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the SPP Options will occur on the same date;
- (f) the issue price of the SPP Options will be nil as they will be issued free attaching to the SPP Shares on a one for two basis;
- (g) the purpose of the issue of the SPP Options is to incentivise SPP Participants;
- (h) the SPP Options are not being issued under an agreement;
- (i) the SPP Options are not being issued under, or to fund, a reverse takeover; and
- (j) a voting exclusion statement is included in Resolution 7 of the Notice.

6. RESOLUTION 8 – APPROVAL TO ISSUE BROKER OPTIONS TO SANLAM PRIVATE WEALTH PTY LTD

6.1 General

As set out in Section 1.4, the Company has agreed to issue, subject to Shareholder approval, 900,000 Broker Options to the Lead Manager pursuant to the Lead Manager Mandate.

The Company seeks Shareholder approval pursuant to Resolution 8 for the issue of the Broker Options to the Lead Manager.

6.2 Listing Rule 7.1

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Broker Options falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

6.3 Technical information required by Listing Rule 14.1A

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Broker Options. In addition, the issue of the Broker 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 8 is not passed, the Company will not be able to proceed with the issue of the Broker Options and the Company may need to find alternative means to satisfy its obligations under the Lead Manager Mandate.

Resolution 8 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Broker Options.

6.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 8:

- (a) the Broker Options will be issued to the Lead Manager (or its nominee/s);
- (b) the maximum number of Broker Options to be issued is 900,000;
- (c) the terms and conditions of the Broker Options are set out in Schedule 1;
- (d) the Broker Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Broker Options will occur on the same date;
- (e) the Broker Options will be issued at a nil issue price, in consideration for lead manager services provided by the Lead Manager in relation to the Placement;
- (f) the purpose of the issue of the Broker Options is to satisfy the Company's obligations under the Lead Manager Mandate;

- (g) the Broker Options are being issued to the Lead Manager under the Lead Manager Mandate. A summary of the material terms of the Lead Manager Mandate is set out in Section 1.4; and
- (h) the Broker Options are not being issued under, or to fund, a reverse takeover.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Broker Options has the meaning given to it in Section 1.4 and on the terms and conditions set out in Schedule 1.

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

Chair means the chair of the Meeting.

Company means ChemX Materials Limited (ACN 664 982 123).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Director Participation has the meaning given to it in Section 1.1.

Director Participation Securities has the meaning given to it in Section 1.1.

Eligible Shareholders means, in relation to the SPP, Shareholders of the Company who are registered as holders of Shares at 5.00pm (WST) on 23 April 2023 and whose registered address is in Australia or New Zealand.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Lead Manager means Sanlam Private Wealth Pty Ltd (ACN 136 960 775).

Lead Manager Mandate has the meaning given to it in Section 1.4.

Listing Rules means the Listing Rules of ASX.

Meeting means the meeting convened by the Notice.

Notice means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Option holder means a holder of an Option.

Placement has the meaning given to it in Section 1.1.

Placement Options has the meaning given to it in Section 1.1 and on the terms and conditions set out in Schedule 1.

Placement Participants has the meaning given to it in Section 1.1.

Placement Shares has the meaning given to it in Section 1.1.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

Securities include a Share, Option and/or a convertible security (as the context requires).

SPP has the meaning given to it in Section 1.2.

SPP Options has the meaning given to it in Section 1.2 and on the terms and conditions set out in Schedule 1.

SPP Participants has the meaning given to it in Section 1.2.

SPP Shares has the meaning given to it in Section 1.2.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF THE PLACEMENT OPTIONS, SPP OPTIONS AND BROKER OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.09 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date which is three (3) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

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

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying Shares over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

CMXRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN 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 **11:00am (AWST) on Saturday, 25 May 2024.**

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 RepresentativeIf 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****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.

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.



IND

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 ChemX Materials 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 General Meeting of ChemX Materials Limited to be held at Suite 1, 1 Tully Road, East Perth WA 6004 on Monday, 27 May 2024 at 11:00am (AWST) 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 Ratification of prior issue of Placement Shares – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Ratification of prior issue of Placement Shares – Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Approval to issue Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Director Participation in Placement for \$20,000 Cash – Warrick Hazeldine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Director Participation in Placement for \$25,000 Cash – Stephen Strubel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Director Participation in Placement for \$20,000 Cash – Alwyn Vorster	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Approval to issue SPP Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 Approval to issue Broker Options to Sanlam Private Wealth Pty Ltd	<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



Need assistance?



Phone:

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



Online:

www.investorcentre.com/contact

CMXRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030



ChemX Materials Limited General Meeting

The ChemX Materials Limited General Meeting will be held on Monday, 27 May 2024 at 11:00am (AWST). 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

PIN: 99999

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

For your proxy appointment to be effective it must be received by 11:00am (AWST) on Saturday, 25 May 2024.



ATTENDING THE MEETING IN PERSON

The meeting will be held at:
Suite 1, 1 Tully Road, East Perth WA 6004

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.