

19 January 2024

Dear Shareholder,

PHARMAUST LIMITED - 2024 GENERAL MEETING

I am pleased to invite you to attend the General Meeting of the Shareholders of PharmAust Limited which will be held at RSM Australia, Level 32, 2 The Esplanade, Perth, Western Australia on Wednesday 21 February 2024 at 3:00pm (AWST) (the Meeting).

The PharmAust Notice of Meeting will not be mailed to Shareholders unless there is a relevant hard copy election in place. Instead, it is available for you to view and download on the PharmAust website at: <https://investorhub.pharmaust.com/announcements>

Your participation in the meeting is important to us. For those Shareholders who cannot attend in person, PharmAust has arranged for the Meeting to be webcast live. Registration is available at: <https://loghic.eventsair.com/pharmaust-gm/register/Site/Register>

A recording of the webcast will be available on the PharmAust website as soon as practicable after the meeting concludes. Also, copies of the addresses and presentations will be released on the ASX market announcements platform on the morning of the meeting.

The Company encourages all Shareholders to vote by directed proxy if they are not attending the meeting in person. To vote by proxy, please complete and sign the proxy form enclosed with this Notice as soon as possible in accordance with the instructions on the proxy form.

If the above arrangements with respect to the Meeting change, shareholders will be updated via the ASX Market Announcements Platform and also via the Company's website at <https://pharmaust.com/>

The Notice and the accompanying Explanatory Memorandum should be read in its entirety. If a shareholder is in doubt as to how to vote, that shareholder should seek advice from an accountant, solicitor or other professional adviser prior to voting.

Authorised for release by the Board of PharmAust Limited.

Sam Wright
Finance Director
PharmAust Limited

For any enquiries regarding the upcoming general meeting or other aspects concerning PharmAust, we encourage you to utilise our Investor Hub. This platform offers an opportunity to submit questions, share comments, and view video summaries of key announcements.

Access the investor hub by scanning the QR code or visit: <https://investorhub.pharmaust.com/>



PHARMAUST LIMITED

ACN 094 006 023

NOTICE OF GENERAL MEETING AND EXPLANATORY STATEMENT

**For the General Meeting of Shareholders to be held on 21 February 2024
at 3:00pm (AWST)
at RSM Australia, Level 32, 2 The Esplanade,
Perth, Western Australia**

Shareholders are urged to vote by lodging the Proxy Form

TIME AND PLACE OF GENERAL MEETING AND HOW TO VOTE

Venue

The General Meeting of PharmAust Limited will be held at:

**RSM Australia
Level 32, 2 The Esplanade,
Perth, Western Australia 6000**

**Commencing
at 3:00pm (AWST)
on 21 February 2024**

How to Vote

You may vote by attending the Meeting in person, by proxy or authorised 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 3:00pm (AWST).

Voting by Proxy

To vote by proxy, please complete and sign the Proxy Form as soon as possible and deliver the Proxy Form in accordance with the instructions on the Proxy Form. You may also submit your Proxy Form online in accordance with instructions on the Proxy Form.

Your Proxy Form must be received no later than 48 hours before the commencement of the Meeting.

PHARMAUST LIMITED
ACN 094 006 023

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of the Shareholders of PharmAust Limited will be held at RSM Australia, Level 32, 2 The Esplanade, Perth, Western Australia on 21 February 2024 at 3:00pm (AWST) for the purpose of transacting the following business.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

RESOLUTION 1 – RATIFICATION OF ISSUE OF PLACEMENT SECURITIES TO UNRELATED PARTIES UNDER LISTING RULE 7.1

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

"That the issue of 21,066,952 Placement Shares and 23,574,171 Placement Options to institutional investors on 22 December 2023 and 2 January 2024 as part of a placement utilising Listing Rule 7.1 is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

RESOLUTION 2 – RATIFICATION OF ISSUE OF PLACEMENT SHARES TO UNRELATED PARTIES UNDER LISTING RULE 7.1A

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

"That the issue of 14,294,305 Placement Shares to institutional investors on 22 December 2023 and 2 January 2024 as part of a placement utilising Listing Rule 7.1A is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

RESOLUTION 3 – APPROVAL TO ISSUE PLACEMENT SECURITIES TO SAM WRIGHT

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

"That the issue up to 450,000 Placement Shares and 300,000 Placement Options to Sam Wright or his nominees is approved under and for the purposes of Listing Rule 10.11 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Sam Wright 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 entity) or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

RESOLUTION 4 – RATIFICATION OF ISSUE OF ADVISER OPTIONS

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

"That the issue of 3,000,000 Adviser Options to Blue Ocean Equities Pty Limited on 21 December 2023 under Listing Rule 7.1 is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Blue Ocean Equities Pty Limited, a person who participated in the issue or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

RESOLUTION 5 – RATIFICATION OF ISSUE OF LEAD MANAGER OPTIONS

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

"That the issue of 4,000,000 Lead Manager Options to Blue Ocean Equities Pty Limited on 2 January 2024 under Listing Rule 7.1 is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Blue Ocean Equities Pty Limited, a person who participated in the issue or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

RESOLUTION 6 – RATIFICATION OF ISSUE OF ADVISER SHARES

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

"That the issue of 675,676 Shares to Spark Plus Pte Ltd on 15 December 2023 under Listing Rule 7.1 is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Spark Plus Pte Ltd, a person who participated in the issue or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting 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 AND PROXIES

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.
3. The Chair of the Meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions.
4. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 19 February 2024 at 5.00pm (AWST).
5. If using the Proxy Form, please complete, sign and return it to the Company's registered office in accordance with the instructions on that form. Voting online is available.

By order of the Board



Sam Wright
Director and Company Secretary

Dated: 11 January 2024

PHARMAUST LIMITED
ACN 094 006 023

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

1. BACKGROUND TO PLACEMENT (RESOLUTIONS 1 TO 3)

In accordance with the Company's ASX announcements of 13 and 18 December 2023, the Company is placing a total of 35,811,257 Shares at 10 cents per Share in 3 tranches (Placement Shares) to raise \$3,581,126 before costs. The placees of the Placement Shares will be issued with 2 free attaching Options (Placement Option) for every 3 Placement Shares subscribed for. The Placement Options will have an exercise price of 15 cents and an expiry date of 30 April 2026. The Placement Shares and the Placement Options together constitute the Placement.

The first and second tranches of the Placement Shares and Placement Options have been issued to institutional investors who are unrelated parties on 22 December 2023 and 2 January 2024. The securities were issued utilising the Company's Listing Rule 7.1 capacity (21,066,952 Shares and 23,574,171 Options and for which ratification is sought under Resolution 1) and Listing Rule 7.1A capacity (14,294,305 Shares for which ratification is sought under Resolution 2).

Listing Rule 10.11 approval is being sought by Resolution 3 to issue the third tranche of the Placement (both Placement Shares and attaching Placement Options) to Sam Wright, a director who wishes to participate in the Placement on the same terms as unrelated parties.

The net funds from the Placement are intended to be used to fund the preparation for upcoming human trials, further manufacture of additional MPL tablets for human and canine studies and for general working capital.

2. RESOLUTIONS 1 AND 2 - RATIFICATION OF PLACEMENT SECURITIES TO UNRELATED PARTIES UNDER LISTING RULES 7.1 AND 7.1A

2.1 Background

As referred to in Section 1 above, Resolutions 1 and 2 are seeking to ratify the issue of 35,361,257 Placement Shares and 23,574,171 Placement Options to unrelated parties ("Placement Securities"). The Placement Securities were issued in two tranches with 24,611,257 Placement Shares and 16,407,501 Placement Options being issued as a first tranche on 22 December 2023 and 10,750,000 Placement Shares and 7,166,670 Placement Options being issued as a second tranche on 2 January 2024. 21,066,952 of the first tranche Placement Shares and all the first and second tranche Placement Options (23,574,171) were issued utilising Listing Rule 7.1. 3,514,172 of the first tranche Placement Shares and all the 10,750,000 second tranche Placement Shares were issued utilising Listing Rule 7.1A.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over

any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, 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%.

An "eligible entity" means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes and obtained approval at its 2022 annual general meeting to the additional 10% capacity under Listing Rule 7.1A.

The Company is therefore able to issue equity securities up to a combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval within the limits provided.

The Company undertook the issue of the Placement Securities by relying in part on its placement capacity under Listing Rule 7.1 and in part of its placement capacity under Listing Rule 7.1A as the issue did not fall within any of the exceptions to Listing Rule 7.1. The issue did not breach Listing Rules 7.1 or 7.1A.

21,066,952 Placement Shares and 23,574,171 Placement Options were issued pursuant to the Company's Listing Rule 7.1 capacity and are the subject of Resolution 1. 14,294,305 Placement Shares were issued pursuant to the Company's Listing Rule 7.1A capacity, which capacity was approved by Shareholders at the annual general meeting held on 20 November 2023. These Placement Shares are the subject of Resolution 2.

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 or Listing Rule 7.1A (as the case may be) 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 into the future without having to obtain Shareholder approval for such issues under Listing Rules 7.1 or 7.1A.

To this end, Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Securities.

If Resolution 1 is passed, the 21,066,952 Placement Shares and 23,574,171 Placement Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 1 is not passed, the 21,066,952 Placement Shares and 23,574,171 Placement Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 2 is passed, the 14,294,305 Placement Shares will be excluded in calculating the Company's additional 10% capacity in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval under Listing Rule 7.1A until 20 November 2024.

If Resolution 2 is not passed, the 14,294,305 Placement Shares will be included in calculating the Company's additional 10% capacity in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval under Listing Rule 7.1A until 20 November 2024.

2.2 Listing Rule 7.5

For Shareholders to approve the Issue under and for the purposes of Listing Rule 7.4, the following information is provided to Shareholders in accordance with Listing Rule 7.5:

- (a) The Placement Securities were issued to institutional investors (including sophisticated and professional investors) exempt from or outside the disclosure requirements under Chapter 6D of the Corporations Act. Blue Ocean Equities Pty Limited acted as Lead Manager to the Placement. None of the subscribers is a related party of the Company.
- (b) The Placement Securities were issued on the following basis:
 - (i) 21,066,952 Placement Shares and 23,574,171 Placement Options were issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1); and
 - (ii) 14,294,305 Placement Shares were issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2).
- (c) The Placement Shares are fully paid ordinary shares in the Company and rank equally with the Company's current issued shares. The Placement Options have an exercise price of 15 cents and an expiry date of 30 April 2026. The full terms of the Placement Options are set out in Schedule 1.
- (d) The Placement Securities were issued on 22 December 2023 and 2 January 2024.
- (e) The Placement Shares were issued at 10 cents each. The Placement Options were issued as free attaching Options.
- (f) The purpose of the issue of the Placement was to raise funds to be used as set out in Section 1 above.
- (g) The Placement Securities were not issued pursuant to an agreement.
- (h) A voting exclusion statement applies to Resolutions 1 and 2.

3. RESOLUTION 3 – APPROVAL TO ISSUE PLACEMENT SECURITIES TO SAM WRIGHT

3.1 Background

Resolution 3 seeks Shareholder approval so that Sam Wright, who is a Director of the Company and thereby a related party, may participate in the Placement on the same terms as unrelated parties the subject of Resolutions 1 and 2.

Specifically, this Resolution seeks Shareholder approval so that the Company may issue up to 450,000 Shares at 10 cents per Share and 300,000 free attaching Options to Sam Wright or his nominees.

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) Listing Rule 10.11.1 - a related party;
- (b) Listing Rule 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;
- (c) Listing Rule 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;

- (d) Listing Rule 10.11.4 - an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) Listing Rule 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 issue falls within Listing Rule 10.11.1 (as Sam Wright is a Director of the Company) and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

This Resolution seeks the required Shareholder approval to the issue under and for the purposes of Listing Rule 10.11.

If this Resolution is passed, the Company will be able to proceed with the issue.

If this Resolution is not passed, the Company will not be able to proceed with the Issue and the Company will not raise the sum of \$45,000 the subject of this Resolution.

3.2 Listing Rule 10.13

For Shareholders to approve the issue of the securities under and for the purposes of Listing Rule 10.11, the following information is provided to Shareholders in accordance with Listing Rule 10.13:

- (a) The securities will be issued to Sam Wright or his nominees.
- (b) Sam Wright is a Director and is therefore a related party (Listing Rule 10.11.1).
- (c) The maximum number of securities the Company will issue is 450,000 Shares and 300,000 Options.
- (d) The Shares are fully paid ordinary Shares in the Company and rank equally with the Company's current issued shares. The Options have an exercise price of 15 cents and an expiry date of 30 April 2026. The Options are intended to be quoted. The full terms of the Options are set out in Schedule 1.
- (e) The securities will be issued no later than 1 month after the date of this Meeting (or a later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (f) The Shares will be issued for 10 cents per Share and the Options will be issued for free (nil issue price).
- (g) The purpose of the issue of the securities is to raise funds to be used as set out in Section 1 above.
- (h) The issue of the securities affects Sam Wright in his capacity as an investor and is not intended to remunerate or incentivise him.
- (i) The securities are not to be issued under a relevant agreement.
- (j) A voting exclusion statement applies to this Resolution.

The Directors of the Company independent of the Director in question (Sam Wright) have resolved that the issue of the securities the subject of this Resolution is on reasonable arms length terms for the Company as Sam Wright will be issued with Placement Shares and Placement Options on the same terms as Placement Shares and Placement Options issued to unrelated parties under an arms length placement.

4. RESOLUTION 4 – RATIFICATION OF ISSUE OF ADVISER OPTIONS

4.1 Background

On 21 December 2023 ("Issue Date") the Company issued 3,000,000 Adviser Options pursuant to a corporate advisory mandate agreement with Blue Ocean Equities Pty Limited ("Issue"). The Adviser Options represent the adviser fee pursuant to the mandate agreement.

This Resolution seeks Shareholder approval in relation to the issue of the 3,000,000 Adviser Options.

Information about Listing Rules 7.1 and 7.4 is set out in Section 2.1 above.

The securities issued the subject of this Resolution were issued within the Company's 15% capacity in Listing Rule 7.1.

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

To this end, this Resolution seeks Shareholder approval to the Issue under and for the purposes of Listing Rule 7.4.

If this Resolution is passed, the Issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the Issue Date.

If this Resolution is not passed, the Issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the Issue Date.

4.2 Listing Rule 7.5

For Shareholders to approve the Issue under and for the purposes of Listing Rule 7.4, the following information is provided to Shareholders in accordance with Listing Rule 7.5:

- (a) The securities were issued to Blue Ocean Equities Pty Limited, which is not a related party of the Company.
- (b) The number of securities issued was 3,000,000 Adviser Options.
- (c) The Options have an exercise price of 15 cents and an expiry date of 30 April 2026. The full terms of the Options are set out in Schedule 2.
- (d) The Options were issued on 21 December 2023.
- (e) The Options were issued for no cash consideration and there is no issue price.
- (f) The purpose of the issue of the Options is it represents the advisory fee for Blue Ocean Equities Pty Limited entering into a 12 month corporate adviser agreement.
- (g) The securities were issued under a corporate advisory mandate agreement, the material

term of which is Blue Ocean Equities Pty Limited will act as corporate adviser for a 12 month term from November 2023 which services include introductions to investors and advising on capital raisings. The Adviser Options represent the advisory fee.

(h) A voting exclusion statement applies to this Resolution.

5. RESOLUTION 5 – RATIFICATION OF ISSUE OF LEAD MANAGER OPTIONS

5.1 Background

On 2 January 2024 ("Issue Date") the Company issued 4,000,000 Lead Manager Options to Blue Ocean Equities Pty Limited ("Issue"). The Lead Manager Options represent part of the fee to lead manage the Placement the subject of Resolutions 1 to 3.

This Resolution seeks Shareholder approval in relation to the issue of the 4,000,000 Lead Manager Options.

Information about Listing Rules 7.1 and 7.4 is set out in Section 2.1 above.

The securities issued the subject of this Resolution were issued within the Company's 15% capacity in Listing Rule 7.1.

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

To this end, this Resolution seeks Shareholder approval to the Issue under and for the purposes of Listing Rule 7.4.

If this Resolution is passed, the Issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the Issue Date.

If this Resolution is not passed, the Issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the Issue Date.

5.2 Listing Rule 7.5

For Shareholders to approve the Issue under and for the purposes of Listing Rule 7.4, the following information is provided to Shareholders in accordance with Listing Rule 7.5:

- (a) The securities were issued to Blue Ocean Equities Pty Limited, which is not a related party of the Company.
- (b) The number of securities issued was 4,000,000 Lead Manager Options.
- (c) The Options have an exercise price of 15 cents and an expiry date of 31 December 2025. The full terms of the Options are set out in Schedule 3.
- (d) The Options were issued on 2 January 2024.
- (e) The Options were issued for no cash consideration and there is no issue price.
- (f) The purpose of the issue of the Options is it represents part of the consideration for Blue Ocean Equities Pty Limited to provide lead manager services for the Placement.
- (g) The securities were issued under an agreement, the material term of which is Blue Ocean

Equities Pty Limited agreed to lead manage the Placement for a 6% cash fee on the proceeds raised plus the issue of the 4,000,000 Lead Manager Options.

(h) A voting exclusion statement applies to this Resolution.

6. RESOLUTION 6 – RATIFICATION OF ISSUE OF ADVISER SHARES

6.1 Background

On 15 December 2023 ("Issue Date") the Company issued 675,676 Adviser Shares to Spark Plus Pte Ltd as consideration for corporate advisory services focused in Singapore and Hong Kong ("Issue").

This Resolution seeks Shareholder approval in relation to the issue of the 675,676 Adviser Shares.

Information about Listing Rules 7.1 and 7.4 is set out in Section 2.1 above.

The securities issued the subject of this Resolution were issued within the Company's 15% capacity in Listing Rule 7.1.

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

To this end, this Resolution seeks Shareholder approval to the Issue under and for the purposes of Listing Rule 7.4.

If this Resolution is passed, the Issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the Issue Date.

If this Resolution is not passed, the Issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the Issue Date.

6.2 Listing Rule 7.5

For Shareholders to approve the Issue under and for the purposes of Listing Rule 7.4, the following information is provided to Shareholders in accordance with Listing Rule 7.5:

- (a) The securities were issued to Spark Plus Pte Ltd, which is not a related party of the Company.
- (b) The number of securities issued was 675,676 Adviser Shares.
- (c) The Adviser Shares are fully paid ordinary shares in the Company and rank equally with the Company's current issued Shares except that they are subject to voluntary escrow until 11 April 2024.
- (d) The Adviser Shares were issued on 15 December 2023.
- (e) The Shares were issued for no cash consideration and at a deemed issue price of 10 cents per Share.
- (f) The purpose of the issue of the Shares is it represents the consideration for the agreement of Spark Plus Pte Ltd to provide non-exclusive corporate adviser services for 6 months from 11 October 2023 to 11 April 2024 with a focus on roadshow services in

Singapore and Hong Kong.

- (g) The securities were issued under a corporate advisory services agreement, the material terms of which are Spark Plus Pte Ltd is to provide 6 months corporate adviser services on a non-exclusive basis from 11 October 2023 to 11 April 2024. The focus is on roadshow services in Singapore and Hong Kong. The fee of US\$5,000 per month for 6 months is payable by the issue of Shares at a deemed issue price of 10 cents per Share and will be the subject of voluntary escrow until 11 April 2024. The Shares have been issued and are the Adviser Shares the subject of this Resolution.
- (h) A voting exclusion statement applies to this Resolution.

PHARMAUST LIMITED
ACN 094 006 023

GLOSSARY

In this Explanatory Statement, the following expressions have the following meanings:

"Adviser Options" means Options issued to Blue Ocean Equities Pty Limited with exercise price of 15 cents and an expiry date of 30 April 2026, the full terms of which are set out in Schedule 2.

"Adviser Shares" means Shares issued to Spark Plus Pte Ltd for advisory services.

"ASX" means the ASX Limited (ABN 98 008 624 691).

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

"AWST" or **"WST"** means Australian Western Standard Time, Perth, Western Australia.

"Board" means the Board of Directors of the Company.

"Company" or **"PAA"** means PharmAust Limited (ACN 094 006 023).

"Corporations Act" means Corporations Act 2001 (Cth).

"Directors" means the Directors of the Company from time to time.

"equity securities" has the same meaning as in the Listing Rules.

"Explanatory Statement" means this explanatory statement.

"General Meeting" or **"Meeting"** means this Meeting.

"Lead Manager Options" means Options issued to Blue Ocean Equities Pty Limited with an exercise price of 15 cents and an expiry date of 31 December 2025, the full terms of which are set out in Schedule 3.

"Notice" or **"Notice of Meeting"** means the notice of meeting that accompanies this Explanatory Statement.

"Option" means an option to subscribe for a Share.

"Placement" means the placement announced on 13 and 18 December 2023 and the subject of Resolutions 1 to 3.

"Placement Options" means Options with an exercise price of 15 cents and an expiry date of 30 April 2026, the full terms of which are set out in Schedule 1.

"Placement Shares" means the Shares issued and to be issued the subject to the Placement.

"Resolution" means a resolution contained in the Notice.

"Share" means a fully paid ordinary Share in the Company.

"Shareholder" means a registered holder of a Share in the Company.

SCHEDULE 1

TERMS OF PLACEMENT OPTIONS (RESOLUTIONS 1 AND 3)

The terms of the Options are:

1. Each Option entitles the holder to one Share upon exercise of the Option.
2. The exercise price of the Options is 15 cents.
3. The Options are exercisable at any time prior to 5.00 pm WST on 30 April 2026 (Expiry Date).
4. The Options are freely transferable. The Options are or will be quoted.
5. The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
6. Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be issued a Share ranking equally with the then issued Shares. The Company will apply to ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Options to be admitted to quotation.
7. There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. Thereby, the Option holder has no rights to a change in the exercise price of the Option or a change to the number of underlying securities over which the Option can be exercised except in the event of a bonus issue. The Company will ensure, for the purposes of determining entitlements to any issue, that the Option holder will be notified of a proposed issue after the issue is announced. This will give an Option holder the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
8. If there is a bonus issue (Bonus Issue) to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
9. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Option holder are to be changed in a manner consistent with the Listing Rules.

SCHEDULE 2

TERMS OF ADVISER OPTIONS (RESOLUTION 4)

The terms of the Options are:

1. Each Option entitles the holder to one Share upon exercise of the Option.
2. The exercise price of the Options is 15 cents.
3. The Options are exercisable at any time prior to 5.00 pm WST on 30 April 2026 (Expiry Date).
4. The Options are freely transferable. The Options are quoted.
5. The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
6. Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be issued a Share ranking equally with the then issued Shares. The Company will apply to ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Options to be admitted to quotation.
7. There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. Thereby, the Option holder has no rights to a change in the exercise price of the Option or a change to the number of underlying securities over which the Option can be exercised except in the event of a bonus issue. The Company will ensure, for the purposes of determining entitlements to any issue, that the Option holder will be notified of a proposed issue after the issue is announced. This will give an Option holder the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
8. If there is a bonus issue (Bonus Issue) to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
9. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Option holder are to be changed in a manner consistent with the Listing Rules.

SCHEDULE 3

TERMS OF LEAD MANAGER OPTIONS (RESOLUTION 5)

The terms of the Options are:

1. Each Option entitles the holder to one Share upon exercise of the Option.
2. The exercise price of the Options is 15 cents.
3. The Options are exercisable at any time prior to 5.00 pm WST on 31 December 2025 (Expiry Date).
4. The Options are freely transferable. The Options are not intended to be quoted.
5. The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
6. Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be issued a Share ranking equally with the then issued Shares. The Company will apply to ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Options to be admitted to quotation.
7. There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. Thereby, the Option holder has no rights to a change in the exercise price of the Option or a change to the number of underlying securities over which the Option can be exercised except in the event of a bonus issue. The Company will ensure, for the purposes of determining entitlements to any issue, that the Option holder will be notified of a proposed issue after the issue is announced. This will give an Option holder the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
8. If there is a bonus issue (Bonus Issue) to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
9. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Option holder are to be changed in a manner consistent with the Listing Rules.

Need assistance?



Phone:

1300 722 909 (within Australia)
+61 3 9415 4692 (outside Australia)



Online:

www.investorcentre.com/contact

PAARM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **3:00pm (AWST) on Monday, 19 February 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 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

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 RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SURBURB
SAMPLETOWN 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.



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 PharmAust 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 PharmAust Limited to be held at RSM Australia, Level 32, 2 The Esplanade, Perth, WA 6000 on Wednesday, 21 February 2024 at 3:00pm (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 issue of Placement Securities to unrelated parties under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of issue of Placement Shares to unrelated parties under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval to Issue Placement Securities to Sam Wright	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Issue of Adviser Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Issue of Lead Manager Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of Issue of Adviser Shares	<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

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

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