



Sprintex Limited
ABN: 38 106 337 599

ASX: SIX

4 August 2023

Dear Shareholder,

General Meeting – Letter to Shareholders

The General Meeting (Meeting) of shareholders of Sprintex Limited (Company) will be held at Suite 6, Level 1, 251 Adelaide Terrace, Perth WA 6000 on Monday 4 September 2023 at 10.00am (WST).

In accordance with section 110D of the Corporations Act 2001 (Cth) (as inserted by the Corporations Amendment (Meeting and Documents) Act 2022 (Cth)), the notice of meeting (Notice) is being made available to Shareholders by electronic means and the Company will not be dispatching physical copies of this Notice, unless a Shareholder has elected to receive documents in hard copy in accordance with the timeframe specified in section 110E(8) of the Corporations Amendment (Meetings and Documents) Act 2022 (Cth).

Instead, the Notice can be viewed and downloaded via:

- the Company's website at <https://www.sprintex.com.au/asx-releases>.
- via the Company's ASX page at <https://www2.asx.com.au/markets/company/SIX>; and
- if you have nominated an email address and have elected to receive electronic communications from the Company, via the electronic link that is sent to your nominated email address.

The Company strongly encourages shareholders to lodge a directed proxy form prior to the meeting. Shareholders can lodge their vote by going to www.advancedshare.com.au/invetor-login and logging in with the meeting ID, your unique shareholder identification number and postcode (or country for overseas residents), which you can find on your enclosed personalised proxy form. Shareholders are also encouraged to provide an email address in order to receive electronic communication from the Company in the future.

Your proxy form must be received by 10.00am (WST) on Saturday, 2 September 2023, being not less than 48 hours before the commencement of the Meeting. Any proxy forms received after that time will not be valid for the Meeting.

Shareholders may submit questions in advance of the Meeting by email to the Company Secretary at accounts@sprintex.com.au by 10.00am (WST) on Saturday, 2 September 2023. Shareholders who attend the Meeting will also have the opportunity to submit questions during the Meeting.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.



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If you have any difficulties obtaining a copy of the Notice, please contact the Company's share registry, Advanced Share Registry, on +61 8 9389 8033.

Yours sincerely,

Michael van Uffelen
Company Secretary

SPRINTEX LIMITED

ACN 106 337 599

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00 am (WST)

DATE: Monday, 4 September 2023

PLACE: Suite 6, Level 1, 251 Adelaide Terrace, Perth WA 6000

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

This Notice of Meeting 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 10:00am (WST) on Saturday, 2 September 2023.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF INVESTOR PLACEMENT SHARES AT \$0.045

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 19,888,888 Investor Placement Shares at \$0.045 each on the terms and conditions set out in the Explanatory Statement.”

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

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF INVESTOR PLACEMENT SHARES AT \$0.04

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 750,000 Investor Placement Shares at \$0.04 each on the terms and conditions set out in the Explanatory Statement.”

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

3. RESOLUTION 3 – APPROVAL TO ISSUE INVESTOR PLACEMENT SHARES AT \$0.045 TO CHINA AUTOMOTIVE HOLDINGS LIMITED

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 5,644,445 Investor Placement Shares at \$0.045 each to China Automotive Holdings Limited on the terms and conditions set out in the Explanatory Statement.”

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

4. RESOLUTION 4 – APPROVAL TO ISSUE INVESTOR 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 13,141,667 Investor Placement Options 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 – APPROVAL FOR DIRECTOR PARTICIPATION IN PLACEMENT - MR JUDE UPTON

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 1,111,111 Director Placement Shares together with 555,556 free attaching Director Placement Options to Mr Jude Upton (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

6. RESOLUTION 6 – APPROVAL FOR DIRECTOR PARTICIPATION IN PLACEMENT – MR STEVEN APEDAILE

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 1,133,333 Director Placement Shares and 566,667 free attaching Director Placement Options to Mr Steven Apedaile (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

7. RESOLUTION 7 – APPROVAL FOR DIRECTOR PARTICIPATION IN PLACEMENT – MR LI CHEN

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 1,111,111 Director Placement Shares together with 555,556 free attaching Director Placement Options to Mr Li Chen (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

8. RESOLUTION 8 – 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 12,500,000 free attaching SPP Options on the terms and conditions set out in the Explanatory Statement.”

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

9. RESOLUTION 9 – APPROVAL TO ISSUE SHORTFALL SHARES AND SHORTFALL 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 25,000,000 Shortfall Shares and up to 12,500,000 free attaching Shortfall Options on the terms and conditions set out in the Explanatory Statement.”

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

10. RESOLUTION 10 – APPROVAL TO ISSUE OPTIONS TO MMR CORPORATE SERVICES 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 2,750,000 Options to MMR Corporate Services Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

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

Dated: 31 July 2023

**By order of the Board
Michael van Uffelen
Company Secretary**

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 Investor Placement Shares	A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.
Resolution 2 – Ratification of prior issue of Investor Placement Shares	A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.
Resolution 3 - Approval to Issue Investor Placement Shares at \$0.045 to China Automotive Holdings Limited	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, China Automotive Holdings Limited) or an associate of that person (or those persons).
Resolution 4 – Approval to issue Investor 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) or an associate of that person (or those persons).
Resolution 5 – Approval for Director Participation in Placement – Jude Upton	Jude Upton (or their nominee) 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 – Approval for Director Participation in Placement -Steven Apedaile	Steven Apedaile (or their nominee) 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 for Director Participation in Placement -Li Chen	Li Chen (or their nominee) 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 8 – 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 a participant in the SPP) or an associate of that person (or those persons).
Resolution 9 – Approval to issue Shortfall Shares and Shortfall 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) or an associate of that person (or those persons).
Resolution 10 – Approval to issue Options to MMR Corporate Services 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 MMR Corporate Services Pty Ltd) 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 (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) 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 of Meeting please do not hesitate to contact the Company Secretary on +61 8 9262 7277.

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

1.1 General

20 July 2023, the Company lodged a prospectus in relation to a placement (**Placement**) and securities purchase plan (including a shortfall offer (**Shortfall Offer**)) (**SPP**) announced to the ASX on 11 July 2023 (together, the **Capital Raising**). Under the Capital Raising, the Company intends to raise up to approximately \$2,330,000 through the issue of:

- (a) 26,283,333 Shares under the Placement (**Investor Placement Shares**) to existing substantial shareholders of the Company, non-related parties of the Company and professional and sophisticated investors who are clients of MMR, to raise approximately \$1,179,000, comprising:
 - (i) 19,888,888 Investor Placement Shares with an issue price of \$0.045 per Share (\$895,000) (ratification of these Shares are sought under Resolution 1 of this Notice);
 - (ii) 750,000 Investor Placement Shares with an issue price of \$0.04 per Share (\$30,000) (ratification of these Shares are sought under Resolution 2 of this Notice); and
 - (iii) 5,644,445 Investor Placement Shares with an issue price of \$0.045 per Share (\$254,000) (approval for the issue of these Shares is sought under Resolution 3 of this Notice),
- (b) 3,355,555 Shares with an issue price of \$0.045 per Share under the Placement to Directors to raise approximately \$151,000 (**Director Placement Shares**) (approval for the issue of these Shares are sought under Resolutions 5 to 7 of this Notice);
- (c) up to 25,000,000 Shares at an issue price of \$0.04 per Share to raise up to approximately \$1,000,000 under the SPP (**SPP Shares**); and
- (d) up to 25,000,000 Shares at an issue price of \$0.04 per Share to raise up to approximately \$1,000,000 constituting the shortfall from the SPP (**Shortfall Shares**) (approval for the issue of these Shares are sought under Resolution 9 of this Notice).

In addition to the Shares offered under the SPP and Placement, the Company is seeking Shareholder approval to enable participants in the SPP (including the Shortfall Offer) and Placement to also receive one (1) Option for every two (2) Shares subscribed for and issued to them. The terms of the Options offered under the SPP and Placement are set out in Schedule 1.

Specifically, the Company is seeking Shareholder approval under:

- (a) Resolution 4 of this Notice to issue up to 13,141,667 Options free attaching to the Investor Placement Shares issued under the Placement (**Investor Placement Options**);

- (b) Resolution 5 to 7 of this Notice to issue up to 1,677,778 Options free attaching to the Director Placement Shares issued under the Placement (**Director Placement Options**);
- (c) Resolution 8 of this Notice to issue up to 12,500,000 Options free attaching to the SPP Shares (**SPP Options**); and
- (d) Resolution 9 of this Notice to issue up to 12,500,000 Options free attaching to the Shortfall Shares (**Shortfall Options**).

Further details regarding the Placement and SPP are set out in the prospectus lodged by the Company with the ASIC and ASX on 20 July 2023 (**Prospectus**).

1.2 MMR

MMR Corporate Services Pty Ltd (**MMR**) provided investor relations services in respect of the Placement and the SPP and the Company has agreed to issue MMR (or its nominee) 2,750,000 Options exercisable at \$0.10 on or before 30 June 2025 (**MMR Options**) as consideration for services provided.

Shareholder approval to issue the MMR Options to MMR (or its nominee/s) is sought under Resolution 10.

1.3 CAHL shareholding

China Automotive Holdings Limited (**CAHL**) is a current substantial shareholder of the Company and participated in the Placement.

CAHL holds 40,800,000 Shares (15.24% of the issued capital of the Company based on the total issued capital of 267,687,660 Shares prior to the issue of Shares under the Placement and the SPP).

Under the Placement, CAHL was issued 16,555,555 Investor Placement Shares (that comprise a portion of the 19,888,888 Shares for which the Company is seeking Shareholder ratification for, pursuant to Resolution 1). On completion of the SPP, CAHL will be issued an additional 5,644,445 Investor Placement Shares (the subject of Resolution 3).

Following the completion of the SPP and the issue of CAHL's full allocation of Investor Placement Shares, CAHL's relevant interest in the Company is proposed to increase to 19.55% on an undiluted basis.

If Shareholder approval is obtained under Resolution 4, CAHL will be issued 11,100,000 Investor Placement Options. CAHL would be precluded by Section 606(1) of the Corporations Act from exercising its Investor Placement Options to the extent to which the exercise would result in CAHL increasing its relevant interest beyond 20%, unless it first complies with Section 611 of the Corporations Act.

1.4 Use of Funds

The Company intends to apply the funds raised under the Placement and the SPP to fund purchase of volume production equipment and parts inventory for its

recently completed range of exceptionally efficient e-compressors and industrial blowers, as set out in the table below:

Proceeds of the SPP	Full Subscription under the SPP (\$1,000,000)	%
Inventory build	\$400,000	40%
Working capital ¹	\$570,000	57%
Expenses of the Offers	\$30,000	3%
Total	\$1,000,000	100%

Notes:

1. Working capital costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, Director fees, rent, insurance and other associated costs.

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF INVESTOR PLACEMENT SHARES

2.1 General

As set out above, as part of the Capital Raising, the Company completed the issue of 20,638,888 the Investor Placement Shares to raise approximately \$895,000 under the Placement. Refer to Section 1.1 for further information with respect to the Placement.

Resolutions 1 and 2 seek Shareholder ratification for the prior issue of 20,638,888 Investor Placement Shares.

2.2 Listing Rules 7.1

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

Under Listing Rule 7.1A, 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 30 November 2022.

The issue of the Investor 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 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Investor Placement Shares.

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 Investor Placement Shares.

2.3 Technical information required by Listing Rule 14.1A

If Resolutions 1 and 2 are passed, the Investor 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 Investor Placement Shares.

If Resolutions 1 and 2 are not passed, the Investor 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 Investor Placement Shares.

2.4 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 Investor Placement Shares were issued to existing substantial shareholders of the Company, non-related parties of the Company and professional and sophisticated investors who are clients of MMR. The recipients were identified by the Directors with the assistance of MMR, seeking expressions of interest to participate in the Capital Raising;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients of the Investor Placement Shares 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, other than the following parties:
 - (A) **CAHL** is a current substantial shareholder of the Company and participated in the Placement. CAHL holds 40,800,000 Shares (15.24% of the issued capital of the Company based on the total issued capital of 267,687,660 Shares prior to the issue of Shares under the Placement and the SPP). Under the Placement, CAHL was issued 16,555,555 Investor Placement Shares (that comprise a portion of the 19,888,888 Shares for which the Company is seeking Shareholder ratification for, pursuant to Resolution 1). On completion of the SPP, CAHL will be issued an additional 5,644,445 Investor Placement Shares (the subject of Resolution 3).

Following the completion of the SPP and the issue of CAHL's full allocation of Investor Placement Shares to

CAHL, CAHL's relevant interest in the Company is proposed to increase to 19.55% on an undiluted basis.

(B) **Mr David Steicke** is a current substantial shareholder of the Company and participated in the Placement. Mr Steicke holds 23,227,788 Shares (or 8.70% of the issued capital of the Company based on the total issued capital of 267,687,660 Shares prior to the issue of Shares under the Placement and the SPP). Under the Placement, Mr Steicke received 2,222,222 Investor Placement Shares. Following the completion of the SPP and the issue of the Investor Placement Shares to Mr Steicke, Mr Steicke shareholding decreased to 8.12% on an undiluted basis, and

- (ii) issued more than 1% of the issued capital of the Company,
- (c) 20,638,888 Investor Placement Shares were issued and comprised:
 - (i) 19,888,888 Investor Placement Shares with an issue price of \$0.045 per Share; and
 - (ii) 750,000 Investor Placement Shares with an issue price of \$0.04 per Share,
- (d) the Investor 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 20,638,888 Investor Placement Shares were issued on 21 July 2023;
- (f) the issue price of the Investor Placement Shares was \$0.04 (750,000 Investor Placement Shares) and \$0.045 (19,888,888 Investor Placement Shares). The Company has not and will not receive any other consideration for the issue of the Investor Placement Shares;
- (g) the purpose of the issue of the Investor Placement Shares was to raise up to approximately \$895,000 which will be applied towards the activities set out in Section 1.4; and
- (h) the Investor Placement Shares were not issued under an agreement.

3. RESOLUTION 3 - APPROVAL TO ISSUE INVESTOR PLACEMENT SHARES AT \$0.045 TO CHINA AUTOMOTIVE HOLDINGS LIMITED

3.1 General

As set out above, as part of the Capital Raising, the Company proposes to issue an additional 5,644,445 Investor Placement Shares to CAHL (or its nominee) under the Placement to CAHL. It is proposed that these Investor Placement Shares will be issued to CAHL following the issue of the Director Participation, Shares and attaching Options under the SPP (subject to Shareholder approval being obtained for the relevant issues).

Refer to Section 1.1 for further information with respect to the Placement.

3.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The proposed issue of the additional Investor Placement Shares to CAHL does not fit within any of the exceptions set out in Listing Rule 7.2. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching 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 under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity 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 additional Investor Placement Shares to CAHL. In addition, the issue of the additional Investor Placement Shares to CAHL 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 issue of the additional Investor Placement Shares to CAHL can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue.

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the additional Investor Placement Shares to CAHL.

3.4 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 3:

- (a) the additional Investor Placement Shares will be issued to CAHL (or its nominee/s);
- (b) the maximum number of additional Investor Placement Shares to be issued is 5,644,445. These Shares issued 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;
- (c) the additional Investor Placement Shares to CAHL 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);
- (d) the issue price of the additional Investor Placement Shares to CAHL will be \$0.045 per Share. The Company will not receive any other consideration for the issue of these Investor Placement Shares;
- (e) the purpose of the issue of the additional Investor Placement Shares to CAHL is to raise capital, which will be applied towards the activities set out in Section 1.4;
- (f) the additional Investor Placement Shares to CAHL are not being issued under an agreement; and

- (g) the additional Investor Placement Shares to CAHL are not being issued under, or to fund, a reverse takeover.

3.5 Dilution

CAHL is a current substantial shareholder of the Company and participated in the Placement. CAHL holds 40,800,000 Shares (15.24% of the issued capital of the Company based on the total issued capital of 267,687,660 Shares prior to the issue of Shares under the Placement and the SPP). Under the Placement, CAHL was issued 16,555,555 Investor Placement Shares (that comprise a portion of the 19,888,888 Shares for which the Company is seeking Shareholder ratification for, pursuant to Resolution 1). On completion of the SPP, CAHL will be issued an additional 5,644,445 Investor Placement Shares (the subject of Resolution 3).

Following the completion of the SPP and the issue of CAHL's full allocation of Investor Placement Shares, CAHL's relevant interest in the Company is proposed to increase to 19.55% on an undiluted basis.

4. RESOLUTION 4 – APPROVAL TO ISSUE INVESTOR PLACEMENT OPTIONS

4.1 General

An overview of the Placement is set out above in Section 1.1. As part of the Placement, the Company offered participants the opportunity to subscribe for one (1) free attaching Option for every two (2) Shares subscribed for under the Placement.

Based on the number of Shares subscribed for and issued under the Placement to non-related party investors, the Company is seeking approval to issue 13,141,667 Investor Placement Options to those investors who participated in the Placement and received Investor Placement Shares, under Resolution 4.

4.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The proposed issue of the Investor Placement Options does not fit within any of the exceptions set out in Listing Rule 7.2. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching 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 under Listing Rule 7.1.

Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

4.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Investor Placement Options. In addition, the issue of the Investor 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 4 is not passed, the issue of the Investor Placement Options can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue.

4.4 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 Resolutions 4:

- (a) the Investor Placement Options are proposed to be issued to the holders of Investor Placement Shares, who are existing substantial shareholders of the Company, non-related parties of the Company and professional and sophisticated investors who are clients of MMR. The recipients were identified by the Directors with the assistance of MMR, seeking expressions of interest to participate in the Capital Raising;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients of the Investor Placement Options 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, other than the following parties:

- (A) **CAHL** is a current substantial shareholder of the Company and participated in the Placement. CAHL holds 40,800,000 Shares (15.24% of the issued capital of the Company based on the total issued capital of 267,687,660 Shares prior to the issue of Shares under the Placement and the SPP). On completion of the SPP, CAHL will be issued an additional 5,644,445 Investor Placement Shares (the subject of Resolution 3).

If Shareholder approval is obtained under this Resolution 4, CAHL will be issued 11,100,000 Investor Placement Options.

On exercise of the Investor Placement Options, CAHL's shareholding has the potential to increase to 21.98% on a diluted basis. If this scenario were to occur, CAHL would be precluded by Section 606(1) of the Corporations Act from exercising its Investor Placement Options to the extent to which the exercise would result in CAHL increasing its relevant interest beyond 20%, unless it first complies with Section 611 of the Corporations Act.

- (B) **Mr David Steicke** is a current substantial shareholder of the Company and participated in the Placement. Mr Steicke holds 23,227,788 Shares (or 8.70% of the issued capital of the Company based on the total issued capital of 267,687,660 Shares prior to the issue of Shares under the Placement and the SPP).

If Shareholder approval is obtained under this Resolution 4, Mr Steicke will be issued 1,111,111 Investor Placement Options.

On exercise of the Investor Placement Options, Mr Steicke's shareholding will decrease to 7.68% on a

diluted basis on exercise of the Investor Placement Options, and

- (ii) issued more than 1% of the issued capital of the Company,
- (c) the maximum number of Investor Placement Options to be issued is 13,141,667;
- (d) the terms and conditions of the Investor Placement Options are set out in Schedule 1;
- (e) the Investor 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);
- (f) the issue price will be nil, as the Investor Placement Options are free attaching to the Investor Placement Shares. No funds will be raised from the issue of the Investor Placement Options (other than in respect of funds received on exercise of the Options);
- (g) the purpose of the issue of the Investor Placement Options is to incentivise participants in the Placement;
- (h) the Investor Placement Options are not being issued under an agreement; and
- (i) the Investor Placement Options are not being issued under, or to fund, a reverse takeover.

5. RESOLUTIONS 5 TO 7 – APPROVAL FOR DIRECTOR PARTICIPATION IN THE PLACEMENT

5.1 General

Resolutions 5 to 7 seek Shareholder approval for the Directors to participate in the Placement (**Director Participation**), for an aggregate of up to 3,355,555 Director Placement Shares with an issue price of \$0.045 each and 1,677,778 attaching Director Placement Options (together, the **Director Participation Securities**) as follows:

- (a) 1,111,111 Director Placement Shares and 555,556 attaching Director Placement Options to Mr Jude Upton (or his nominee(s)) under the Placement (the subject of Resolution 5);
- (b) 1,133,333 Director Placement Shares and 566,667 attaching Director Placement Options to Mr Steven Apedaile (or his nominee(s)) under the Placement (the subject of Resolution 6); and
- (c) 1,111,111 Director Placement Shares and 555,556 Director Placement Options to Mr Li Chen (or his nominee(s)) under the Placement (the subject of Resolution 7).

Messrs Jude Upton, Steven Apedaile and Li Chen are herein referred to as the **Related Parties**.

Should Resolutions 5 to 7 be passed, it is proposed that the Company will receive an aggregate of approximately \$151,000 from the Director Participation to be applied towards the activities set out in Section 1.4.

Refer to Section 1.1 for further information with respect to the Placement.

5.2 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 Placement Securities to the Related Parties (or their nominee(s)) constitutes giving a financial benefit and each of the Related Parties are related parties of the Company by virtue of each being a director of the Company.

In respect of Resolution 5, the Directors (other than Mr Upton 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 Resolution 5 because the Director Placement Securities will be issued on the same terms as the Investor Placement Shares and Investor Placement Options issued under the Placement to non-related party participants and as such, the giving of the financial benefit is on arm's length terms.

In respect of Resolution 6, the Directors (other than Mr Apedaile 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 Resolution 6 because the Director Placement Securities will be issued on the same terms as the Investor Placement Shares and Investor Placement Options issued under the Placement to non-related party participants and as such, the giving of the financial benefit is on arm's length terms.

In respect of Resolution 7, the Directors (other than Mr Chen who has a material personal interest in Resolution 7) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 7 because Director Placement Securities will be issued on the same terms as the Investor Placement Shares and Investor Placement Options issued under the Placement to non-related party participants and as such, the giving of the financial benefit is on arm's length terms.

5.3 Director recommendation

Each of the Related Parties has a material personal interest in the outcome of Resolutions 5 to 7 on the basis that each Director (or their respective nominees) would be permitted to participate in the Placement should Resolutions 4 to 6 be passed. For this reason, the Related Parties do not believe that it is appropriate to make a recommendation on Resolutions 5 to 7 of this Notice.

5.4 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 5 to 7 seek the required Shareholder approval for the issue of the Director Placement Securities under and for the purposes of Listing Rule 10.11.

5.5 Technical information required by Listing Rule 14.1A

If each of Resolutions 5 to 7 are passed, the Company will be able to proceed with the issue of the Director Placement 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 Placement Securities (because approval is being obtained under Listing Rule 10.11), the issue of the Director Placement Securities will not use up any of the Company's 15% annual placement capacity.

If any of Resolutions 5 to 7 are not passed, the Company will not be able to proceed with the issue of the Director Placement Securities and the \$151,000 that would be raised via the Director Participation under the Placement will not be raised.

Resolutions 5 to 7 seek approval for individual issues and are not dependent on one another.

5.6 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 5 to 7:

- (a) the Director Placement Securities will be issued to the Related Parties (or their nominee(s)), who fall within the category set out in Listing Rule 10.11.1 as the Related Parties are related parties of the Company by virtue of each being a director of the Company;

- (b) the Director Placement Securities will be issued to the Related Parties (or their nominees) in the proportions set out in Section 5.1;
- (c) the maximum number of Director Placement Securities comprise:
- (i) 3,355,555 Director Placement Shares which 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; and
 - (ii) 1,677,778 Director Placement Options which are free attaching to the Director Placement Shares;
- (d) the Director Placement Options will be issued on the terms and conditions set out in Schedule 1;
- (e) the Director Placement 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 intended that issue of the Shares and Options will occur on the same date;
- (f) the issue price will be \$0.045 per Director Placement Share and nil per Director Placement Option (as the Director Placement Options are being issued free attaching to the Director Placement Shares). The issue price of the Director Placement Shares is the same issue price (or higher in respect of those Investor Placement Shares issued at \$0.04 each) as all other Investor Placement Shares issued to other participants in the Placement. The Company will not receive any other consideration for the issue of the Director Placement Securities (other than in respect of funds received on exercise of the Director Placement Options);
- (g) the purpose of the issue of the Director Placement Securities to the Related Parties is to allow the Related Parties to participate in the Placement and have the funds raised put towards activities set out in Section 1.4;
- (h) the Director Placement Securities to be issued under the Director Participation are not intended to remunerate or incentivise the Related Parties;
- (i) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

Director	Shares	Options	Performance Rights
Jude Upton	1,636,177 ¹	-	5,000,000 ¹
Steven Apedaile	5,804,195 ²	-	2,500,000 ⁴
Li Chen	8,368,216 ³	-	5,000,000 ³

Notes:

1. Held by Top Fuel Promotions Pty Ltd (an entity controlled by Jude Upton).
2. Held by Steven James Apedaile and Mrs Michelle Apedaile <Apedaile Family A/C>.
3. Held by Lidx Technology Limited (an entity controlled by Li Chen).
4. Held by Mr Steven James Apedaile and Mrs Michelle Apedaile <Super Fund A/C>.

- (j) If Resolutions 5 to 7 are approved by Shareholders, the relevant interests of the Related Parties in securities of the Company on completion of the Placement and SPP will be as follows:

Related Party	Shares	Options	Performance Rights
Jude Upton	2,747,288	555,556	5,000,000
Steven Apedaile	6,937,528	566,667	2,500,000
Li Chen	9,479,327	555,556	5,000,000

Notes:

1. Exercisable at \$0.10 on or before 30 June 2025.
 2. The Performance Rights will vest and be convertible into Shares on the achievement of \$20,000,000 of annual revenue by 30 June 2024 (validated by audited/reviewed financial reports)
- (k) the Director Placement Securities are not being issued under an agreement; and
- (l) voting exclusion statements are included in Resolutions 5 to 7 of the Notice.

6. RESOLUTION 8 – APPROVAL TO ISSUE SPP OPTIONS

6.1 General

Resolution 8 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of up to 12,500,000 SPP Options (being one Option for every two Shares subscribed for and issued pursuant to the SPP).

Refer to Section 1.1 for further information with respect to the SPP.

6.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The proposed issue of the SPP Options does not fall within any of the exceptions set out in Listing Rule 7.2 and requires the approval of Shareholders under Listing Rule 7.1.

While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, as stated in the Prospectus, if Shareholders do not approve the issue of the SPP Options the subject of Resolution 8, then participants in the SPP will not receive SPP Options as part of the SPP.

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 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 8 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.

6.4 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 8:

- (a) the SPP Options will be issued to eligible Shareholders who participate in the SPP (**SPP Participants**);
- (b) the SPP Options will be issued to SPP Participants on the basis of one Option for every two Shares subscribed for and issued under the SPP. The Company anticipates that up to 12,500,000 SPP Options will be issued assuming full subscription under the SPP.
- (c) the terms and conditions of the SPP Options are set out in Schedule 1;
- (d) Company confirms that none of the SPP Participants 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;
- (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 the issue of the SPP Options will occur on the same date;
- (f) the issue price will be nil per SPP Option as the Options will be issued free attaching to the Shares issued under the SPP;
- (g) the purpose of the issue of the issue of the SPP Option is to incentivise SPP Participants;
- (h) the SPP Options are not being issued under an agreement; and
- (i) the SPP Options are not being issued under, or to fund, a reverse takeover.

7. RESOLUTION 9 – APPROVAL TO ISSUE SHORTFALL SHARES AND SHORTFALL OPTIONS

7.1 General

Resolution 9 seeks Shareholder approval for the Shortfall Shares and Shortfall Options. Any portion of the SPP that is not taken up by eligible Shareholders will form part of a Shortfall Offer. As such, the definitive number of Shortfall Shares and Shortfall Options issued under this Resolution will be determined once the SPP has completed.

Refer to Section 1.1 for further information with respect to the SPP.

7.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2.

The proposed issue of the Shortfall Shares and Shortfall Options does not fit within any of the exceptions set out in Listing Rule 7.2.

In terms of the Shortfall Shares, while the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching 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 under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

In terms of the Shortfall Options, while the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, if Shareholders do not approve the issue of the Shortfall Options the subject of Resolution 9, then participants in the SPP will not receive free attaching Options as part of the Shortfall Offer.

7.3 Technical information required by Listing Rule 14.1A

If Resolution 9 is passed, the Company will be able to proceed with the issue of the Shortfall Shares and Shortfall Options. In addition, the issue of the Shortfall Shares and Shortfall 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 9 is not passed:

- (a) the issue of the Shortfall Shares can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue; and
- (b) the issue of the Shortfall Options will not proceed and the Company may potentially consider alternate ways to incentivise the Shortfall Participants.

7.4 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 9:

- (a) the Shortfall Shares and Shortfall Options will be issued to participants in the Shortfall Offer (**Shortfall Participants**). The allocation of Shortfall Shares and Shortfall Options under the Shortfall Offer will be determined by the Board at their discretion, in consultation with the MMR and may be influenced by the following factors:
 - (i) the number of Shares applied for by participants under the SPP;
 - (ii) the overall level of demand under the SPP and Shortfall Offer;
 - (iii) the likelihood that participants will be long-term Shareholders;
 - (iv) the Company's desire to establish a wide spread of investors, including institutional investors; and
 - (v) any other factors that the Company and MMR consider appropriate,

- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the Shortfall Participants 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 Shortfall Shares to be issued is 25,000,000 and the maximum number of Shortfall Options to be issued is 12,500,000;
- (d) the Shortfall Shares 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;
- (e) the Shortfall Options will be issued to Shortfall Participants on the basis of one Option for every two Shares subscribed for and issued under the Shortfall Offer. The Company anticipates that up to 12,500,000 Shortfall Options will be issued assuming full subscription under the Shortfall Offer;
- (f) the Shortfall Shares and Shortfall 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);
- (g) the terms and conditions of the Shortfall Options are set out in Schedule 1. The Company will not receive any other consideration for the issue of Shortfall Options (other than on exercise of the Shortfall Options);
- (h) the issue price of the Shortfall Shares will be \$0.10 per Share. The Company will not receive any other consideration for the issue of Shortfall Shares;
- (i) the purpose of the issue of Shortfall Shares and Shortfall Options is to incentive Shortfall participants and ensure the Company can raise the full \$1,000,000 under the SPP. The Company intends to apply the funds raised from the SPP towards the activities set out in Section 1.4;
- (j) the Shortfall Shares and Shortfall Options are not being issued under an agreement; and
- (k) the Shortfall Shares and Shortfall Options are not being issued under, or to fund, a reverse takeover.

8. RESOLUTION 10 – APPROVAL TO ISSUE OPTIONS TO MMR CORPORATE SERVICES PTY LTD

8.1 General

Resolution 10 seeks Shareholder approval to issue the MMR Options to MMR (or its nominee/s). Refer to Section 1.2 for further information with respect to the MMR Options.

8.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2.

The proposed issue of the MMR Options does not fall within any of these exceptions and may exceed the 15% limit in Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval under Listing Rule 7.1 for the issue of the MMR Options.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval under Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue of the MMR Options under Listing Rule 7.1 so that it does not use up any of the 15% limit on issue equity securities without Shareholder approval set out in Listing Rule 7.1.

8.3 Technical information required by Listing Rule 14.1A

If Resolution 10 is passed, the Company will be able to proceed with the issue of the MMR Options. In addition, the issue of the MMR 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 10 is not passed, the Company will not be able to proceed with the issue of the MMR Options and will have to consider other mechanisms to properly compensate MMR, including the payment of the relevant transaction fees in cash, which may not be as cost effective for the Company.

8.4 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 10:

- (a) the MMR Options will be issued to MMR (or its nominee/s);
- (b) the maximum number of MMR Options to be issued is 2,750,000. The terms and conditions of the MMR Options are set out in Schedule 1;
- (c) the MMR 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);
- (d) the issue price per MMR Option will be nil per Option, as the MMR Options are being issued as consideration for investor relation services provided by MMR in respect of the SPP and Placement;
- (e) the Company will not receive any other consideration for the issue of the MMR Options (other than on exercise of the MMR Options);
- (f) MMR is engaged by the Company to provide investor relation services under an ongoing investor relations mandate with MMR. The Company agreed to issue MMR (or its nominee/s) the MMR Options in consideration for MMR providing investor relation services in respect of the SPP and Placement;
- (g) the purpose of the issue of the MMR Options is to satisfy the Company's obligation pursuant to the arrangement with MMR referred to above; and
- (h) the MMR 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.

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.

CAHL means China Automotive Holdings Limited.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Sprintex Limited (ACN 106 337 599).

Constitution means the Company's constitution.

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

Director Participation has the meaning provided in Section 5.1.

Director Placement Options has the meaning provided in Section 1.1.

Director Placement Securities has the meaning provided in Section 5.1.

Director Placement Shares has the meaning provided in Section 1.1.

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by 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.

Listing Rules means the Listing Rules of ASX.

MMR means MMR Corporate Services Pty Ltd.

MMR Options has the meaning provided in Section 1.2.

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

Option means an option to acquire a Share with the terms and conditions set out in Schedule 1.

Optionholder means a holder of an Option.

Placement has the meaning provided in Section 1.1.

Placement Options has the meaning provided in Section 1.1.

Placement Shares has the meaning provided in Section 1.1.

Prospectus has the meaning provided in Section 1.1.

Proxy Form means the proxy form accompanying the Notice.

Related Parties has the meaning provided in Section 5.1.

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.

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

Shareholder means a registered holder of a Share.

Shortfall Offer has the meaning provided in Section 1.1.

Shortfall Options has the meaning provided in Section 1.1.

Shortfall Participants has the meaning provided in Section 6.4.

Shortfall Shares has the meaning provided in Section 1.1.

SPP means share purchase plan.

SPP Options has the meaning provided in Section 1.1.

SPP Participants has the meaning provided in Section 5.4.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph 1.3.1 (i), the amount payable upon exercise of each Option will be \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) on or before 30 June 2025 (**Expiry Date**). An Option not exercised before the respective 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 five 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 Option holder 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 securities 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.

(m) **Deferral of exercise if resulting in a prohibited acquisition of Shares**

If the exercise of an Option under paragraph (e) would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the exercise of that Option shall be deferred until such later time or times that the exercise would not result in a contravention of the General Prohibition. In assessing whether the exercise of an Option would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the exercise of an Option may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of an Option will not result in any person being in contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (m)(i) within seven days if the Company considers that the exercise of an Option may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the exercise of an Option will not result in any person being in contravention of the General Prohibition.

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LODGE YOUR PROXY APPOINTMENT ONLINE



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Sprintex Limited and entitled to attend and vote hereby:

APPOINT A PROXY

The Chair of the Meeting **OR**

PLEASE NOTE: If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf, including 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 the Company to be held **at Suite 6, Level 1, 251 Adelaide Terrace, Perth WA 6000 on Monday, 4 September 2023 at 10:00 am (WST)** and at any adjournment or postponement of that Meeting.

Chair's voting intentions in relation to undirected proxies: The Chair intends to vote all undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chair may change his/her voting intentions on any Resolution. In the event this occurs, an ASX announcement will be made immediately disclosing the reasons for the change.

VOTING DIRECTIONS

Resolutions	For	Against	Abstain*
1 Ratification of prior issue of Investor Placement Shares at \$0.045	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of prior issue of Investor Placement Shares at \$0.04	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to issue Investor Placement Shares at \$0.045 to China Automotive Holdings Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to issue Investor Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval for Director Participation in Placement - Mr Jude Upton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval for Director Participation in Placement – Mr Steven Apedaile	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval for Director Participation in Placement – Mr Li Chen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval to issue SPP Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Approval to issue Shortfall Shares and Shortfall Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Approval to issue Options to MMR Corporate Services Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual) Joint Shareholder 2 (Individual) Joint Shareholder 3 (Individual)
 Sole Director and Sole Company Secretary Director/Company Secretary (Delete one) Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

Please tick here to agree to receive communications sent by the Company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or 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 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.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 10:00 am (WST) on 2 September 2023, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 6370 4203



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033