
NUTRITIONAL GROWTH SOLUTIONS LIMITED
ARBN 642 861 774

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 3:00 pm (AWST) (Perth, Western Australia time)

DATE: Wednesday, 30 June 2021

PLACE: Online only

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 7:00 pm (AWST) on 28 June 2021.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Chairman on +61 (0) 412 281 780.

How to join online

The Company advises that due to the geographical locations of our directors and officers and restrictions on international travel, the Company has determined that it would be prudent for its Annual General Meeting of Shareholders to be held online only.

The Meeting will be held virtually via Zoom Teleconference with strictly no Shareholders in physical attendance.

If you wish to virtually attend the AGM (which will be broadcast as a live webinar). Please pre-register in advance for the virtual meeting at:

https://us02web.zoom.us/webinar/register/WN_69e2aN5YRIOIDuIM5ov83w

After registering you will receive a confirmation containing information on how to attend the virtual meeting on the day of the AGM.

Attendee registration by the above Zoom Teleconference facility will be available between 2:30pm and 3:00pm (Perth time) on the day of the meeting which will be conducted by the Company's share registry via Zoom.

Shareholders will have the opportunity to vote and ask questions at the meeting via Zoom Teleconference, however, in order to provide for an efficient virtual meeting, we request that any questions from Shareholders are provided to the Company Secretary at least 24 hours in advance of the Meeting by email to the Company Secretary at Lisa@miningcorporate.com.au.

All votes at the Meeting will be conducted by poll.

We also strongly recommend that all Shareholders lodge their votes via the Company's share register platform 48 hours prior to 3:00pm (WST) on Wednesday, 30 June 2021 or by appointing a proxy 48 hours prior to 3:00pm (WST) on Wednesday, 30 June 2021.

NOTICE OF 2021 ANNUAL GENERAL MEETING

Notice is given that the 2021 Annual General Meeting of Shareholders of Nutritional Growth Solutions Limited will be held at 3:00pm (AWST) (Perth time) on 30 June 2021 virtually via a live Zoom Teleconference.

BUSINESS OF THE MEETING

AGENDA

Shareholders are invited to consider the following items of business at the Annual General Meeting:

FINANCIAL STATEMENTS AND ACCOUNTS

To receive and consider the Financial Report of the Company and its controlled entities and the related Directors' and Auditor' Reports in respect of the financial year ended 31 December 2020.

1. RESOLUTION 1 – RE-ELECTION OF DIRECTOR – DR ANTON UVAROV

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

“That, for the purpose of clause 51.4 of the Articles of Association, Listing Rule 14.4 and for all other purposes, Dr Anton Uvarov, a Director, who retires and must stand for re-election, and being eligible, is re-elected as a Director.”

2. RESOLUTION 2 – APPROVAL OF 10% PLACEMENT FACILITY

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of 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).

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.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO YOOLA

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

'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 250,000 Options to Yoola on the terms and conditions set out in the Explanatory Memorandum.'

Voting Exclusion Statement:

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 is a counterparty to the agreement being approved (namely the Option participant) 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.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO GAVIN THOMAS

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

'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve ratify the issue of 250,000 Options on the terms and conditions set out in the Explanatory Memorandum.'

Voting Exclusion Statement:

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 is a counterparty to the agreement being approved (namely the Option participant) 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.

Dated: 21 May 2021

By order of the Board

Liron Fendell

CEO, Nutritional Growth Solutions Limited

NOTES

1. Explanatory Memorandum

The Explanatory Memorandum accompanying this Notice of Annual General Meeting is incorporated in and comprises part of this Notice of Annual General Meeting and should be read in conjunction with this Notice of Annual General Meeting.

2. Questions from Shareholders

In order to provide an equal opportunity for all Shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Company's auditor, in relation to the conduct of the external audit for the year ended 31 December 2020, or the content of its audit report. Please send your questions via email to:

Company Secretary
Nutritional Growth Solutions Ltd
Lisa@miningcorporate.com.au.

Written questions for the Company's auditor must be received by no later than **5.00pm (Perth time) on Friday, 28 May 2021**.

Your questions should relate to matters that are relevant to the business of the Annual General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum.

In accordance with the Company's policy, a reasonable opportunity will also be provided to Shareholders attending the Annual General Meeting to ask questions about, or make comments upon, matters in relation to the Company.

During the course of the Annual General Meeting, the Chairman will seek to address as many Shareholder questions as reasonably practicable, and where appropriate, will give a representative of the auditor the opportunity to answer written questions addressed to it. However, there may not be sufficient time to answer all questions at the Annual General Meeting. Please note that individual responses may not be sent to Shareholders.

3. Who may vote

A determination has been made by the Board that shares in the Company which are on issue at **3.00pm (Perth time) on Friday, 28 May 2021** will be taken to be held by the persons who held them at that time for the purposes of the Annual General Meeting (including determining voting entitlements at the meeting).

4. Voting virtually on the day of the AGM

Shareholders who wish to vote virtually on the day of the AGM will need to login to the Automic website (<https://investor.automic.com.au>) with their username and password.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account as soon as possible and well in advance of the Meeting to avoid any delays on the day of the Meeting.

How do I create an account with Automic?

To create an account with Automic, please go to the Automic website (<https://investor.automic.com.au>), click on 'register' and follow the steps. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

I have an account with Automic, what are the next steps?

Shareholders who have an existing account with Automic (Note: with a username and password) are advised to take the following steps to attend and vote virtually on the day of the AGM:

- A. Login to the Automic website (<https://investor.automic.com.au>) using your *username* and *password*.
- B. **(Registration on the day)** If registration for the virtual meeting is open, click on 'Meeting open for registration' and follow the steps.
- C. **(Live voting on the day)** If live voting for the virtual meeting is open, click on 'Meeting open for voting' and follow the steps.

5. Proxies

A Shareholder entitled to attend this Meeting and vote, is entitled to appoint a proxy to attend and vote on behalf of that Shareholder at the Meeting.

- (a) A proxy need not be a Shareholder.
- (b) If the Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint two proxies and may specify the proportion or number of the votes which each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes held by that Shareholder.
- (c) If the Shareholder appoints only one proxy, that proxy is entitled to vote. Voting will take place by proxy and not a show of hands.
- (d) Where two proxies are appointed, any fractions of votes resulting from the appointment of two proxies will be disregarded.
- (e) A Proxy Form accompanies this Notice.
- (f) Unless the Shareholder specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit, or abstain from voting.
- (g) If a Shareholder wishes to appoint a proxy, the Shareholder should complete the Proxy Form and comply with the instructions set out in that form relating to lodgement of the form with the Company.
- (h) The Proxy Form must be signed by the Shareholder or his or her attorney duly authorised in writing or, if the Shareholder is a corporation, either signed by an authorised officer or attorney of the corporation or otherwise signed in accordance with the Corporations Act.
- (i) If any attorney or authorised officer signs the Proxy Form on behalf of a Shareholder, the relevant power of attorney or other authority under which it is signed or a certified copy of that power or authority must be deposited with the Proxy Form.
- (j) The Proxy Form (together with any relevant authority) must be received by no later than **3.00pm (Perth time) on Friday, 28 May 2021** before the time scheduled for the commencement of the meeting (or any adjournment of that meeting).
- (k) The completed Proxy Form may be lodged as follows:
 - **Online:** <https://investor.automic.com.au/#loginsah>
 - **By fax:** +61 2 8583 3040
 - **By mail:** Automic, GPO Box 5193, Sydney, NSW, 2001
- (l) **In person:** Automic , Level 5, 126 Phillip Street, Sydney, NSW, 2000

The Chairman of the meeting intends to vote all available proxies in favour of all Resolutions.

6. Proxy voting by the Chairman

There are prohibitions on Key Management Personnel and their Closely Related Parties from voting their shares (or voting undirected proxies) on, amongst other things, remuneration matters.

However, the chair of a meeting may vote an undirected proxy (i.e. a proxy that does not specify how it is to be voted), provided the Shareholder who has lodged the proxy has given an express voting direction to the chair to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel.

If you complete a Proxy Form that authorises the Chairman of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chairman to exercise your proxy on Resolution 1. In accordance with this express authority provided by you, the Chairman will vote in favour of Resolution 1. If you wish to appoint the Chairman of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the Proxy Form.

The Chairman of the Meeting intends to vote all available undirected proxies in favour of each item of business.

If you appoint as your proxy any Director of the Company, except the Chairman, or any other Key Management Personnel or any of their Closely Related Parties and you do not direct your proxy how to vote Resolution 1, he or she will not vote your proxy on those resolutions.

7. Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter authorising him or her to act as that company's representative. The authority must be sent to the Company and/or registry at least 24 hours in advance of the Meeting.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting of the Company to be held virtually via Zoom, by going to https://us02web.zoom.us/webinar/register/WN_69e2aN5YRIOIDuLM5ov83w.

This Explanatory Memorandum is to assist Shareholders in understanding the background to, and the legal and other implications of, the Notice and the reasons for the proposed resolutions. Both documents should be read in their entirety and in conjunction with each other.

FINANCIAL STATEMENTS AND REPORTS

The business of the Meeting will include receipt and consideration of the annual financial report, directors' report and auditor's report of the Company for the financial year ended 31 December 2020.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.ngsolutions.co.

The Chairman of the Meeting will allow a reasonable opportunity at the Meeting for Shareholders to ask questions. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor questions about its audit report, the conduct of its audit of the Company's financial report for the year ended 31 December 2020, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of Company's auditor in relation to the conduct of the audit.

1. RESOLUTION 1 – RE-ELECTION OF DIRECTOR – DR ANTON UVAROV

1.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Articles of Association sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Dr Anton Uvarov, who has served as a Director since 28 June 2020 and retires by rotation, seeks re-election.

1.2 Qualifications and other material directorships

Dr Anton Uvarov has significant experience as an advisor to the healthcare industry with a focus on the biotechnology sector both in Australia and internationally, and has been involved in funding numerous biotechnology and pharmaceutical companies. He is a former equities research analyst with Citigroup, US.

Dr Anton Uvarov is a founding director of Actinogen Medical (ASX:ACW), a clinical stage biotechnology company and is an Executive Director of Neuroscientific

Biopharmaceuticals (ASX:NSB), a biotechnology company developing new treatments for neurodegenerative diseases.

Dr Anton Uvarov holds a Doctor of Philosophy in Biochemistry and Medical Genetics, and a Master of Business Administration in Finance from the University of Calgary, Canada.

1.3 If the resolution is not approved

If Resolution 1 is not approved, Mr Uvarov will retire as a Director following the date of the Meeting.

1.4 Chairman's available proxies

The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

1.5 Independence

The Board considers Dr Anton Uvarov to be an independent Director.

1.6 Board Recommendation

The Board has reviewed Dr Anton Uvarov's performance since his appointment to the Board and considers that Dr Anton Uvarov's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Dr Anton Uvarov's and recommends that Shareholders vote in favour of this Resolution.

2. RESOLUTION 2 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

2.1 General

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

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

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

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

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

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

2.2 Formula

The exact number of additional Equity Securities that the Company may issue under the 10% Placement Capacity will be determined by a formula set out in ASX Listing Rule 7.1A.2 as follows:

$$(A \times D) - E$$

Where:

A is the number of fully paid ordinary securities on issue at the commencement of the 12 month period before the date of issue or agreement (relevant period):

- plus the number of fully paid ordinary securities issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17,
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
- plus the number of any other fully paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4,
- plus the number of partly paid ordinary securities that became fully paid in the relevant period,
- less the number of fully paid ordinary securities cancelled in the relevant period.

('A' has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.)

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under rule 7.4.

2.3 Technical information required by ASX Listing Rule 7.1A

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

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

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

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

(b) **Minimum Price**

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

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 2.2(b)(i), the date on which the Equity Securities are issued.

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

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the development of the Company's business and the acquisition of new assets or investments.

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

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

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

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 28 April 2021.

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

		Dilution			
Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Issue Price		
			\$0.11	\$0.21	\$0.32
			50% decrease	Issue Price	50% increase
			Funds Raised		
Current	94,714,298	9,471,430	\$9,945,001	\$19,890,003	\$29,835,004
50% increase	142,071,447	14,207,145	\$14,917,502	\$29,835,004	\$44,752,506
100% increase	189,428,596	18,942,860	\$19,890,003	\$39,780,005	\$59,670,008

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

The table above uses the following assumptions:

1. There are currently 94,714,298 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 21 May 2021 (being [\$0.21]).
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

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

(d) Allocation policy under the 7.1A Mandate

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

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

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

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

The Company has not previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A. The requirements of ASX Listing Rule 7.3A.6 are not relevant given no securities have yet been issued under ASX LR 7.1A.

2.4 If the resolution is not approved

If Resolution 2 is not approved, the Company will not be able to access the additional 10% Placement Capacity to issue Equity Securities without Shareholder approval, as provided for in Listing Rule 7.1A, and will remain subject to the 15% Placement Capacity limit on issuing Equity Securities without Shareholder approval as set out in Listing Rule 7.1. This may impact the Company's ability to raise funds.

2.5 Voting Exclusion Statement

A voting exclusion statement applies to this resolution as set out in the Notice.

2.6 Board Recommendation

The Board unanimously recommend that Shareholders vote in favour of this resolution.

2.7 Chairman's available proxies

The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO YOOLA

3.1 Background

On 1 February 2021, the Company issued 250,000 Options to Yoola, a US based Entertainment Company and a world leading YouTube multi-channel network (MCN) that works with brands to promote their products and content across various online platforms. The Options were issued as part consideration for an agreement with Yoola to allow the Company to create a strong brand in the Asian region, transforming Healthy Height® to a true global brand and complementing NGS's existing US sales through online channels including Amazon.

3.2 Listing Rules 7.1 and 7.4

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.

The issue of the Options does not fit within any of these exceptions 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 Options.

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 Yoola Options.

3.3 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the Yoola Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue with Shareholder approval over the 12 month period following the date of issue of the Yoola Options.

If this Resolution is not passed, the Yoola Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Yoola Options.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 2 being passed at this Meeting.

3.4 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 this Resolution:

- (a) the Options were issued as part consideration for an agreement with Yoola to allow the Company to create a strong brand in the Asian region, transforming Healthy Height® to a true global brand and complementing NGS's existing US sales through online channels including Amazon;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 250,000 Options were issued and the Options issued were all unlisted options exercisable at \$0.2747, vesting immediately, expiring 26 January 2023;
- (d) the Options were issued on 11 February 2021;
- (e) the issue price per Option was nil. The Company has not and will not receive any other consideration for the issue of the Options;
- (f) the purpose of the issue of the Options was as part consideration for the partnership arrangement with Yoola; and
- (g) the Options were issued under an agreement for Yoola to allow the Company to create a strong brand in the Asian region, transforming Healthy Height® to a true global brand and complementing NGS's existing US sales through online channels including Amazon. The Options were issued on the terms and conditions set out in Schedule 1.;

3.5 Voting Exclusion Statement

A voting exclusion statement applies to this resolution, as set out in the Notice.

3.6 Board Recommendation

The Board unanimously recommend that Shareholders vote in favour of this resolution.

3.7 Chairman's available proxies

The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO GAVIN THOMAS

4.1 Background

On 28 April 2021, the Company issued 250,000 Options leading child celebrity and social media influencer Gavin Thomas to promote the Healthy Height® product range in China.

4.2 Listing Rules 7.1 and 7.4

As summarised in Section 3.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The issue of the Options does not fit within any of these exceptions 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 Options.

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 Options.

This Resolution seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options.

4.3 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue with Shareholder approval over the 12 month period following the date of issue of the Options.

If this Resolution is not passed, the Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Options.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 2 being passed at this Meeting.

4.4 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 this Resolution:

- (a) the Options were issued as part consideration for the partnership arrangement leading child celebrity and social media influencer Gavin Thomas to promote the Healthy Height® product range in China.
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 250,000 Options were issued and the Options issued were all unlisted options exercisable at \$0.2731, expiring 25 February 2023;
- (d) the Options were issued on 28 April 2021;
- (e) the issue price per Option was nil. The Company has not and will not receive any other consideration for the issue of the Options;
- (f) the purpose of the issue of the Options was for the provision of services by Gavin Thomas in accordance with the Partnership Agreement; and
- (g) the Options were issued under a Partnership Agreement for social media influencer Gavin Thomas to promote the Healthy Height® product range in China. The Options were issued on the terms and conditions set out in Schedule 2

4.5 Voting Exclusion Statement

A voting exclusion statement applies to this resolution, as set out in the Notice.

4.6 Board Recommendation

The Board unanimously recommend that Shareholders vote in favour of this resolution.

4.7 Chairman's available proxies

The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

SCHEDULE 1

The terms and conditions of the Options are as follows:

- (a) **(Entitlement)** Each Option entitles the holder (**Holder**) to, on exercise and payment of any subscription price (**Subscription Price**), be issued with one fully paid ordinary Share in the capital of the Company (**Share**).
- (b) **(No voting Options)** An Option does not entitle the Holder to vote on any resolutions proposed by the Company except as otherwise required by law.
- (c) **(No dividend Options)** An Option does not entitle the Holder to any dividends.
- (d) **(No Options to return of capital)** An Option does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (e) **(Options on winding up)** An Option does not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up.
- (f) **(Not transferable)** An Option is not transferable.
- (g) **(Reorganisation of capital)** If at any time the issued capital of the Company is reconstructed, all Options of a Holder will be changed in a manner consistent with the applicable ASX Listing Rules and any applicable laws at the time of reorganisation.
- (h) **(Application to ASX)** The Options will not be quoted on ASX. However, the Company must apply for the official quotation of a Share issued on the exercise of an Option on ASX within the time period required by the ASX Listing Rules.
- (i) **(Participation in new issues)** An Option does not entitle a Holder (in its capacity as a holder of an Option) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (j) **(No other rights)** An Option gives the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Exercise of the Options

- (k) **(Lapse)** The Options will, if not exercised, automatically lapse on 26 January 2023.
 - (l) **(Issue of Shares)** The Company will issue the relevant Shares on the exercise of Options by a Holder within five (5) business days following the receipt of an exercise notice and the aggregate attributable Subscription Price, or such other period required by the ASX Listing Rules.
 - (m) **(Holding statement)** The Company will issue the Holder with a new holding statement for any Share issued upon the exercise of an Option within ten (10) business days following the issue of the Share.
 - (n) **(Ranking upon issue)** The Share issued pursuant to the exercise of an Option will rank pari passu in all respects with existing Shares.
 - (o) **(Subscription Price)** Each Option will have a Subscription Price equal to \$0.2747, expiring 26 January 2023.
-

SCHEDULE 2

The terms and conditions of the Options are as follows:

- (a) **(Entitlement)** Each Option entitles the holder (**Holder**) to, on exercise and payment of any subscription price (**Subscription Price**), be issued with one fully paid ordinary Share in the capital of the Company (**Share**).
- (b) **(No voting Options)** An Option does not entitle the Holder to vote on any resolutions proposed by the Company except as otherwise required by law.
- (c) **(No dividend Options)** An Option does not entitle the Holder to any dividends.
- (d) **(No Options to return of capital)** An Option does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (e) **(Options on winding up)** An Option does not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up.
- (f) **(Not transferable)** An Option is not transferable.
- (g) **(Reorganisation of capital)** If at any time the issued capital of the Company is reconstructed, all Options of a Holder will be changed in a manner consistent with the applicable ASX Listing Rules and any applicable laws at the time of reorganisation.
- (h) **(Application to ASX)** The Options will not be quoted on ASX. However, the Company must apply for the official quotation of a Share issued on the exercise of an Option on ASX within the time period required by the ASX Listing Rules.
- (i) **(Participation in new issues)** An Option does not entitle a Holder (in its capacity as a holder of an Option) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (j) **(No other rights)** An Option gives the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Exercise of the Options

- (k) **(Lapse)** The Options will, if not exercised, automatically lapse 25 February 2023.
 - (l) **(Issue of Shares)** The Company will issue the relevant Shares on the exercise of Options by a Holder within five (5) business days following the receipt of an exercise notice and the aggregate attributable Subscription Price, or such other period required by the ASX Listing Rules.
 - (m) **(Holding statement)** The Company will issue the Holder with a new holding statement for any Share issued upon the exercise of an Option within ten (10) business days following the issue of the Share.
 - (n) **(Ranking upon issue)** The Share issued pursuant to the exercise of an Option will rank pari passu in all respects with existing Shares.
 - (o) **(Subscription Price)** Each Option will have a Subscription Price equal to \$0.2731, expiring 25 February 2023.
-

GLOSSARY

In this Explanatory Statement, the following terms have the following meaning:

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 2.1.

Articles of Association means the Company's Articles of Association.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 724 791) or the Australian Securities Exchange, as the context requires.

ASX Listing Rules or **Listing Rules** means the official Listing Rules of ASX.

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

Board means the 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.

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 Davenport Resources Limited (ABN 64 153 414 852).

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

Director mean a director of the Company.

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

Explanatory Statement means the explanatory statement to this Notice.

Listing Rules means the Listing Rules of ASX.

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

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means the notice of meeting accompanying this Explanatory Statement.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

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 shareholder of the Company.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **3.00pm (AWST) on Monday, 28 June 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/login> or scan the QR code below using your smartphone

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



BY MAIL:

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