

24 April 2023

Dear Shareholder

De.mem Limited – Annual General Meeting of Shareholders, 23 May 2023

Notice is hereby given that the Annual General Meeting of Shareholders of De.mem Limited (**Company**) will be held as a virtual meeting via a webinar conferencing facility at 4:00pm (AEST) on Tuesday, 23 May 2023 (“Annual General Meeting”, “AGM” or “Meeting”).

In accordance with the *Corporations Act 2001*, the Company is sending this notification letter instead of dispatching physical copies of the Notice of Meeting. The Notice of Meeting and accompanying explanatory statement (Meeting Materials) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company’s website <https://demembranes.com/investors/>.
- A complete copy of the Meeting Materials has been posted to the Company’s ASX Market announcements page at www.asx.com.au under the Company’s ASX code “DEM”.

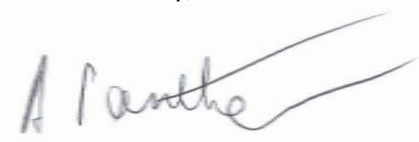
If you would like to receive electronic communications from the Company in the future, please update your communication elections online at <https://investorcentre.linkgroup.com>. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry Link Market Services Limited on <https://investorcentre.linkgroup.com> or by phone on +61 1300 554 474 or 1300 554 474 (within Australia), to obtain a copy.

If you are receiving a hard copy of this letter it will be accompanied by a personalised proxy form.

As noted above, the Meeting will be held as a virtual meeting via a webinar conferencing facility. Details of how to register to attend the Meeting are contained in the Meeting Materials. The Company strongly recommends to Shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

Yours sincerely,



Tony Panther
Company Secretary
De.mem Limited

For personal use only



DE.MEM LIMITED
ACN 614 756 642

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Tuesday, 23 May 2023

Time of Meeting:
4:00PM (AEST)

Place of Meeting:
Held virtually via Webinar conferencing facility

*This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.
If shareholders are in doubt as to how they should vote, they should seek advice from their
accountant, solicitor or other professional advisor without delay*

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DE.MEM LIMITED

ACN 614 756 642

Registered office: 96-100 Albert Road, South Melbourne, VIC 3205

NOTICE OF GENERAL MEETING

Notice is given that the Annual General Meeting of Members of De.Mem Limited (the “**Company**”) will be held:

- virtually via a webinar conferencing facility;

at 4:00PM (AEST) on Tuesday, 23 May 2023.

Virtual Attendance

Shareholders are encouraged to submit their proxies as early as possible, and in any event, prior to the cut-off date for proxy voting as set out in this Notice. To lodge your proxy, please follow the directions on your personalised proxy form which will be delivered to you by email or post (depending on your communication preferences).

Shareholders attending the AGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions at the AGM.

The virtual meeting can be attended using the following details:

When: Tuesday 23 May 2023 at 4:00pm (AEST)

Topic: De.Mem Limited – 2023 Annual General Meeting

Register in advance for the virtual meeting:

https://us06web.zoom.us/webinar/register/WN_9iX7bwQZSpeP5qJwrv3hjA#/registration

After registering, you will receive a confirmation email containing information about joining the meeting. As noted previously, the Company strongly recommends its shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online. The Company will conduct a poll on each resolution presented at the meeting. The Company will accept questions during the meeting either by submitting a question through the Q&A box located on screen or by raising the hand function also located on screen at which point the Company will allow your question verbally.

The Company is happy to accept and answer questions submitted prior to the meeting by email to Tony Panther at Tony.Panther@vistra.com. The Company will address relevant questions during the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions).

Any shareholders who wish to attend the AGM online should therefore monitor the Company’s website and its ASX announcements for any updates about the Meeting. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: DEM) and on its website at <https://demembranes.com/investors/>

AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

ORDINARY BUSINESS

Receipt and Consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 31 December 2022.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That for the purpose of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 31 December 2022 be adopted.”

Resolution 2: Election of Danny Conlon as a director of the Company

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Danny Conlon, having been appointed to the Board of Directors since the previous annual general meeting, and who vacates the office in accordance with the Constitution of the Company, and who, being eligible, offers himself for election, be elected as a Director of the Company.”

Resolution 3: Election of Harry de Wit as a director of the Company

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Harry de Wit, having been appointed to the Board of Directors since the previous annual general meeting, and who vacates the office in accordance with the Constitution of the Company, and who, being eligible, offers himself for election, be elected as a Director of the Company.”

Resolution 4: Re-election of Bernd Dautel as a director of the Company

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purpose of section 14.2 of the Constitution and for all other purposes, Mr Bernd Dautel, who retires by rotation as a Director in accordance with the Constitution of the Company, and being eligible offers himself for re-election, be re-elected as a Director of the Company.”

Resolution 5: Re-election of Michael Edwards as a director of the Company

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purpose of section 14.2 of the Constitution and for all other purposes, Mr Michael Edwards, who retires by rotation as a Director in accordance with the Constitution of the Company, and being eligible offers himself for re-election, be re-elected as a Director of the Company.”

Resolution 6: Approval to Grant Options to Mr Andreas Kroell

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, pursuant to and in accordance with ASX Listing Rule 10.14, and for all other purposes, approval be given for the issue under the De.Mem Incentive Option Plan of a total of 500,000 unlisted options to Mr Andreas Kroell (a Non-Executive Director of the Company), or his nominee, expiring three (3) years after issue, and having the exercise price, vesting date and other terms and conditions set out or described in the Explanatory Statement which accompanied and formed part of the Notice of the Meeting.”

Resolution 7: Approval to Grant Options to Mr Cosimo Trimiglozzi

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, pursuant to and in accordance with ASX Listing Rule 10.14, and for all other purposes, approval be given for the issue under the De.Mem Incentive Option Plan of a total of 750,000 unlisted options to Mr Cosimo Trimiglozzi (a Non-Executive Director of the Company), or his nominee, expiring three (3) years after issue, and having the exercise price, vesting date and other terms and conditions set out or described in the Explanatory Statement which accompanied and formed part of the Notice of the Meeting.”

Resolution 8: Approval to Grant Options to Mr Stuart Carmichael

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, pursuant to and in accordance with ASX Listing Rule 10.14, and for all other purposes, approval be given for the issue under the De.Mem Incentive Option Plan of a total of 500,000 unlisted options to Mr Stuart Carmichael (a Non-Executive Director of the Company), or his nominee, expiring three (3) years after issue, and having the exercise price, vesting date and other terms and conditions set out or described in the Explanatory Statement which accompanied and formed part of the Notice of the Meeting.”

Resolution 9: Approval to Grant Options to Mr Bernd Dautel

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That, pursuant to and in accordance with ASX Listing Rule 10.14, and for all other purposes, approval be given for the issue under the De.Mem Incentive Option Plan of a total of 500,000 unlisted options to Mr Bernd Dautel (a Non-Executive Director of the Company), or his nominee, expiring three (3) years after issue, and having the exercise price, vesting date and other terms and conditions set out or described in the Explanatory Statement which accompanied and formed part of the Notice of the Meeting.”

Resolution 10: Approval to Grant Options to Mr Michael Edwards

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, pursuant to and in accordance with ASX Listing Rule 10.14, and for all other purposes, approval be given for the issue under the De.Mem Incentive Option Plan of a total of 500,000 unlisted options to Mr Michael Edwards (a Non-Executive Director of the Company), or his nominee, expiring three (3) years after issue, and having the exercise price, vesting date and other terms and conditions set out or described in the Explanatory Statement which accompanied and formed part of the Notice of the Meeting.”

Resolution 11: Ratification of Prior Issue of 500,000 Options under ASX Listing Rule 7.4

To consider and, if thought fit, to pass 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 500,000 unlisted options to Mr Harry de Wit, on the terms and conditions as described in the Explanatory Statement accompanying the Notice of the Meeting.”

SPECIAL BUSINESS

Resolution 12: Approval of 10% Placement Facility

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

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the fully paid ordinary issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement”

BY ORDER OF THE BOARD



Tony Panther
Company Secretary
Dated: 17 April 2023

Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm, 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

3. Proxies

- a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
- b. Each shareholder has a right to appoint one or two proxies.
- c. A proxy need not be a shareholder of the Company.
- d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
- e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
- f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
- g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
- h. To be effective, proxy forms must be received by the Company's share registry (Link Market Services Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 4:00pm (AEST) on Sunday, 21 May 2023. Any proxy received after that time will not be valid for the scheduled meeting.

4. 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 executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. Voting Exclusion Statement:

Resolution 1

In accordance with sections 250R(4) and 250BD(1) of the Corporations Act, a vote must not be cast (in any capacity), and the Company will disregard any votes purported to be cast, on this resolution by, or on behalf of, a member of the Key Management Personnel (**KMP**), details of whose remuneration are included in the remuneration report, or a closely related party of such a member (**KMP voter**), unless the KMP voter is casting a vote on this resolution as a proxy for a person who is not a KMP voter and either:

- (a) the KMP voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (b) the KMP voter is by the Chair of the meeting and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company or the consolidated entity.

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, you will be expressly authorising the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on Resolution 1, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of Resolution 1. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

A further restriction also applies to Key Management Personnel and their closely related parties voting undirected proxies on these resolutions – see Restriction on KMPs voting undirected proxies below.

Resolutions 2 to 5

There are no voting exclusions on these Resolutions

Resolution 6 to 10

The Company will disregard any votes cast in favour of each of Resolutions 6, 7, 8, 9 and 10 by or on behalf of:

- o a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the De.Mem Incentive Option Plan, including the following directors:
 - Mr Andreas Kroell;
 - Mr Cosimo Trimiglozzi;
 - Mr Stuart Carmichael;

- Mr Bernd Dautel;
- Mr Michael Edwards;
- Mr Danny Conlon; and
- Mr Harry de Wit;

or their respective nominees;

or

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

A further restriction also applies to Key Management Personnel and their closely related parties voting undirected proxies on Resolutions 6, 7, 8, 9 and 10 – see item 6 below.

Resolution 11

The Company will disregard any votes cast in favour on Resolution 11 by or on behalf of Mr Harry de Wit and any associates of Mr de Wit.

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

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

A further restriction also applies to Key Management Personnel and their closely related parties voting undirected proxies on this Resolution – see item 6 below.

Resolution 12

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement on this Resolution is not currently required by Listing Rule 7.3A.7.

However, if, between the date of dispatch of this Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A.2, the Company will disregard votes cast in favour of Resolution 12 by or on behalf of:

- (a) any 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
- (b) an associate of that person or those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 12; and
 - ii. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. Restriction on KMPs voting undirected proxies:

A vote must not be cast as proxy on any of Resolutions 1 or 6-11 by a member of the Key Management Personnel (as defined by the Corporations Act) or a closely related party of Key Management Personnel.

However, a person described above (a "**Restricted Voter**") may cast a vote on any of those Resolutions as a proxy if:

- (a) The Restricted Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution(s); or
- (b) The Chairman is the Restricted Voter and the written appointment of the Chairman as proxy does not specify the way the proxy is to vote on the Resolution(s) or expressly authorises the Chairman to exercise the proxy even though the Resolution(s) is or are connected with the remuneration of a member of the Key Management Personnel.

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, you will be expressly authorising the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company

7. Enquiries

Shareholders are invited to contact the Company Secretary on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

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EXPLANATORY STATEMENT

Receipt and Consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 31 December 2022 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report) and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution costs associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively, you may access the Annual Report at the Company's website: <https://demembranes.com/investors/> via the Company's announcement platform on ASX. Except as set out in Resolution 1, no resolution is required on these reports.

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2022 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act 2001, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

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

It is noted that at the Company's last Annual General Meeting, the votes cast against the Remuneration Report represented less than twenty-five (25%) per cent of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Voting Exclusions

A voting exclusion statement is set out on Note 5 of this Notice.

Board Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Board encourage all eligible shareholders to cast their votes in favour of Resolution 1. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 1.

Resolution 2: Election of Danny Conlon as a director of the Company

Background

A Director (excluding the Managing Director) appointed to fill a casual vacancy or as an addition to the Board must not hold office without re-election past the next Annual General Meeting (Constitution clause 14.4; Listing Rule 14.4).

Danny Conlon, having been appointed to the Board on 20 June 2022, is retiring in accordance with these requirements and, being eligible, offers himself/herself for re-election.

Mr Conlon is a proven water industry expert and veteran. Most recently, from 2018 to 2020, he was Veolia's CEO and Managing Director for the Australia & New Zealand region. In this role, he oversaw Veolia's broad portfolio of water, waste and energy operations, with a strong focus on driving the growth of recurring revenues and the company's service business. Mr Conlon was responsible for more than 4,000 employees and 240 locations across the region.

Mr Conlon's long-term career at Veolia started originally with an appointment at Collex Waste Management in 1998. He advanced within Veolia group over more than two decades and held several leadership positions during these years. Prior to being appointed as CEO he was the Executive General Manager of Veolia's East Coast Operations in Australia & New Zealand, a position he held since 2014.

The Company confirms it has conducted appropriate checks into Mr Conlon's background and experience.

The Board considers that Mr Conlon will, if elected, qualify as an independent director.

Voting Exclusions

There are no voting exclusions on this resolution.

Board Recommendation

The Board (with Mr Conlon abstaining) recommends that shareholders vote in favour of the election of Mr Conlon as it considers that his qualifications, experience, skills and expertise are appropriate for the Board position and will enable him to act in the best interests of the Company and its shareholders. The Chairman of the meeting intends to vote undirected proxies in favour of the Resolution.

Resolution 3: Election of Harry de Wit as a director of the Company

Background

A Director (excluding the Managing Director) appointed to fill a casual vacancy or as an addition to the Board must not hold office without re-election past the next Annual General Meeting (Constitution clause 14.4; Listing Rule 14.4).

Harry de Wit, having been appointed to the Board on 5 April 2023, is retiring in accordance with these requirements and, being eligible, offers himself/herself for re-election.

Mr. de Wit is a senior corporate executive who has worked in several locations across the globe. He has been the CEO of Asia Pacific for Fresenius Medical Care (the world's leading provider of products and services for individuals with renal diseases) since 2016. In this role, he is also responsible for the company's operations in Australia & New Zealand. In addition, he served as a member of Fresenius Medical Care's management board from 2016 to 2021. Prior to this, Mr. De Wit held further senior corporate roles within the healthcare industry, amongst others with Covidien (previously named Tyco Healthcare).

The Company confirms it has conducted appropriate checks into Mr de Wit's background and experience.

The Board considers that Mr de Wit may not, if elected, be perceived as qualifying as an independent director as he is currently a substantial holder in the Company. Nevertheless, the Board considers that Mr de Wit's

interest in question is not material and will not interfere with his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party.

Voting Exclusions

There are no voting exclusions on this resolution.

Board Recommendation

The Board (with Mr de Wit abstaining) recommends that shareholders vote in favour of the election of Mr de Wit as it considers that his qualifications, experience, skills and expertise are appropriate for the Board position and will enable him to act in the best interests of the Company and its shareholders. The Chairman of the meeting intends to vote undirected proxies in favour of the Resolution.

Resolution 4: Re-election of Mr Bernd Dautel as a Director of the Company

Background

The Constitution of the Company requires that at every Annual General Meeting, one-third or the next number nearest one-third of the Directors, and any other director who has held office for 3 years or more, shall retire from office. The constitution also provides that such Directors are eligible for re-election at the meeting. Mr Bernd Dautel retires by rotation and being eligible, offers himself for re-election.

Bernd Dautel is a Director and Partner with New Asia Investments since 2012. Prior to this, he was the Managing Director of Wieland Asia/Pacific in Singapore. The Wieland group with headquarters in Germany is one of the world's leading independent producers of semi-finished copper and copper alloy products. Under Bernd's lead, over a period of 18 years, Wieland's business in the Asia / Pacific region grew from a small enterprise to an organization generating more than 400 million SGD in revenues per year.

The Board does not consider Mr Dautel to be an independent director, as he is a director of a substantial shareholder of the Company.

Voting Exclusions

There are no voting exclusions on this resolution.

Board Recommendation

The Board (with Mr Dautel abstaining) recommends that shareholders vote in favour of the re-election of Mr Dautel as it considers that his qualifications, experience, skills and expertise are appropriate for the Board position and will enable him to act in the best interests of the Company and its shareholders. The Chairman of the meeting intends to vote undirected proxies in favour of the Resolution.

Resolution 5: Re-election of Mr Michael Edwards as a Director of the Company

Background

The Constitution of the Company requires that at every Annual General Meeting, one-third or the next number nearest one-third of the Directors, and any other director who has held office for 3 years or more, shall retire from office. The constitution also provides that such Directors are eligible for re-election at the meeting. Mr Edwards retires by rotation and being eligible, offers himself for re-election

Mr Edwards is a Geologist and Economist with over 20 years of experience in Senior Management in both the private and public sector. He holds a Bachelor of Business (Economics and Finance) from Curtin University of Technology and a Bachelor of Science (Geology) from the University of Western Australia. Mr Edwards spent three years with Barclays Australia in their corporate finance department and then eight years as an exploration and mine geologist with companies such as Gold Mines of Australia, Eagle Mining and International Mineral

Resources. Mr Edwards also acts as the Executive Chairman of ASX listed Auroch Minerals Ltd (ASX: AOU) and as Non-Executive Chairman of Greenstone Resources (ASX: GSR).

The Board considers Mr Edwards to be an independent director.

Voting Exclusions

There are no voting exclusions on this resolution.

Board Recommendation

The Board (with Mr Edwards abstaining) recommends that shareholders vote in favour of the re-election of Mr Edwards as it considers that his qualifications, experience, skills and expertise are appropriate for the Board position and will enable him to act in the best interests of the Company and its shareholders. The Chairman of the meeting intends to vote undirected proxies in favour of the Resolution.

Resolutions 6, 7, 8, 9 & 10: Approvals to Grant Options to the Directors

Background

Resolutions 6, 7, 8, 9 and 10 provide for a total of up to 2,750,000 unlisted options (“the Options”) being granted under the Company’s Incentive Option Plan (the **Plan**), previously approved by shareholders on 24 May 2022, to one Executive Director and four Non-Executive Directors of the Company (or their respective nominees) as described below:

| Res. no. | Director (and/or his nominee) | Number of Options | Exercise Price | Vesting Date | Expiry Date |
|-----------------|---|--------------------------|--|---------------------|---------------------------------|
| 6 | Mr Andreas Kroell (Executive Director) | 500,000 | 43% premium to the 5-day VWAP [^] | Vesting upon issue | 3 years after the date of issue |
| 7 | Mr Cosimo Trimiglio (Non-Executive Chairman) | 750,000 | 43% premium to the 5-day VWAP [^] | Vesting upon issue | 3 years after the date of issue |
| 8 | Mr Stuart Carmichael (Non-Executive Director) | 500,000 | 43% premium to the 5-day VWAP [^] | Vesting upon issue | 3 years after the date of issue |
| 9 | Mr Bernd Dautel (Non-Executive Director) | 500,000 | 43% premium to the 5-day VWAP [^] | Vesting upon issue | 3 years after the date of issue |
| 10 | Mr Michael Edwards (Non-Executive Director) | 500,000 | 43% premium to the 5-day VWAP [^] | Vesting upon issue | 3 years after the date of issue |
| | Total | 2,750,000 | | | |

[^] The volume weighted average market price for the 5 days prior to the issue date of the Options upon which shares of the Company traded on ASX.

The following table sets out illustrative examples of the exercise prices at different 5-day VWAPs. The actual exercise prices will depend on the VWAP for the 5 days prior to the issue date of the Options upon which shares of the Company traded on ASX.

| Example 5-day VWAP: | \$0.08 | \$0.10 | \$0.12 | \$0.14 | \$0.16 | \$0.18 | \$0.20 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Exercise price at 43% premium to 5-day VWAP | \$0.114 | \$0.143 | \$0.172 | \$0.200 | \$0.229 | \$0.257 | \$0.286 |

The full terms of the Options are set out in Annexure B.

Directors' Remuneration Packages and Interests

As at the date of this Notice, the details (including the amount) of the current total remuneration package of each of the Directors to whom (or to whose nominees) Options would be issued if Resolutions 6, 7, 8, 9 and 10 are passed are:

| Director | Remuneration Package Details |
|------------------------|--|
| Mr Andreas Kroell | \$230,000 per annum, plus \$50,000 per annum allowance plus performance bonus payable at the discretion of the Board |
| Mr Cosimo Trimigliozzi | \$36,000 per annum |
| Mr Stuart Carmichael | \$30,000 plus statutory superannuation entitlements per annum |
| Mr Bernd Dautel | \$30,000 per annum |
| Mr Michael Edwards | \$30,000 plus statutory superannuation entitlements per annum |

The above does not include the proposed Options.

The Company has prepared an assessment of the indicative fair value of the Options as summarised below. The value is indicative only, based on assumptions relevant at the date of the calculation, being 5 April 2023. Different assumptions may be relevant at grant date which may alter the value of the Options for financial reporting purposes. The indicative value assumes the 5-day VWAP at the time of the issue of the Options is \$0.125. The total remuneration packages in the above table would be increased for each of the above Directors by the total per Director set out in the following table, based on the assumptions. The actual valuation amount will not be able to be calculated until the Options are issued, when the exercise price will be known (at which time other assumptions may also have changed).

| Assessment: | |
|----------------------------------|---|
| Indicative fair value per Option | \$0.0458 |
| Number per Director | 500,000, except for Mr Trimigliozzi who would be granted 750,000 options |
| Total \$ per Director | \$22,900 except for Mr Trimigliozzi, whose options' value would be \$34,350 |
| Total Options | 2,750,000 |
| Total \$ | \$125,950 |

The indicative fair value was calculated using the Black-Scholes valuation model. The assumptions used in the valuation model were as follows:

| Assumptions: | |
|---|---------------------------|
| Valuation date | 5 April 2023 [^] |
| Spot price (4 April 2023) | \$0.125 |
| Exercise price [*] | \$0.179 |
| Vesting date | Immediate |
| Expiry date | 3 years from issue |
| Expected future volatility ⁺ | 67.5% |
| Risk free rate | 2.89% |
| Dividend yield | Nil |

^{*} Based on 43% premium to 5-day VWAP – see above.

[^] Based on the issue date being the valuation date.

⁺ Based on assessment of historical volatility over 3-year trading period, however historical volatility may not be a reasonable proxy for expected future volatility.

The above assumes a 5-day VWAP of \$0.125 when the Options are issued. A range of exercise prices for the Options at a range of assumed 5-day VWAPs are included in the table on page 11 (and are rounded to 3 decimal places in the above assumptions table).

As at the date of this Notice, the Directors who are proposed to receive the Options have the following direct and indirect interests in shares and/or options of the Company:

| Director/Shareholder (and/or associate(s)) | Existing | | Options* |
|---|-----------|-------|----------|
| | Shares | % | |
| Mr Andreas Kroell | 3,213,341 | 1.31% | 500,000 |
| Mr Cosimo Trimigliozi | 557,764 | 0.23% | 750,000 |
| Mr Stuart Carmichael | 21,500 | 0.01% | 500,000 |
| Mr Bernd Dautel | 800,000 | 0.33% | 500,000 |
| Mr Michael Edwards | - | 0.00% | 500,000 |

* - Existing options have an exercise price of \$0.217 (21.7 cents) and expire on 24 June 2023. The Company's previous closing share price as at the date of preparation of this Notice (% April 2023) was \$0.125 (12.5 cents)

Following issue of the Options, each of the Directors in the above table (or their respective nominees) would hold 1,000,000 Options, except for Mr Trimigliozi, who would hold 1,500,000 Options. If each respective Director's options were to be exercised (assuming no other director exercised their options, and there were no other issues of shares), the above percentages would increase as follows: by 0.40%, to 1.71% in the case of Mr Kroell, by 0.61% to 0.84% in the case of Mr Trimigliozi, by 0.41% to 0.42% in the case of Mr Carmichael, by 0.40%, to 0.73% in the case of Mr Dautel and by 0.41% to 0.41% in the case of Mr Edwards.

Corporations Act

The Board has formed the view that the issues of Options to the above Directors (or their respective nominees) do not require Shareholder approval under section 208 of the Corporations Act as the issues constitute "reasonable remuneration" in accordance with section 211 of the Corporations Act.

A "financial benefit" is defined in section 229 of the Corporations Act and includes granting an option to a related party.

Section 228 of the Corporations Act defines a "related party" for the purposes of Chapter 2E to include:

- directors of the public company (section 228(2)(a)); and
- an entity controlled by directors of the public company (section 228(4)). Section 228(5) provides that an entity is a related party of a public company at a particular time if the entity was a related party of the public company of a kind referred to in subsection (1), (2), (3) or (4) at any time within the previous 6 months.

In reaching this view, the Board considers the proposed grant of Options aligns the interests of each of the above Directors with the interests of Shareholders. The grant of Options to each of the above Directors is a cost-effective form of remuneration when compared to the payment of cash consideration.

Consistent with the desire to minimise cash expenditures, the Board believes that having regard to the Company's current cash position, and the Company's objective to use available cash to fund its operations in

the near future, and in order to compensate the above Directors in line with current market practices, Options provide an appropriate and meaningful remuneration component to the above Directors that is aligned with Shareholder interests.

Each Director who is proposed to receive Options was not present during the decision-making process, including any decision to put to shareholders the proposed issue of their respective Options or otherwise regarding the proposed issue of their respective Options.

If Resolutions 6, 7, 8, 9 and 10 are passed and the Options are issued, each of the Directors proposed to receive securities under Resolutions 6, 7, 8, 9 and 10 (including direct and indirect interests) will have a relevant interest in 1,000,000 Options, except for Mr Trimiglozzi who would hold 1,500,000 Options, as set out on page 13.

ASX Listing Rule 10.14

The Company is proposing to issue the Options under the Plan, which is an employee incentive scheme as defined in the Listing Rules.

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- 10.14.1: a director of the company;
- 10.14.2: an associate of a director of the company; or
- 10.14.3: a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders, unless it obtains the approval of its shareholders.

The proposed issue of the Options falls within Listing Rules 10.14.1 and/or 10.14.2 above and therefore requires the approval of the Company's shareholders under Listing Rule 10.14.

Resolutions 6, 7, 8, 9 and 10 seek the required shareholder approval to the issue under and for the purposes of Listing Rule 10.14.

If Resolutions 6, 7, 8, 9 and 10 are passed, the Company will be able to proceed with the issue of the Options and the Directors (or their nominees) will receive the numbers of Options set out in the table on page 11, with the increase in their remuneration and potential increase in their shareholdings as described on pages 12 and 13.

If Resolutions 6, 7, 8, 9 and 10 are not passed, the Company will not proceed with the issue of the Options to the applicable Director(s), and the applicable Director(s) (or their nominees) will not receive the Options or potential shareholdings as described on pages 11 to 13 and will not receive alternative remuneration in place of the Options.

Resolutions 6, 7, 8, 9 and 10 can be passed independently of one another.

If approval is given under ASX Listing Rule 10.14 approval is not required under ASX Listing Rule 7.1.

The following information is given under ASX Listing Rule 10.15 in respect of the proposed issues of Options to each Director under Resolutions 6, 7, 8, 9 and 10 (respectively):

- (a) the proposed recipients are Mr Andreas Kroell, Mr Cosimo Trimiglozzi, Mr Stuart Carmichael, Mr Bernd Dautel and Mr Michael Edwards, each of whom falls within Listing Rule 10.14.1 as each is a Director of the Company, or their respective nominees (each of which would be an associate of the respective Director);

- (b) 500,000 unlisted Options are proposed to be issued to each of Mr Andreas Kroell, Mr Stuart Carmichael, Mr Bernd Dautel and Mr Michael Edwards and 750,000 unlisted Options are proposed to be issued to Mr Trimigliozi, being a total of 2.750,000 Options;
- (c) the current total remuneration packages of each of Mr Andreas Kroell, Mr Cosimo Trimigliozi, Mr Stuart Carmichael, Mr Bernd Dautel and Mr Michael Edwards are set out on page 12, above;
- (d) securities previously issued to each of the Directors under the Plan were as follows:

- (1) Options issued 21 November 2016. These options have lapsed and were not exercised. The number of options issued to the Directors and the average acquisition price were as follows:

| Director name | Number | Average acquisition price |
|-----------------------|---------|---------------------------|
| Mr Andreas Kroell | 500,000 | Nil |
| Mr Cosimo Trimigliozi | 500,000 | Nil |
| Mr Stuart Carmichael | 500,000 | Nil |
| Mr Bernd Dautel | 500,000 | Nil |
| Mr Michael Edwards | 500,000 | Nil |

- (2) Options issued 24 June 2020. These options have an exercise price of \$0.217 (21.7 cents) and expire on 24 June 2023. The Company's previous closing share price as at the date of preparation of this Notice (5 April 2023) was \$0.125 (12.5 cents). The number of options issued to the Directors and the average acquisition price were as follows:

| Director name | Number | Average acquisition price |
|-----------------------|---------|---------------------------|
| Mr Andreas Kroell | 500,000 | Nil |
| Mr Cosimo Trimigliozi | 750,000 | Nil |
| Mr Stuart Carmichael | 500,000 | Nil |
| Mr Bernd Dautel | 500,000 | Nil |
| Mr Michael Edwards | 500,000 | Nil |

- (e) the material terms of the Options are as follows: each Option will have an exercise price calculated in accordance with the table on page 11, will vest upon issue, will expire three (3) years after the date of issue and will, upon exercise, entitle the holder to one fully paid ordinary share in the Company;
- (f) the Company is issuing options as a form of equity security as a cost effective, non-cash incentive to non-executive Directors. The options will be recognised as an expense to the Company based on the fair value of the Options when issued, as outlined above.
- (g) the value the Company attributes to the Options is set out on page 12, above;
- (h) the Options will be issued no later than one month after the Meeting and in any event within three years;
- (i) the Options will be issued as remuneration. As such there is no issue price for, and the Company will not receive cash from issue of the Options. Funds raised upon exercise of the Options will be applied to the working capital requirements of the Company at the time of exercise;
- (j) a summary of the material terms of the Plan is included in Annexure A;
- (k) no loans will be made to the Directors or their nominees in relation to the acquisition of the Options;

- (l) details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after Resolutions 6, 7, 8, 9 and 10 are approved and who are not named in this Notice and Memorandum will not participate until approval is obtained under that rule.

Voting Exclusions for Resolution 6, 7, 8, 9 and 10

A voting exclusion statement is set out in Note 5 of this Notice.

Board Recommendation

The Board (with the respective directors abstaining in relation to the relevant Resolution regarding their own proposed Options) recommends that shareholders vote in favour of Resolutions 6, 7, 8, 9 and 10. The Chairman will vote undirected proxies in favour of Resolutions 6, 7, 8, 9 and 10.

Resolution 11: Ratification of Prior Issue of 500,000 Options under ASX Listing Rule 7.4

On 5 April 2023 (“**Issue Date**”), the Company issued 500,000 unlisted options (“**Sign-On Options**”) to Mr Harry de Wit, a Non-Executive Director of the Company, as sign on options, which was a condition of his accepting appointment as non-executive director. Exception 12 in Listing Rule 10.12 applied to the issue of the Sign-On Options.

Resolution 11 seeks Shareholders ratification pursuant to ASX Listing Rule 7.4 for the prior issue of those unlisted options.

Terms of Options

The unlisted options have an exercise price \$0.179 (17.9 cents) per option, vested immediately and expire on 5 April 2026.

A summary of the key terms of the unlisted options proposed to be issued is set out in Annexure B of this Explanatory Memorandum.

ASX Listing Rules Requirements

ASX Listing Rules 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, excluding any issues that are subject to one of the exceptions in ASX Listing Rule 7.2. The issue of the Sign-On Options was within the Company's available placement capacity under ASX Listing Rule 7.1 and did not fit within any of the Listing Rule 7.2 exceptions.

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time and shareholders subsequently approve it. As the issue of the Sign-On Options was within the Company's ASX Listing Rule 7.1 placement capacity, and was not previously approved by Shareholders, the Company now seeks Shareholder ratification of the issue pursuant to ASX Listing Rule 7.4, to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1.

If this Resolution is approved, the prior issue of 500,000 the Sign-On Options may be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1. The Company will therefore have the flexibility, if required, to issue additional equity securities without the 500,000 options counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

If this Resolution is not approved, the prior issue of 500,000 the Sign-On Options will not be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1. The Company will therefore have the 500,000 the Sign-On Options as counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1. This will limit the Company's placement capacity under ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- a) the Sign-On Options were issued to Mr Harry de Wit;
- b) the number and class of securities issued was 500,000 unlisted options in the Company;
- c) a summary of the material terms of the securities is set out above in "Terms of Options" and terms and conditions are set out in Annexure B;
- d) the Sign-On Options were issued on 5 April 2023;
- e) there were no funds raised from the issue of the Sign-On Options, as these options were issued as consideration for Mr de Wit accepting appointment as a Non-Executive Director of the Company;
- f) the purpose of the issue was to issue unlisted options to Mr Harry de Wit as sign on options, the issue of which was a condition of Mr de Wit accepting appointment as a Non-Executive director of the Company. There were no funds raised from the issue of the Sign-On Options, as these options were issued as non-cash sign on options. However, if all these options were exercised, the Company will receive \$89,500 being the number of the options multiplied by their exercise price;
- g) the Sign-On Options were issued under a Non-Executive Director appointment agreement between the Company and Mr Harry de Wit, the material terms of which are standard terms of an agreement of this type, including the following:
 - statement of expected time commitment;
 - requirement to comply with directors' duties;
 - remuneration as follows:
 - annual director's fee of \$30,000
 - issue of Sign-On Options as a condition of Mr de Wit's appointment as director.

Chapter 2E of the Corporations Act

Section 208 of the Corporations Act provides that, for a public company to give a financial benefit to a related party of the public company, that company must obtain the approval of the public company's members, unless the giving of the financial benefit falls within an exception set out in the sections 201 to 216 of the Corporations Act.

The issue of the Sign-On Options constitutes giving a financial benefit and Mr de Wit is a related party of the Company by a virtue of being a proposed director at the time the agreement to issue the financial benefit was made.

The Board has formed the view that the issue of the Sign-On Options to Mr de Wit does not require Shareholder approval under section 208 of the Corporations Act as the issue constitutes "reasonable remuneration" in accordance with section 211 of the Corporations Act, as the issue of such options is common market practice for public companies and the terms and conditions of the Sign-On Options are similar to options previously issued to other Non-Executive Directors of the Company.

Voting Exclusions

A voting exclusion statement for Resolution 11 is set out on Note 5 of this Notice.

Board Recommendation

The Board (with Mr de Wit abstaining) recommends that shareholders vote in favour of Resolution 11. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 11.

SPECIAL BUSINESS

Resolution 12: Approval of 10% Placement Facility

Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the Annual General Meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The effect of Resolution 12 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period (as described below) without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve Resolution 12, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below) and the Company will be able to issue Equity Securities from the 10% Placement Facility, as noted below, without any further shareholder approval.

If Shareholders do not approve Resolution 12, the Company will not be able to access the additional 10% capacity to issue Equity Securities without shareholder approval provided for in 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.

Resolution 12 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an Annual General Meeting. This means it requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company and must be issued for cash consideration.

The Company, as at the date of the Notice, has on issue 3 classes of Equity Securities, quoted Fully Paid Ordinary Shares, Unquoted Options and Unquoted Performance Rights.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12-month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

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

A is the number of shares on issue at the commencement of the "relevant period" (which, for the Company, is the 12-month period immediately preceding the date of the issue or agreement):

- (A) plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2, other than exception 9, 16 or 17;

- (B) plus the number of fully paid shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - (i) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (ii) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- (C) plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - (i) the agreement was entered into before the commencement of the relevant period; or
 - (ii) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- (D) plus the number of fully paid shares issued in the relevant period with approval of holders of shares under Listing Rules 7.1 or 7.4.;
- (E) plus the number of partly paid shares that became fully paid in the relevant period;
- (F) less the number of fully paid shares cancelled in the relevant period.

Note that A has the same meaning in 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 Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by shareholders under Listing Rule 7.4.

(d) *Listing Rule 7.1 and Listing Rule 7.1A*

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2

(e) *Nature of consideration for issue and Minimum Issue Price*

The Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which must be not less than 75% of the VWAP of Equity Securities in the same 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 Company and the recipient of the securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) *10% Placement Period*

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting;
- (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

(10% Placement Period).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The period for which the Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A commences on the date of the Annual General Meeting at which the approval is obtained, being 23 May 2023, and expires on the first to occur of the following:
- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained, being 23 May 2024;
 - (ii) the time and date of the Company's next annual general meeting;
 - (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (b) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in the same 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 Company and the recipient of the securities; or
 - (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) The purposes for which the funds raised by an issue of Equity Securities under rule 7.1A.2 may be used by the Company include:
- (i) consideration for the acquisition(s) of the new assets and investments, including the expenses associated with such acquisition(s); and
 - (ii) continued expenditure on the Company's current business and/or general working capital.
- (c) If Resolution 12 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table.
- (d) Shareholders may also be exposed to economic risk and voting dilution, including the following:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The dilution table below shows the potential dilution of existing Shareholders on the basis of the market price of Shares as at 14 April 2023 (**Current Share Price**) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

| Variable 'A' in Listing Rule 7.1A.2 | Dilution Scenario | Assumed Issue Prices, based on: | | |
|--|----------------------------|--|--------------------------------|--|
| | | 50% decrease in Current Share Price \$0.068 | Current Share Price \$0.135 | 100% increase in Current Share Price \$0.27 |
| Current Variable A 244,794,2963 Shares | 10% Voting Dilution | 24,479,429 Shares | | |
| | Funds raised | \$ 1,652,361 | \$ 3,304,723 | \$ 6,609,446 |
| 50% increase in current Variable A 367,191,440 Shares | 10% Voting Dilution | 36,719,144 Shares | | |
| | Funds raised | \$ 2,478,542 | \$ 4,957,084 | \$ 9,914,169 |
| 100% increase in current Variable A 489,588,586 Shares | 10% Voting Dilution | 48,958,859 Shares | | |
| | Funds raised | \$ 3,304,723 | \$ 6,609,446 | \$ 13,208,892 |

This dilution table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
- 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%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The Current Share Price is **\$0.135** (13.5 cents), being the closing price of the Shares on ASX on **14 April 2023**.

(e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to relevant factors including, but not limited to, the following:

- (i) the methods of raising funds that are available to the Company, including, but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

Any allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders, subject to compliance with Listing Rule 10.11, and/or new Shareholders who are not related parties or associates of a related party of the Company.

(f) Information about equity securities issued under Rule 7.1A.2 in the 12-month period preceding the date of the Meeting:

- (a) the total number of equity securities issued or agreed to be issued under rule 7.1A.2 in that 12 month period: 20,197,358 fully paid ordinary shares, issued on 3 August 2022;

- (b) percentage they represent of the total number of equity securities on issue at the commencement of that 12-month period: 8.9%
- (c) in relation to the issue made on 3 August 2022:
- (i) the shares were issued to institutional and sophisticated investors, introduced to the Company by the joint lead managers of the relevant capital raising or via existing relationships with the Company. The following participant in the issue of the share was required to be disclosed pursuant to ASX Guidance Note 21: Perennial Value Management Limited;
 - (ii) the securities issued were 20,197,358 fully paid ordinary shares;
 - (iii) the issue price was \$0.14 (14 cents) per share, which was a 3.4% discount to the closing market price on the date of issue of the Shares;
 - (iv) Cash consideration from issue:
 - A. Total cash consideration received: \$2,827,630;
 - B. Amount of that cash which has been spent: \$2,827,630
 - C. That cash was spent on the following: the acquisition of the remaining 25% in De.mem-Geotec GmbH; additional Build, Own, Operate opportunities; costs of the relevant capital raise and general working capital purposes;
- (d) the Company has not agreed to issue any Equity Securities under Rule 7.1A.2 other than those referred to above and the Company has not agreed, before the 12-month period to issue any Equity Securities under Rule 7.1A.2 where such securities remain unissued as at the date of the Meeting.

Voting Exclusions

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

Board Recommendation

The Board believes that Resolution 12 is in the best interests of the Company and unanimously recommends that shareholders vote in favour of this Resolution.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**10% Placement Facility**” has the meaning as defined in the Explanatory Statement for Resolution 12;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEST**” means Australian Eastern Standard Time.

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Closely Related Party**” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

“**Company**” means De.mem Limited ACN 614 756 642;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Incentive Option Plan**” or “**Plan**” means the employee incentive scheme adopted by the Company following the day of this annual general meeting.

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Statement**” means the explanatory statement which forms part of the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

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

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means this Notice of Meeting including the Explanatory Statement;

“**Plan**” means the Company’s Incentive Option Plan, previously approved by shareholders on 24 May 2022;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of the Company for the financial year ended 31 December 2022 and which is set out in the 2022 Annual Report.

“**Resolution**” means a resolution referred to in the Notice;

“**Section**” means a section of the Explanatory Statement;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Shareholder**” means shareholder of the Company;

“**Share Registry**” means Link Market Services Limited (ABN 54 083 214 537)

Annexure A

De.Mem Incentive Option Plan (“the Option Plan”)

A summary of material terms of the Company’s Incentive Option Plan (referred to below as the Option Plan) is set out below.

Terms not otherwise defined in the Notice or Explanatory Memorandum have the meaning given to them under the Option Plan:

Eligibility: participants in the Option Plan may be:

- (1) a Director (where executive or non-executive) of the Company and any associated body corporate of the Company (each a **Group Company**).
- (2) a full or part time employee of any Group Company.
- (3) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
- (4) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (1), (2) or (3) above, who is declared by the Board to be eligible to receive grants of Options under the Option Plan (**Eligible Participants**).

Offer: The Board may, from time to time, in its absolute discretion make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for up to a specified number of Options, upon the terms set out in the Option Plan and upon such additional terms and conditions as the Board determines.

Plan limit: The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Option offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class order at any time during the previous 3 year period under an employee incentive scheme covered by the Class order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

Issue price: Unless the Options are quoted on the ASX, Options issued under the Option Plan will be issued for no more than nominal cash consideration.

Vesting Conditions: An Option may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Option.

Vesting: The Board may in its absolute discretion (except in respect of a change of control occurring where vesting conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Options have been granted under the Option Plan or their nominee where the Options have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Condition applying to Options due to:

- (1) special circumstances (**Special Circumstances**) arising in relation to a Relevant Person in respect of those Options, being:
 - (a) a Relevant Person ceasing to be an Eligible Participant due to: death or total or permanent disability of a Relevant Person; or retirement or redundancy of a Relevant Person;
 - (b) a Relevant Person suffering severe financial hardship;
 - (c) any other circumstances stated to constitute ‘special circumstances’ in the terms of the relevant offer made to and accepted by the Participant; or
 - (d) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant; or
- (2) a change of control occurring; or

(3) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

Transferability: An Option cannot be transferred, assigned or otherwise disposed or encumbered, except:

- (i) in Special Circumstances with the consent of the Board (which may be withheld in its absolute discretion); or
- (ii) by force of law upon death to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy.

Lapse of an Option: An Option will lapse upon the earlier to occur of:

- (1) an unauthorised dealing in the Option;
- (2) a Vesting Condition in relation to the Option is not satisfied by its due date, or become incapable of satisfaction, unless the Board exercises its discretion to waive the Vesting Conditions and vest the Option in the circumstances set out in paragraph above or the Board resolves, in its absolute discretion, to allow the unvested Options to remain unvested after the Relevant Person ceases to be an Eligible Participant;
- (3) in respect of unvested Option only, an Eligible Participant ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Option in the circumstances set out in paragraph 0 or the Board resolves, in its absolute discretion, to allow the unvested Options to remain unvested after the Relevant Person ceases to be an Eligible Participant;
- (4) in respect of vested Options only, a relevant person ceases to be an Eligible Participant and the Option granted in respect of that person is not exercised within one (1) month (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
- (5) the Board deems that an Option lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
- (6) the Company undergoes a Change of Control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Option;
- (7) the expiry date of the Option.

Shares: Shares resulting from the exercise of the Options shall, subject to any Sale Restrictions (refer next item) from the date of issue, rank on equal terms with all other Shares on issue.

Sale Restrictions: The Board may, in its discretion, determine at any time up until exercise of Options, that a restriction period will apply to some or all of the Shares issue to an Eligible Participant (or their eligible nominee) on exercise of those Options up to a maximum of seven (7) years from the grant date of the Options. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.

No Participation Rights: There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues or capital offered to Shareholders during the currency of the Options.

Change in exercise price of number of underlying securities: Unless specified in the offer of the Options and subject to compliance with the ASX Listing Rules, an Option does not confer the right to a change in exercise price or in the number of underlying Shares over which the Option can be exercised.

Reorganisation: If, at any time, the issued capital of the company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of an Option are to be changed in a manner consistent with the Corporations Act and the ASX listing Rules at the time of the reorganisation.

Trust: The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Options, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Option Plan to effect the establishment of such a trust and the appointment of such a trustee.

Annexure B

Terms and Conditions of Harry de Wit Sign-on Options

The terms and conditions of the Options to be granted are as follows:

Terms of Options

(a) Entitlement

- (i) Each Option entitles the holder to exercise for, and be allotted, one Ordinary Share in the capital of the Company.
- (ii) Shares issued on the exercise of Options will rank equally with all existing Ordinary Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

(b) Exercise of Unlisted Options

- (i) 500,000 unlisted options will vest immediately upon issue (**Vesting Date**).
- (ii) The final date and time for exercise of the Unlisted Options is 5.00pm (AEDT) on 5 April 2026, if such date falls on a day that is not a Business Day, the final date will be the next Business Day (**Expiry Date**).
- (iii) The exercise price for the Unlisted Options will be \$0.179 (17.9 cents) per Unlisted Option (**Exercise Price**).
- (iv) Each Option is exercisable by the holder signing and delivering a notice of exercise of Options to the Company's Share Registry or Company Secretary.
- (v) All Options will lapse upon expiry of the final date and time for exercise of the Option.
- (vi) In the event of liquidation of the Company, all unexercised Options will lapse.

(c) Quotation

- (i) The Company will not apply to the ASX for Official Quotation of the Unlisted Options.
- (ii) If the Ordinary Shares of the Company are quoted on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Ordinary Shares issued on the exercise of any Unlisted Options within ten (10) Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

(d) Participation in Securities Issues

Subject to paragraph (e) below, the holder is not entitled to participate in new issues of securities without exercising the Options.

(e) Participation in a Reorganisation of Capital

- (i) In the event of any reconstruction or reorganisation (including consolidation, sub-division, reduction or return of the capital of the Company), the rights of a Performance Right holder will be changed in accordance with the Listing Rules of the ASX applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the Unlisted Options do not result in any benefit being conferred on the Performance Right holder which is not conferred on Shareholders of the Company.
- (ii) In any reorganisation as referred to in paragraph (e)(i), Options will be treated in the following manner:

- For personal use only
- (A) in the event of a consolidation of the share capital of the Company, the number of Unlisted Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (B) in the event of a subdivision of the share capital of the Company, the number of Unlisted Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (C) in the event of a pro-rata cancellation of shares in the Company, the number of Unlisted Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each Performance Right will be amended in inverse proportion to that ratio; and
 - (D) in the event of any other re-organisation of the issued capital of the Company, the number of Unlisted Options or the exercise price or both will be re-organised (as appropriate) in a manner which will not result in any benefits being conferred on the Unlisted Options holder which are not conferred on shareholders.

(f) Transfer of Options

The Options are non-transferrable.

(g) Voting Rights

The Options does not confer any voting rights.

(h) Dividends

The Options does not confer any entitlement to a dividend, whether fixed or at the discretion of the directors.

(i) Return of Capital

The Options does not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise

(j) Participation in the surplus profit or assets of the entity upon a winding up

The Options does not confer any right to participate in the surplus profit or assets of the entity upon a winding up.

(k) Bonus or entitlement issues

The Options does not confer any right to participate in new issues of securities such as bonus issues or entitlement issues.

(l) Change of control


In the event of change of control of the Company, the Options are allowed to be converted into ordinary shares, but only if the change of control is triggered by a person who does not control the entity at the time the performance securities are issued achieving control of more than 50% of the ordinary voting securities in the Company – change of control provisions that trigger at a lower level of “control” are not acceptable.


LODGE YOUR VOTE

 **ONLINE**
<https://investorcentre.linkgroup.com>

 **BY MAIL**
 DE.MEM Limited
 C/- Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia

 **BY FAX**
 +61 2 9287 0309

 **BY HAND**
 Link Market Services Limited
 Parramatta Square, Level 22, Tower 6,
 10 Darcy Street, Parramatta NSW 2150

 **ALL ENQUIRIES TO**
 Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **4:00pm (AEST) on Sunday, 21 May 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

 **ONLINE**
<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the 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.

Please note: you cannot change ownership of your shares using this form.

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in 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 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 the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second 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.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

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

NAME SURNAME
 ADDRESS LINE 1
 ADDRESS LINE 2
 ADDRESS LINE 3
 ADDRESS LINE 4
 ADDRESS LINE 5
 ADDRESS LINE 6



X9999999999

PROXY FORM

I/We being a member(s) of DE.MEM Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act 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 the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **4:00pm (AEST) on Tuesday, 23 May 2023 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be held virtually via Webinar conferencing facility.

Important for Resolutions 1, 6, 7, 8, 9, 10 & 11 : If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 6, 7, 8, 9, 10 & 11, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

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

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

Resolutions

| | For | Against | Abstain* | | For | Against | Abstain* |
|---|--------------------------|--------------------------|--------------------------|--|--------------------------|--------------------------|--------------------------|
| 1 Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 9 Approval to Grant Options to Mr Bernd Dautel | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Election of Danny Conlon as a director of the Company | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 10 Approval to Grant Options to Mr Michael Edwards | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Election of Harry de Wit as a director of the Company | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 11 Ratification of Prior Issue of 500,000 Options under ASX Listing Rule 7.4 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Re-election of Bernd Dautel as a director of the Company | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 12 Approval of 10% Placement Facility | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 Re-election of Michael Edwards as a director of the Company | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 6 Approval to Grant Options to Mr Andreas Kroell | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 7 Approval to Grant Options to Mr Cosimo Trimigliozzi | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 8 Approval to Grant Options to Mr Stuart Carmichael | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |



* If you mark the Abstain box for a particular Item, 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)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may 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).

DEM PRX2301N

