

Notice of Annual General Meeting and Explanatory Memorandum

Xped Limited ACN 122 203 196

Date of Meeting: 29 January 2021

Time of Meeting: 10.30am

Place of Meeting: BDO Adelaide
Level 7, 420 King William Street, Adelaide, South Australia

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of shareholders of **Xped Limited** ACN 122 203 196 (**Company**) will be held at BDO Adelaide, Level 7, 420 King William Street, Adelaide, South Australia, on 29 January 2021.

Agenda

Ordinary business

Financial Reports

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to and forming part of the financial statements for the Company and its controlled entities for the financial year ended 30 June 2020.

1. Resolution 1: Re-election of Con Unerkov as a director

To consider and, if thought fit, pass the following Resolution, as an Ordinary Resolution of the Company, with or without amendment:

"That Con Unerkov, who retires in accordance with Rule 38.2 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

2. Resolution 2: Re-election of Elvis Diao as a director

To consider and, if thought fit, pass the following Resolution, as an Ordinary Resolution of the Company, with or without amendment:

"That Elvis Diao, who retires in accordance with Rule 38.2 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

3. Resolution 3: Appointment of Peter Whelan as a director

To consider and, if thought fit, pass the following Resolution, as an Ordinary Resolution of the Company, with or without amendment:

"That Peter Whelan, who is qualified in accordance with Rule 36 of the Company's Constitution and, being eligible, offers himself for election, be elected as a Director."

4. Resolution 4: Remuneration Report

To consider and, if thought fit, pass the following Advisory Resolution of the Company, with or without amendment:

"That the Remuneration Report for the year ended 30 June 2020 (as set out in the Directors Report) is adopted."

5. Resolution 5: Ratification of Prior Share Issue (May 2020)

To consider and, if thought fit, pass the following Resolution, as an Ordinary Resolution of the Company, with or without amendment:

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue by the Company of 19,531,250 fully paid ordinary shares to the allottee described in the Explanatory Memorandum to this Notice of Meeting that were each paid in full on application and on the dates referred to in that Explanatory Memorandum, be and is hereby ratified and approved."

Notice of Annual General Meeting

Voting exclusion statement

The Company will, in accordance with ASX Listing Rule 14.11, disregard any votes cast in favour of **Resolution 5** by or on behalf of:

- the person who participated in the issue the subject of the resolution; or
- an associate of that person.

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

- 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
- 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
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder in that way.

6. Resolution 6: Ratification of Prior Share Issue (June 2020)

To consider and, if thought fit, pass the following Resolution, as an Ordinary Resolution of the Company, with or without amendment:

THAT, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue by the Company of 16,500,000 fully paid ordinary shares to the allottees described in the Explanatory Memorandum to this Notice of Meeting that were each paid in full on application and on the dates referred to in that Explanatory Memorandum, be and is hereby ratified and approved.

Voting exclusion statement

The Company will, in accordance with ASX Listing Rule 14.11, disregard any votes cast in favour of **Resolution 6** by or on behalf of:

- the persons who participated in the issue the subject of this resolution; or
- an associate of those persons.

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

- 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
- 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
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder in that way.

7. Resolution 7: Approval to Issue Options

To consider and, if thought fit, pass the following Resolution, as an Ordinary Resolution of the Company, with or without amendment:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 250,000,000 options to Teko International Limited on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement

The Company will, in accordance with ASX Listing Rule 14.11, disregard any votes cast in favour of **Resolution 7** by or on behalf of:

- the persons who 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 entity) the subject of this resolution; or
- an associate of those persons.

Notice of Annual General Meeting

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

- 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
- 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
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder in that way.

8. Resolution 8: Approval to Issue Shares

To consider and, if thought fit, pass the following Resolution, as an Ordinary Resolution of the Company, with or without amendment:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 200,000,000 shares to Heursey Labs LLC on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement

The Company will, in accordance with ASX Listing Rule 14.11, disregard any votes cast in favour of **Resolution 8** by or on behalf of:

- the persons who 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 entity) the subject of this resolution; or
- an associate of those persons.

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

- 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
- 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
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder in that way.

9. Resolution 9: Approval for issue of securities under Listing Rule 7.1A

To consider and, if thought fit, to pass the following Resolution as a Special Resolution of the Company, with or without amendment:

“That, pursuant to and in accordance with Listing Rule 7.1A, and for all other purposes, the Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 over a 12 month period from the date of this Meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions in the Explanatory Memorandum (Placement Securities).”

Notice of Annual General Meeting

Contingent Business

10. Resolution 10: Holding a Spill Meeting

Condition for Resolution 10: Resolution 10 will be considered at the AGM only if at least 25% of the votes cast on Resolution 4 are against the adoption of the Remuneration Report. The Explanatory Notes further explain the circumstances in which Resolution 4 will be put to the meeting.

If the condition (described above) is satisfied, to consider and, if thought fit, pass the following Resolution as an Ordinary Resolution of the Company, with or without amendment:

"That, as required by the Corporations Act:

*(a) a meeting of the Company's members (**Spill Meeting**) be held within 90 days of the passing of this resolution, subject to (d) below;*

(b) all of the Directors in office at the time of the Spill Meeting who:

(1) were in office when the Directors' resolution was passed to make the Directors' Report for the financial year ended 30 June 2020 considered at the Company's 2020 annual general meeting; and

(2) are not a Managing Director of the Company who, in accordance with the Listing Rules, may continue to hold office indefinitely without being re-elected to the office,

*shall cease to hold office immediately before the end of the Spill Meeting (**Relevant Directors**);*

(c) resolutions to appoint persons to offices that will be vacated immediately before the end of the spill meeting be put to the vote at the Spill Meeting; and

(d) in accordance with section 250W of the Corporations Act, where there are no Relevant Directors still in office, the Company need not hold the Spill Meeting."

11. Notes and Voting Exclusion Statement

11.1 Notes

- (a) Terms used in this Notice of Meeting are defined in the "Interpretation" section of the accompanying Explanatory Memorandum.
- (b) A detailed summary of the Resolutions is contained within the Explanatory Memorandum.
- (c) A vote on Resolution 4 (Remuneration Report) is advisory only and does not bind the Directors or the Company.

11.2 Voting Restriction Statement pursuant to section 250R(4) of the Corporations Act

A vote on Resolution 4 (Remuneration Report) must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report;
- (b) a Closely Related Party of such a member.

Notice of Annual General Meeting

However, the above persons may cast a vote on Resolution 4 if:

- (c) the person does so as a proxy; and
- (d) the vote is not cast on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member; and
- (e) either:
 - (1) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
 - (2) the voter is the chair of the meeting and the appointment of the chair as proxy:
 - (A) does not specify the way the proxy is to vote on the resolution; and
 - (B) 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, if the Company is part of a consolidated entity, for the entity.

11.3 Contingent Business - Resolution 10 Holding a Spill Meeting

As required by the Corporations Act, no member of the Company's Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of any such member, may vote in any capacity (e.g. as a shareholder, proxy or corporate representative) on the proposed resolution in Resolution 4. However, the above persons may cast a vote on Resolution 4 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the person votes as a proxy appointed by writing that specifies how the person is to vote on the proposed resolution in Resolution 4; or
- (b) the voter is the Chairman of the Meeting and the appointment of the Chairperson as proxy :
 - (1) does not specify the way the proxy is to vote on the resolution; and
 - (2) expressly authorises the Chairman of the Meeting to vote in that capacity on Resolution 4 even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

General business

To consider any other business as may be lawfully put forward in accordance with the Constitution.

By order of the board

Julie Edwards

Company Secretary
24 December 2020

Explanatory Memorandum

12. Introduction

This Explanatory Memorandum is provided to shareholders of **Xped Limited ACN 122 203 196 (Company)** to explain the Resolutions to be put to Shareholders at the Annual General Meeting to be held at BDO Adelaide, Level 7, 420 King William Street, Adelaide, South Australia.

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in section 28.

13. Consider the Company's annual report

The Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to and forming part of the financial statements for the Company and its controlled entities for the financial year ended 30 June 2020 were despatched to Shareholders and released to the ASX Limited on 30 September 2020. The Company's Annual Report is placed before the shareholders for discussion. No voting is required for this item.

14. Resolution 1: Re-election of Con Unerkov as a director

Con Unerkov retires in accordance with Rule 38.2 of the Company's Constitution and, being eligible, offers himself for re-election as a Non-executive Director.

Mr Unerkov was appointed as chairman of the board on 31 December 2019 by the Directors.

Mr. Unerkov is an Australian based businessman and the Executive Chairman and CEO of Integrated Media Technology Limited, a Nasdaq company engaged in sales and distribution of autostereoscopic 3D displays and energy saving switchable glass. Mr. Unerkov has over 25 years of local and international senior executive experience in the financial markets with a focus on structuring, M&A and corporate financing for both private and public companies.

The Directors (with Mr Unerkov abstaining) recommend that you vote in favour of this Ordinary Resolution.

15. Resolution 2: Re-election of Elvis Diao as a director

Elvis Diao retires in accordance with Rule 38.2 of the Company's Constitution and, being eligible, offers himself for re-election as a Non-executive Director.

Mr Diao was appointed as a director on 24 April 2020 by the Directors.

Mr. Diao is the General Manager China of Asia Times Holdings Limited focusing on business development in the media and consultancy field for the Greater China area. Prior to joining Asia Times Mr. Diao worked in media and project investment in China. Mr. Diao has broad experience in the marketing, communications and media industries in China. Mr. Diao is currently a guest professor for the Business School at the Guizhou Education University in China.

Mr. Diao holds a Master's Degree in Social Policy from the Chinese University of Hong Kong and the dual Bachelor Degrees in Business Administration and English Literature from Shanghai International Studies University.

Explanatory Memorandum

The Directors (with Mr Diao abstaining) recommend that you vote in favour of this Ordinary Resolution.

16. Resolution 3: Election of Peter Whelan as a director

Peter Whelan, who is qualified in accordance with Rule 36 of the Company's Constitution and, being eligible, offers himself for election as a Non-Executive Director.

Mr Whelan is a Chartered Accountant with over 50 years' experience as a professional accountant. He has held positions as Managing Partner and Chairman of Partners of a major mid-tier accounting firm in South Australia. He practiced mainly in the areas of corporate advisory and audit.

Mr Whelan has extensive experience as an auditor and adviser in the aged care and retirement living sectors. He has also prepared experts reports for capital raisings and company listings.

Mr Whelan is currently a member of the Board and Finance Committee of a major South Australian charity that provides affordable accommodation to those in need. He is also a director of a family business operating in the retail clothing and foot-wear sector.

The Directors recommend that you vote in favour of this Ordinary Resolution.

17. Resolution 4: Remuneration Report

The Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding Advisory Resolution in accordance with section 250R of the Corporations Act.

The Remuneration Report is set out in the Directors' Report section of the Annual Report. The Remuneration Report, amongst other things:

- (a) explains the Board's policy for determining the nature and amount of remuneration of Key Management Personnel of the consolidated entity;
- (b) explains the relationship between the Board's remuneration policy and the Company's performance;
- (c) sets out remuneration details for each Key Management Personnel of the consolidated entity including details of performance related remuneration and options granted as part of remuneration; and
- (d) details and explains any performance conditions applicable to the remuneration of Key Management Personnel of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

The Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report. A vote on this Resolution 4 is advisory only and does not bind the Directors or the Company.

There are restrictions on members of the Key Management Personnel and their Closely Related Parties and their proxies voting (in any capacity) on Resolution 4, details of which are set out in the Voting Restriction Statement included in Section 13.2 of the Notice of Meeting.

Explanatory Memorandum

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 4, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any Resolution, in which case an ASX announcement will be made.

18. Resolution 5: Ratification of Prior Share Issue (May 2020)

Background

On 20 May 2020, the Company issued 19,531,250 fully paid ordinary shares to SBI Investments (PR) LLC. The Company agreed to terminate Convertible Note Deeds by mutual consent as announced on 14 May 2020. Under the agreement to terminate this transaction the Company issued 19,531,250 shares for nil consideration.

Resolution 5 seeks shareholder ratification for the allotment and issue on the date referred to above of 19,531,250 Shares which will have the effect of “refreshing” the Company’s 15% limit for the issue of securities under the ASX Listing Rules. Not only will this approval give the Company the capacity to raise additional capital (to the 15% limit) without the need for shareholder approval, it provides the benefit of giving the Company flexibility in its funding endeavours.

Resolution 5: Specific information required by ASX Listing Rule 7.5

For the purposes of ASX Listing Rule 7.5 the following information is provided in relation to the share issues described in **Resolution 5**:

- (a) 19,531,250 fully paid ordinary shares were issued and allotted on 20 May 2020;
- (b) the issue price of each of those Shares was nil;
- (c) the Shares issued are fully paid ordinary shares in the Company and rank equally in all respects with the Company’s existing Shares on issue;
- (d) the Share issue was made to SBI Investments (PR) LLC, who is not a related party to the Company; and
- (e) No funds were raised from the share issue.

A Voting Exclusion Statement is set out in the Notice of Annual General Meeting which this Explanatory Memorandum accompanies.

The Directors unanimously recommend Shareholders vote in favour of Resolution 5.

19. Resolution 6: Ratification of Prior Share Issue (June 2020)

Background

On 30 June 2020, the Company issued 16,500,000 fully paid ordinary shares for consulting services rendered.

Resolution 6 seeks shareholder ratification for the allotment and issue on the date referred to above of 16,500,000 Shares which will have the effect of “refreshing” the Company’s 15% limit for the issue of securities under the ASX Listing Rules. Not only will this approval give the Company the capacity to raise additional capital (to the 15% limit) without the need for shareholder approval, it provides the benefit of giving the Company flexibility in its funding endeavours.

Resolution 6: Specific information required by ASX Listing Rule 7.5

For the purposes of ASX Listing Rule 7.5 the following information is provided in relation to the share issues described in Resolution 6:

- (f) 16,500,000 fully paid ordinary shares were issued and allotted on 30 June 2020;
- (g) the issue price of each of those Shares is A\$0.001;

Explanatory Memorandum

- (h) the Shares issued are fully paid ordinary shares in the Company and rank equally in all respects with the Company's existing Shares on issue;
- (i) the Share issue was made to three consultants, who are not related parties to the Company; and
- (j) No funds were raised from the share issue.

A Voting Exclusion Statement is set out in the Notice of Annual General Meeting which this Explanatory Memorandum accompanies.

The Directors unanimously recommend Shareholders vote in favour of Resolution 6.

20. Resolution 7: Approval to Issue Options

Background

On 2 January 2020, the Company announces that it had completed a placement for 250,000,000 fully paid ordinary shares at an issue price of 0.1 cents per share raising \$250,000 to Teko International Limited. Under the placement agreement, the Company agreed to, subject to Shareholders' approval, issue one option for every Placement Share. These options were to be issued with an exercise price of 0.1 cent, exercisable at any time up to and including 30 June 2020. However, since the Company did not have the mandate to issue Shares underlying the options, the Company now seeks to issue the one option for every Placement Shares. These options will be issued with an exercise price of 0.1 cent, exercisable at any time up to and including 30 June 2021.

Resolution 7 seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of the 250,000,000 options. Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of the period (Placement Capacity). ASX Listing Rule 7.3 allows the shareholders of a listed company to approve an issue of Equity Securities prior to the issue so that it doesn't reduce the Company's Placement Capacity and the Company can retain as much flexibility as possible to issue additional Equity Securities without having to obtain shareholders' approval.

Resolution 7: Specific information required by ASX Listing Rule 7.3

For the purposes of ASX Listing Rule 7.3 the following information is provided in relation to the share issue described in Resolution 7:

- (a) Shares will be issued to Teko International Limited, or their nominee/s pursuant to the Placement Agreement.
- (b) 250,000,000 unlisted options will to be issued for nil cash consideration;
- (c) Options are exercisable at 0.1 cent and expire 30 June 2021.
- (d) the Options will be issued within three (3) months of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
- (e) No funds will be raised from the issue;
- (f) The option are being issued under the Placement Agreement dated 30 December 2019;
- (g) The material terms of the Placement Agreement are the placing of 250,000,000 shares at an issue price of 0.1 cents per share, raising A\$250,000. Under the placing agreement, the Company will, subject to Shareholders approval at a general meeting, issue one option for every Placement Share. These options will be issued with an exercise price of 0.1 cents, exercisable at any time up to and including 30 June 2020 which we have now amended to 30 June 2021;
- (h) the Shares are not being issued under, or to fund, a reverse takeover; and

Explanatory Memorandum

A Voting Exclusion Statement is set out in the Notice of Annual General Meeting which this Explanatory Memorandum accompanies.

The Directors (Mr Unerkov abstaining) recommend Shareholders vote in favour of Resolution 7.

21. Resolution 8: Approval to Issue Shares

Background

On 7 July 2020, the Company entered into an agreement with Heuresy LLC and Heuresy Labs LLC to terminate the Technology Development Agreement dated 23 May 2018. In part consideration for the termination of the agreement the Company agreed to issue a A\$200,000 Convertible Note that is non-interest bearing, unsecured, convertible at \$A0.001 per share and payable in one year unless earlier converted. The conversion of the Convertible Note is subject to shareholders approving the issuance of the Shares underlying the Notes. Any converted shares will be restricted for sale until the first year anniversary date of the issuance of the Convertible Note.

Resolution 8 seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of the 200,000,000 Shares. Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of the period (Placement Capacity). ASX Listing Rule 7.3 allows the shareholders of a listed company to approve an issue of Equity Securities prior to the issue so that it doesn't reduce the Company's Placement Capacity and the Company can retain as much flexibility as possible to issue additional Equity Securities without having to obtain shareholders' approval.

Resolution 8: Specific information required by ASX Listing Rule 7.3

For the purposes of ASX Listing Rule 7.3 the following information is provided in relation to the share issue described in **Resolution 8**:

- (a) Shares will be issued to Heuresy Labs LLC, or their nominee/s pursuant to the Termination Agreement.
- (b) 200,000,000 fully paid ordinary Shares to be issued for nil cash consideration;
- (c) the Shares will be issued within three (3) months of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
- (d) No funds will be raised from the issue;
- (e) The shares are being issued under the Termination Agreement;
- (f) The material terms of Termination Agreement are the parties agreed to i) terminate the Development Agreement and any obligations and claims arising therefrom and ii) the Company shall pay Heuresy A\$360,000 or equivalent to about US\$250,000 for terminating the Development Agreement. The payment of the A\$360,000 shall be made as follows: i) A\$50,000 at completion, ii) A\$200,000 by the issuance of a Convertible Note which is further detailed below and in Appendix A, iii) transfer all the shares in Xped Holdings Limited which holds certain patents and the ADRC technologies ("Technologies") to Heuresy. In addition, the parties shall enter into a technology licensing agreement granting the Company the right to resell the products developed using the Technologies and access to the ADRC technology for future development as further detailed below. This termination Agreement was completed on 13 July 2020.

At completion of the termination agreement discussed above, the Company issued to Heuresy a A\$200,000 Convertible Note that has the following terms: non-voting, non-interests bearing, unsecured, convertible at A\$0.001 per share and payable in one year unless earlier converted. The Conversion is subject to Shareholders approving the issuance of the Shares underlying the Notes. The noteholder has agreed that any converted shares will be restricted for sale until the first year anniversary date of the issuance of Convertible Note.

Explanatory Memorandum

(g) the Shares are not being issued under, or to fund, a reverse takeover; and

A Voting Exclusion Statement is set out in the Notice of Annual General Meeting which this Explanatory Memorandum accompanies.

The Directors unanimously recommend Shareholders vote in favour of Resolution 8.

22. Resolution 9: Approval for issue of securities under Listing Rule 7.1A

22.1 Introduction

The Company is seeking Shareholder approval to issue an additional 10% of issued capital over a 12 month period pursuant to Listing Rule 7.1A. If passed, this resolution will allow the Company to allot and issue up to the number of new Equity Securities calculated in accordance with Listing Rule 7.1A.2 (**Placement Securities**) each at an issue price of at least 75% of the volume weighted average price (**VWAP**) for the Company's Equity Securities in that class (calculated over the last 15 days on which trades in the Equity Securities are recorded immediately before the date on which the price at which the Placement Securities are to be issued is agreed, or if the Placement Securities are not issued within five trading days of that date, the date on which the Placement Securities are issued) (**Issue Price**).

This approval is sought pursuant to Listing Rule 7.1A. Under Listing Rule 7.1A, small and mid cap listed entities that meet the eligibility threshold and have obtained the approval of their ordinary shareholders by special resolution at the annual general meeting, are permitted to issue an additional 10% of issued capital over a 12 month period from the date of the annual general meeting (**Additional 10% Placement**). The Additional 10% Placement under Listing Rule 7.1A is in addition to the ability of the Company to issue 15% of its issued capital without shareholder approval over a 12 month period pursuant to Listing Rule 7.1. The Company may issue the Placement Securities to raise funds for the Company and as non-cash consideration (further details of which are set out below). Funds raised from the issue of Placement Securities, if undertaken, would be applied towards its existing business, review and development of new business opportunities and to provide working capital to the Company.

The Directors of the Company unanimously recommend that shareholders vote in favour of Resolution 9.

22.2 Listing Rule 7.1A

(a) General

(1) Eligibility

An entity is eligible to undertake an Additional 10% Placement if at the time of its annual general meeting it has a market capitalisation of \$300 million or less and it is not included in the S&P/ASX300 Index.

For illustrative purposes only, on 17 December 2020 the Company's market capitalisation was \$3,585,724 based on the closing trading price on that date. The calculation of market capitalisation will be based on the closing price of the shares, on the last trading day on which trades in the shares were recorded before the date of the AGM, multiplied by the number of shares on issue (excluding restricted securities and securities quoted on a deferred settlement basis).

The Company is also not included in the S&P/ASX300 Index as at the time of this AGM, however, it should be noted that the S&P/ASX300 Index is rebalanced twice a year in March and September.

Explanatory Memorandum

The Company is therefore as at the date of this Notice an 'Eligible Entity' as defined under the Listing Rules and is able to undertake an Additional 10% Placement under Listing Rule 7.1A.

In the event that the Company for any reason ceases to be an Eligible Entity after the Company has already obtained shareholders' approval pursuant to this Resolution 9, the approval obtained will not lapse and the Company will still be entitled to issue the Placement Securities.

(2) **Special Resolution**

Listing Rule 7.1A requires this Resolution 9 to be passed as a Special Resolution, which means that it must be passed by at least 75% of the votes cast by members entitled to vote on the resolution. Pursuant to Listing Rule 7.1A, no Placement Securities will be issued until and unless this Special Resolution is passed at the meeting.

(3) **Shareholder approval**

The ability to issue the Placement Securities is conditional upon the Company obtaining shareholder approval by way of a Special Resolution at the meeting.

(b) **10% Placement Period - Listing Rule 7.1A.1**

Assuming Resolution 9 is passed, Shareholder approval of the Additional 10% Placement under Listing Rule 7.1A is valid from the date of the AGM and expires on the earlier to occur of:

- (1) the date that is 12 months after the date of the AGM; or
- (2) The time and date of the entity's next annual general meeting; or
- (3) the date of the approval by shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking); or

or such longer period if allowed by ASX.

If approval is given for the issue of the Placement Securities then the approval will expire on 29 January 2022, unless Shareholder approval is granted pursuant to Listing Rules 11.1.2 or 11.2 prior to that date.

(c) **Calculation for Additional 10% Placement - Listing Rule 7.1A.2**

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:

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

Where:

A is the number of ordinary securities on issue 12 months before the date of issue or agreement:

- (1) plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;

Explanatory Memorandum

- (2) plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- (3) plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under Listing Rules 7.1 or 7.4 (but note that this does not include an issue of fully paid ordinary securities under the entity's 15% placement capacity without shareholder approval); and
- (4) less the number of fully paid ordinary securities cancelled in the 12 months.

D is 10 percent.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

(d) **Listing Rule 7.1A.3**

(1) **Equity Securities**

Any Equity Securities issued under the Additional 10% Placement must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of this notice of meeting, the classes of Equity Securities in the Company quoted on the ASX are Shares. The Company presently has 1,792,862,024 Shares on issue at the date of this Notice of Meeting.

(2) **Minimum Issue Price**

The issue price for the Placement Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days immediately before:

- (A) the date on which the price at which the relevant Placement Securities are to be issued is agreed; or
- (B) if the relevant Placement Securities are not issued within five trading days of the date in paragraph (A) above, the date on which the relevant Placement Securities are issued.

(e) **Information to be given to ASX - Listing Rule 7.1A.4**

If Resolution 9 is passed and the Company issues any Placement Securities under Listing Rule 7.1A, the Company will give to ASX:

- (1) a list of allottees of the Placement Securities and the number of Placement Securities allotted to each (this list will not be released to the market); and
- (2) the following information required by rule 3.10.5A, which will be released to the market on the date of issue:
 - (A) details of the dilution to the existing holders of Equity Securities caused by the issue;
 - (B) where the Equity Securities are issued for cash consideration, a statement of the reasons why the Company issued the Equity Securities as a placement under rule 7.1A and not as (or in addition to) a pro rata issue or other type of issue in which existing shareholders would have been eligible to participate;

Explanatory Memorandum

- (C) details of any underwriting arrangements, including any fees payable to the underwriter; and
- (D) any other fees or costs incurred in connection with the issue.

(f) **Listing Rules 7.1 and 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.

At the date of this Notice of Meeting, the Company has on issue 1,792,862,024 Shares. The Company will have the capacity to issue the following shares on the date of the Meeting:

- (1) 268,929,304 Shares under Listing Rule 7.1; and
- (2) subject to shareholder approval being obtained under Resolution 9, 179,286,202 Shares under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have the 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 (as described above).

22.3 Specific Information required by Listing Rule 7.3A

(a) **Minimum Price of securities issued under Listing Rule 7.1A - Listing Rule 7.3A.1**

Pursuant to and in accordance with Listing Rule 7.1A.3, the Placement Securities issued pursuant to approval under Listing Rule 7.1A must have an issue price of not less than 75% of the VWAP for the Equity Securities over the 15 trading days immediately before:

- (1) the date on which the price at which the Placement Securities are to be issued is agreed; or
- (2) if the Placement Securities are not issued within ten trading days of the date in paragraph (1) above, the date on which the Placement Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the Placement Securities.

(b) **Risk of economic and voting dilution - Listing Rule 7.3A.2**

As provided by Listing Rule 7.3A.2, if Resolution 9 is passed and the Company issues the Placement Securities, there is a risk of economic and voting dilution to the existing Shareholders. The Company currently has on issue 1,792,862,024 shares. The Company could issue 179,286,202 shares on the date of the meeting (however, it is important to note that the exact number of Equity Securities which may be issued will be calculated in accordance with the formula contained in Listing Rule 7.1A.2 details of which are set out above). Any issue of Placement Securities will have a dilutive effect on existing Shareholders.

There is a specific risk that:

- (1) the Market Price for the Company's Equity Securities may be significantly lower on the date of the issue of any Placement Securities than it is on the date of the meeting; and
- (2) the Placement 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,

Explanatory Memorandum

which may have an effect on the amount of funds raised by the issue or the value of the Placement Securities.

As required by Listing Rule 7.3A.2, Table 1 below shows the potential economic and voting dilution effect, in circumstances where the issued share capital has doubled and the Market Price of the shares has halved. Table 1 also shows additional scenarios in which the issued share capital has increased (by both 50% and 100%) and the Market Price of the shares has:

- decreased by 50%; and
- increased by 100%.

Table 1

| Variable 'A' in listing rule 7.1A.2 | 50% decrease in Market Price \$0.001 | | Current Market Price \$0.002 | | 100% increase in Market Price \$0.004 | |
|--|---|----------------|---------------------------------|----------------|--|----------------|
| | Voting Dilution | Capital Raised | Voting Dilution | Capital Raised | Voting Dilution | Capital Raised |
| Current Variable 'A' 1,792,862,024 shares | 179,286,202 | \$179,286 | 179,286,202 | \$358,572 | 179,286,202 | \$717,145 |
| 50% Increase in current Variable 'A' 2,689,293,036 shares | 268,929,304 | \$268,929 | 268,929,304 | \$537,858.61 | 268,929,304 | \$1,075,717 |
| 100% Increase in current Variable 'A' 3,585,724,048 shares# | 358,572,405 | \$358,572 | 358,572,405 | \$717,145 | 358,572,405 | \$1,434,290 |

Assumptions and explanations

- The Market Price is \$0.002 based on the closing price of the Shares on ASX on 17 December 2020.
- The above table only shows the dilutionary effect based on the issue of the Placement Securities (assuming only shares are issued), and not any shares issued under the 15% under Listing Rule 7.1.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The Company issues the maximum number of Placement Securities.
- The issued share capital has been calculated in accordance with the formula in Listing Rule 7.1A(2) as at 17 December 2020.
- The issue price of the Placement Securities used in the table is the same as the Market Price and does not take into account the discount to the Market Price (if any).

Final date for issue - Listing Rule 7.3A.3

As required by Listing Rule 7.3A.3, the Company will only issue and allot the Placement Securities during the 12 months after the date of this Meeting which the Company anticipates will end on 29 January 2022. The approval under Resolution 9 for the issue of the Placement Securities will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company) before the anniversary of the AGM or at the time and date of the entity's next annual general meeting.

Explanatory Memorandum

(c) **Purpose - Listing Rule 7.3A.4**

The issue under Listing Rule 7.1A can only be made for cash consideration, the purpose for which the Placement Securities may be issued include to raise funds for the Company. Funds raised from the issue of Placement Securities, if undertaken, would be applied towards its existing business, review and development of new business opportunities and to provide working capital to the Company.

(d) **Company's Allocation Policy - Listing Rule 7.3A.5**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue of the Placement Securities. The identity of the allottees of Placement Securities will be determined on a case-by-case basis having regard to a number of factors including but not limited to the following:

- (1) the methods of raising funds that are available to the Company including, but not limited to, rights issue or other issue in which existing shareholders can participate;
- (2) the effect of the issue of the Placement Securities on the control of the Company;
- (3) the financial situation and solvency of the Company; and
- (4) advice from corporate, financial and broking advisers (if applicable).

The allottees of the Placement Securities have not been determined as at the date of this Notice but may include existing substantial Shareholders and new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments for which Placement Securities are issued as consideration, it is likely that the allottees of some of the Placement Securities will be the vendors of the new assets or investments.

(e) **Company has previously obtained shareholder approval under listing rule 7.1A**

As the Company has previously obtained Shareholder approval under Listing Rule 7.1A, the following information is provided to Shareholders, in accordance with Listing Rule 7.3A.6 regarding the Equity Securities issued in the previous 12 months preceding the date of the AGM (that is, since 29 January 2019).

Listing Rule 7.3A.6(a): Total Equity Securities issued in previous 12 months

| Listing Rule 7.3A.6(a) | Shares |
|---|---------------|
| Number of Equity Securities on issue at commencement of 12 month period | 1,756,830,774 |
| Equity Securities issued in prior 12 month period | 36,031,250 |
| Percentage previous issues represent of total number of Equity Securities on issue at commencement of 12 month period | 2.05% |

Listing Rule 7.3A.6(b): Details of equity securities issued in the 12 months prior to the date of the Meeting are set out in Schedule 1.

22.4 Directors recommendations

The Directors of the Company unanimously recommend that shareholders vote in favour of Resolution 9.

Explanatory Memorandum

23. Contingent Resolution 10 – Holding a Spill Meeting

Under the Corporations Act, if at least 25% of the votes cast on the adoption of the remuneration report at two consecutive AGMs are against adopting the Remuneration Report, members will have the opportunity to vote on a “spill resolution” (as described below).

At last year’s AGM, at least 25% of the votes cast on the resolution to adopt that year’s remuneration report were against adopting the report. Accordingly, last year the Company received a “first strike”. If at least 25% of the votes cast on Resolution 4 are against adopting the Remuneration Report at the Meeting, Resolution 10 will be put to the Meeting and voted on as required by section 250V of the Corporations Act (**Spill Resolution**).

If less than 25% of the votes cast on Resolution 4 are against adopting the remuneration report at the Meeting, Resolution 10 will not be put to the Meeting. If put, the Spill Resolution will be considered as an Ordinary Resolution.

If the Spill Resolution is passed, a further meeting of members must be held within 90 days (**Spill EGM**). Immediately before the end of the Spill EGM, each of the Directors in office at the time of the Spill Meeting who:

- (1) were in office when the Directors’ resolution was passed to make the Directors’ Report for the financial year ended 30 June 2020 considered at the Company’s 2020 annual general meeting; and
- (2) are not a Managing Director of the Company who, in accordance with the Listing Rules, may continue to hold office indefinitely without being re-elected to the office,

shall cease to hold office immediately before the end of the Spill Meeting (**Relevant Directors**).

Under section 250V(1)(b)(ii) of the Corporations Act, a managing director of the Company does not cease to hold office at the Spill EGM, as in accordance with the Listing Rules, they may continue to hold office indefinitely without being re-elected to the office. At the time of the notice the Company does not have a Managing Director.

If at the time of holding the Spill Meeting Con Unerkov, Elvis Diao, and Peter Whelan remain Directors of the Company and none of them are in the role of Managing Director, each of them will cease to hold office immediately before the end of the Spill Meeting.

The Company need not hold the Spill EGM if none of the Relevant Directors are still in office at the end of the 90 day period referred to above.

Each Relevant Director is eligible to seek re-election as a director of the Company at the Spill EGM. If the Spill Resolution is passed, members should note that each of the Relevant Directors intends to stand for re-election at the Spill EGM. The Spill Resolution has the potential that the entire board (other than the Managing Director) is removed from office.

If the Company does not hold the Spill Meeting within 90 days after the Spill Resolution is passed, each person who is a Director of the Company at the end of that 90 day period commits an offence, even if the person was not a Director when the Spill Resolution was passed.

As interested the Directors have abstained from making a recommendation on Resolution 10.

There are restrictions on members of the Key Management Personnel and their Closely Related Parties and their proxies voting (in any capacity) on Resolution 10, details of which are set out in the Voting Restriction Statement included in Section 11 of the Notice of Meeting.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, **except for Resolution 10 in respect of which the Chair will vote any undirected proxies against the Resolution.**

Explanatory Memorandum

24. Interpretation

Advisory Resolution means a Resolution which, the result of voting by Shareholders, does not bind the Company or the Directors.

AGM means annual general meeting.

Annual Report means the document entitled 'Annual Financial Report – Financial Year Ended June 2020' of the Company announced on 30 September 2020.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange.

Board means the board of directors of the Company.

Closely Related Party (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purposes of this definition.

Company means Xped Limited ACN 122 203 196.

Constitution means the constitution of the Company from time to time.

Corporations Act means the *Corporations Act 2001* (Cth) as amended, varied or replaced from time to time.

Director means a director of the Company.

Directors' Report means the document entitled 'Directors' Report' contained within pages 2 to 11 of the Annual Report dated 30 September 2020.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Memorandum means this explanatory memorandum accompanying the Notice of Meeting.

Key Management Personnel has the definition given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

Listing Rule means the official listing rules of the ASX as amended from time to time.

Market Price has the meaning given to that term in the Listing Rules.

Meeting or **Annual General Meeting** means the annual general meeting to be held on 29 January 2021.

Explanatory Memorandum

Notice of Meeting or **Notice** means the notice of meeting giving notice to shareholders of the Meeting, accompanying this Explanatory Memorandum.

Options means options to subscribe for Shares.

Ordinary Resolution means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders.

Remuneration Report means the document entitled 'Remuneration Report' contained within pages 6 to 11 of the Annual Report dated 30 September 2020.

Resolution means a resolution proposed at the Meeting.

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

Shareholder means a holder of Shares in the Company.

Special Resolution means a Resolution:

- (a) of which notice has been given as set out in paragraph 249L(1)(c) of the Corporations Act; and
- (b) that has been passed by at least 75% of the votes cast by members entitled to vote on the Resolution.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to

Julie Edwards

(Company Secretary)

Level 6 412 Collins Street
Melbourne VIC 3000
Telephone: 03 9642 0655

Schedule 1 - Securities issued in 12 months prior to date of Meeting (Listing Rule 7.3A.6(b))

| Date of Issue: | *Number Issued: | Class/Type of equity security: | Summary of terms: | Names of persons who received securities or basis on which those persons was determined: | *Price at which equity securities were issued: | Discount to market price (if any): | For cash issues: | | | | For non-cash issues: | |
|----------------|-----------------|--------------------------------|--|--|--|------------------------------------|------------------------------------|-------------------------------------|----------------------------|---|------------------------------|--|
| | | | | | | | Total cash consideration received: | Amount of cash consideration spent: | Use of cash consideration: | Intended use for remaining amount of cash (if any): | Non-cash consideration paid: | Current value of that non-cash consideration: @ \$.002 |
| 20/5/20 | 19,531,250 | Fully paid ordinary shares | Shares rank pari passu with all other fully paid ordinary shares on issue in the Company | SBI Investments (PR) LLC | Nil | Nil | Nil | N/A | N/A | N/A | \$19,531 | \$39,062 |
| 30/6/20 | 16,500,000 | Fully paid ordinary shares | Shares rank pari passu with all other fully paid ordinary shares on issue in the Company | Contractors for services rendered that are unrelated parties. | Nil | Nil | Nil | N/A | N/A | N/A | \$16,500 | \$33,000 |

Proxy, representative and voting entitlement instructions

Proxies and representatives

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under section 250D of the *Corporations Act 2001* (Cth).

The proxy form must be signed by the shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, in a manner permitted by the *Corporations Act*.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be **deposited at, posted to, or sent by facsimile transmission to the address listed below, or the Share Registry, Automic Pty Limited GPO Box 5193 Sydney NSW 2001**

48 hours before the time for holding the meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

Xped Limited
Level 6 412 Collins Street
Melbourne VIC 3000

Telephone No: 03 9642 0655

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

A proxy form is attached to this notice.

Voting entitlement

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 10:30am (Adelaide time) on Wednesday 27 January 2021. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Signing instructions

You must sign the proxy 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, all of the security holders should sign. |
| Power of Attorney: | To sign under Power of Attorney, you must have already lodged this document 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.

Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

[HolderNumber]

Holder Number:
[HolderNumber]

Your proxy voting instruction must be received by **10.30am (Adelaide time) on Wednesday, 27 January 2021**, being not later than **48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

