

20 October 2023

Dear Shareholder

**2023 Annual General Meeting of Shareholders (2023 AGM)**

Notice is hereby given that the 2023 AGM of AdAlta Limited (AdAlta or the Company) will be held as a hybrid meeting (Meeting or 2023 AGM) at 11.00am (AEDT) on Wednesday, 22 November 2023. The Meeting will be held at Piper Alderman, Level 23, 459 Collins Street, Melbourne, 3000 and as a virtual meeting.

AdAlta advises that no hard copy of the Notice of Annual General Meeting and Explanatory Notes (Notice) will be circulated other than to shareholders who have expressly requested a hard copy. These documents can be accessed on the Company's website at <https://adalta.com.au/investors/asx-announcements/> and via the ASX Market Announcements Platform under the Company's ASX Code (1AD).

If you have nominated an email address and elected to receive electronic communications from the Company, you will receive an email with a link to an electronic copy of the Notice of Meeting.

*Hybrid Virtual Meeting*

The Company is pleased to provide shareholders with the opportunity to attend and participate in the Meeting through an online meeting platform powered by Automic. Shareholders who have an existing account with Automic will be able to watch, listen, and vote online.

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

An account can be created via the following link [investor.automic.com.au](https://investor.automic.com.au) and then click on "register" and follow the prompts. Shareholders will require their holder number Securityholder Reference Number (SRN) or Holder Identification Number (HIN) to create an account with Automic.

*Your Vote is Important*

The business of the 2023 AGM is important to all Shareholders and therefore it is important that Shareholders vote. Lodging a completed proxy is the simplest way to vote at the AGM.

The Company encourages shareholders to submit their votes in advance of the 2023 AGM as this will provide the Company with the best opportunity to prepare for the meeting. However, votes may also be submitted during the 2023 AGM. Proxy forms can be lodged online, by post or in person by following the proxy lodgement instructions on the proxy form. Proxy forms must be received by the Company's share registry, Automic, by 11am (Melbourne time) on Monday, 20 November 2023. Proxy forms received later than this time will be invalid.

Shareholders who wish to vote virtually on the day of the Meeting can do so through the Automatic Investor portal.

If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the 2023 AGM, the Company will make further information available through the ASX Market Announcements Platform and on its website.

#### *Shareholder Communication Elections*

Recent changes to the Corporations Act provide for shareholders electing and requesting to receive documents (including notices of meeting and the annual financial report) electronically or in hard copy. You can make a standing election and/or request to receive some or all of your communications from the Company in physical or electronic form.

Shareholders can also elect not to receive certain documents, including the annual financial report.

We encourage you to provide your email address so we can communicate with you electronically and you are provided with information regarding the Company more efficiently and sustainably.

If you have made a prior election or request to receive documents in a certain manner then that election will continue to apply until such time as you notify the Company that you change your election or request. Any shareholder who has not made a prior election and/or request to receive documents in a certain form will be treated by the Company as having elected to receive all documents in electronic form.

If you wish to update your communication preference, please refer to the insert titled “*Update your details*” or contact our share register, Automatic below:

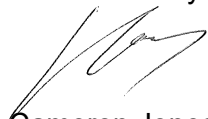
Telephone (within Australia): 1300 288 664

Telephone (outside Australia): +61 2 9698 5414

Email: [hello@automaticgroup.com.au](mailto:hello@automaticgroup.com.au)

Website: <https://investor.automic.com.au/>.

Yours faithfully



Cameron Jones  
Company Secretary



**AdAlta**  
next generation protein therapeutics

**ADALTA LIMITED  
ACN 120 332 925**

**NOTICE OF 2023 ANNUAL GENERAL**

**MEETING EXPLANATORY**

**MEMORANDUM**

**AND**

**PROXY FORM**

**To be held as a  
hybrid meeting  
on**

Wednesday 22 November  
2023

**Time of Meeting**  
11:00am (AEDT)

**Place of Meeting**  
Piper Alderman  
Level 23, 459  
Collins Street,  
Melbourne, 3000  
And via Zoom

***IMPORTANT INFORMATION: The Meeting will be held as a hybrid meeting. If you are a shareholder you may attend the Meeting in person (or via your proxy or representative) or you may attend the Meeting virtually. If you are a shareholder and you wish to attend the AGM virtually, please pre-register in advance for the meeting here:***

[https://us02web.zoom.us/webinar/register/WN\\_nt0rHMZGQd2a3Lh5eRpGHA](https://us02web.zoom.us/webinar/register/WN_nt0rHMZGQd2a3Lh5eRpGHA)

***Shareholders are strongly encouraged to lodge their completed Proxy Forms in accordance with the instructions in this Notice of Meeting.***

***This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If you are in doubt as to how to vote on any of the Resolutions, you should seek advice from your accountant, solicitor or other professional adviser without delay.***

**ADALTA LIMITED**  
**ACN 120 332 925**

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the Annual General Meeting (**Meeting**) of the Shareholders of AdAlta Limited (**Company**) will be held as a hybrid meeting at 11:00am (AEDT) on Wednesday, 22 November 2023 at the offices of Piper Alderman, Level 23, 459 Collins Street, Melbourne VIC 3000 and online via Zoom.

If you are a shareholder of the Company (**Shareholder**) you may attend the Meeting in person (or via your proxy or representative) or you may attend the Meeting virtually. Where Shareholders do not attend the Meeting in person, they will be given a reasonable opportunity to participate in the Meeting without being physically present and to vote in real time (including an opportunity to vote before the Meeting) electronically through a virtual meeting accessible online via the link below:

[https://us02web.zoom.us/webinar/register/WN\\_nt0rHMZGQd2a3Lh5eRpGHA](https://us02web.zoom.us/webinar/register/WN_nt0rHMZGQd2a3Lh5eRpGHA)

Additionally, this Notice is being made available to Shareholders electronically and can be viewed and downloaded online at the following link:

<https://adalta.com.au/investors/asx-announcements/>

Instructions on how to attend the Meeting and vote are in the Explanatory Memorandum which forms part of this Notice and in the accompanying online meeting guide.

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 20 November 2023 at 11.00am (AEDT).

Terms and abbreviations used but not defined in the body of this Notice and Explanatory Memorandum are defined in the Schedule.

---

## **AGENDA**

### **Part A: Ordinary Business**

---

#### **1. Annual Report**

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2023, which includes the Financial Report, the Directors' Report and the Auditor's Report.

---

#### **2. 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 and for all other purposes, the Remuneration Report as contained in the Company's Annual Report for the financial year ended 30 June 2023 be adopted."*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

#### **Voting Exclusion - Resolution 1**

In accordance with section 250R of the Corporations Act, the Company will disregard any vote cast on this Resolution 1:

- (a) in any capacity by, or on behalf of, a member of the Key Management Personnel (**KMP**) whose remuneration details are included in the Remuneration Report; or
  - (b) a Closely Related Party of such member,
- unless the vote is cast as a proxy for a person entitled to vote:
- (c) and the proxy form specifies how the proxy is to vote; or
  - (d) the proxy is 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) which 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 KMP.

---

### **3. Resolution 2 - Re-election of Director – Dr David Fuller**

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

*"That, for the purpose of Listing Rule 14.4 and clause 13.3 of the Constitution and for all other purposes, Dr David Fuller, a Director, retires and being eligible, be re-elected as a Director."*

---

### **4. Resolution 3 – Ratification of prior issue of Shares to nominee of Grannus Securities**

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

*"That the allotment and prior issues of 666,666 and 1,277,779 Shares on 6 February 2023 and 27 September 2023 respectively, to the nominee of Grannus Securities, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice be ratified and approved for the purposes of Listing Rule 7.4 and for all other purposes."*

#### **Voting Exclusion - Resolution 3**

The Company will disregard any votes cast in favour of this Resolution 3 by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement to issue any Shares the subject of Resolution 3; or
- (b) an associate of that person or those persons.

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

- (c) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (d) 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
- (e) a Shareholder 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 Shareholder 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 Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

---

## 5. Resolution 4 – Ratification of prior issue of Shares to nominee of Spark+

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

*"That the allotment and prior issue of 524,515 Shares on 6 February 2023, to the nominee of Spark+, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice be ratified and approved for the purposes of Listing Rule 7.4 and all other purposes."*

### Voting Exclusion - Resolution 4

The Company will disregard any votes cast in favour of this Resolution 4 by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement to issue any Shares the subject of Resolution 4; or
- (b) an associate of that person or those persons.

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

- (c) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (d) 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
- (e) a Shareholder 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 Shareholder 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 Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

---

## 6. Resolution 5 – Ratification of prior issue of Options to Peak Asset Management

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

*"That the allotment and prior issue of 15,000,000 Options on 13 July 2023 to Peak Asset Management, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice be ratified and approved for the purposes of Listing Rule 7.4 and for all other purposes."*

### Voting Exclusion - Resolution 5

The Company will disregard any votes cast in favour of this Resolution 5 by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement to issue any Shares the subject of Resolution 5; or
- (b) an associate of that person or those persons.

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

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

- (d) 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
- (e) a Shareholder 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 Shareholder 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 Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

---

## **7. Resolution 6 – Approval of issue of Options to Dr Timothy Oldham, Director of the Company**

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

*"That the issue and allotment of 5,600,000 Options to Dr Timothy Oldham, Director of the Company (or Dr Oldham's nominee) under the Company's Omnibus Equity Plan and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice, be approved for the purposes of Listing Rule 10.14 and for all other purposes."*

### **Voting Exclusion - Resolution 6**

The Company will disregard any votes cast in favour of this Resolution 6 by or on behalf of:

- (a) a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Omnibus Equity Plan; or
- (b) an associate of that person or those persons.

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

- (c) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (d) 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
- (e) a Shareholder 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 Shareholder 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 Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

In addition, under section 250BD of the Corporations Act a vote must not be cast on this Resolution by any person who is a member of the Key Management Personnel at the time this resolution is voted on at the AGM, or by any of their Closely Related Parties, acting as proxy for a person entitled to vote, if their appointment does not specify the way the proxy is to vote on the resolution. This restriction on voting undirected proxies does not apply to the Chair of the Meeting acting as proxy for a person entitled to vote on the resolution because the Company's proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the key management personnel.

The Company will apply the above voting exclusions to persons appointed as an attorney by a Shareholder to participate and vote at the Meeting under a power of attorney, as if they were appointed as a proxy.

---

## **8. Resolution 7 – Approval of issue of Options to Dr Paul MacLeman, Director of the Company**

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

*"That the issue and allotment of 2,800,000 Options to Dr Paul MacLeman, Director of the Company (or Dr MacLeman's nominee) under the Company's Omnibus Equity Plan and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice be approved for the purposes of Listing Rule 10.14 and for all other purposes."*

### **Voting Exclusion - Resolution 7**

The Company will disregard any votes cast in favour of this Resolution 7 by or on behalf of:

- (a) a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Omnibus Equity Plan; or
- (b) an associate of that person or those persons.

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

- (c) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (d) 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
- (e) a Shareholder 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 Shareholder 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 Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

In addition, under section 250BD of the Corporations Act a vote must not be cast on this Resolution by any person who is a member of the Key Management Personnel at the time this resolution is voted on at the AGM, or by any of their Closely Related Parties, acting as proxy for a person entitled to vote, if their appointment does not specify the way the proxy is to vote on the resolution. This restriction on voting undirected proxies does not apply to the Chair of the Meeting acting as proxy for a person entitled to vote on the resolution because the Company's proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the key management personnel.

The Company will apply the above voting exclusions to persons appointed as an attorney by a Shareholder to participate and vote at the Meeting under a power of attorney, as if they were appointed as a proxy.



---

## 9. Resolution 8 – Approval of issue of Options to Dr Robert Peach, Director of the Company

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

*"That the issue and allotment of 1,750,000 Options to Dr Robert Peach, Director of the Company (or Dr Peach's nominee) under the Company's Omnibus Equity Plan and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice be approved for the purposes of Listing Rule 10.4 and for all other purposes."*

### Voting Exclusion - Resolution 8

The Company will disregard any votes cast in favour of this Resolution 8 by or on behalf of:

- (a) a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Omnibus Equity Plan; or
- (b) an associate of that person or those persons.

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

- (c) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (d) 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
- (e) a Shareholder 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 Shareholder 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 Shareholder votes on the resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

In addition, under section 250BD of the Corporations Act a vote must not be cast on this Resolution by any person who is a member of the Key Management Personnel at the time this resolution is voted on at the AGM, or by any of their Closely Related Parties, acting as proxy for a person entitled to vote, if their appointment does not specify the way the proxy is to vote on the resolution. This restriction on voting undirected proxies does not apply to the Chair of the Meeting acting as proxy for a person entitled to vote on the resolution because the Company's proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the key management personnel.

The Company will apply the above voting exclusions to persons appointed as an attorney by a Shareholder to participate and vote at the Meeting under a power of attorney, as if they were appointed as a proxy.

---

## 10. Resolution 9 – Approval of issue of Options to Dr David Fuller, Director of the Company

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

*"That issue and allotment of 1,750,000 Options to Dr David Fuller, Director of the Company (or Dr Fuller's nominee) under the Company's Omnibus Equity Plan and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice be approved for the purposes of Listing Rule 10.14 and for all other purposes."*

## **Voting Exclusion - Resolution 9**

The Company will disregard any votes cast in favour of this Resolution 9 by or on behalf of:

- (a) a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Omnibus Equity Plan; 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:

- (c) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (d) 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
- (e) a Shareholder 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 Shareholder 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 Shareholder votes on the resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

In addition, under section 250BD of the Corporations Act a vote must not be cast on this Resolution by any person who is a member of the Key Management Personnel at the time this resolution is voted on at the AGM, or by any of their Closely Related Parties, acting as proxy for a person entitled to vote, if their appointment does not specify the way the proxy is to vote on the resolution. This restriction on voting undirected proxies does not apply to the Chair of the Meeting acting as proxy for a person entitled to vote on the resolution because the Company's proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the key management personnel.

The Company will apply the above voting exclusions to persons appointed as an attorney by a Shareholder to participate and vote at the Meeting under a power of attorney, as if they were appointed as a proxy.

## Part B: Special Business

---

### 11. Resolution 10 – Approval of 10% placement capacity

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

*“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the Company to have the additional capacity to issue Equity Securities totalling up to 10% of the 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 set out in the Explanatory Memorandum.”*

#### Voting Exclusion - Resolution 10

The Company will disregard any votes cast in favour of this Resolution 10 by or on behalf of:

- (a) any person who at the time approval pursuant to this Resolution 10 is sought the Company is proposing to make an issue of Equity Securities under rule 7.1A.2, 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 this Resolution by:

- (c) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (d) 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
- (e) a Shareholder 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 Shareholder 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 Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

Dated 20 October 2023

**BY ORDER OF THE BOARD**



**Cameron Jones**  
Company Secretary

---

**EXPLANATORY MEMORANDUM**

---

**Introduction**

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at the offices of Piper Alderman, Level 23, 459 Collins Street, Melbourne VIC 3000 on Wednesday 22 November 2023 at 11:00am (AEDT) and accessible online by Zoom (pre-registration required) at:

[https://us02web.zoom.us/webinar/register/WN\\_nt0rHMZGQd2a3Lh5eRpGHA](https://us02web.zoom.us/webinar/register/WN_nt0rHMZGQd2a3Lh5eRpGHA)

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to vote in favour of the Resolutions in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

If you have any questions regarding the matters set out in this Explanatory Memorandum (or elsewhere in this Notice), you may contact the company secretary, Cameron Jones, by telephone on (03) 9092 0475 or by email to [cameron.jones@bio101.com](mailto:cameron.jones@bio101.com) between 8:30am and 5:00pm (AEDT) on a Business Day.

---

**Action to be taken by Shareholders**

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

**Proxies**

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative 'a proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting in person or virtually or, if they are unable to attend, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending virtually and voting at the Meeting (in which case their proxy will be disregarded).

Personalised Proxy Forms will be available online at <https://investor.automic.com.au/#/home>.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

A proxy can be either an individual or a body corporate. Should you appoint a body corporate as your proxy, that body corporate will need to ensure that it appoints an individual as its corporate representative to exercise its powers at meetings in accordance with section 250D of the Corporations Act and provide satisfactory evidence of the appointment of its corporate representative to the Company prior to the Meeting.

To be valid, completed Proxy Forms or electronic voting instructions must be submitted to the Company's share registry, Automic, in accordance with the instructions on the Proxy Form and received by 11:00am (AEDT) on Monday 20 November 2023, being no later than 48 hours before the commencement of the Meeting.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way;
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must only vote on a poll;
- (c) if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote as directed; and
- (d) if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
  - i) if a record of attendance is made for the meeting - the proxy is not recorded as attending the meeting; or
  - ii) the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

### ***Authorised representative of corporate shareholders and powers of attorney***

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act in which case the Company will require a Certificate of Appointment of Corporate Representative executed in accordance with the Corporations Act to be provided prior to the Meeting.

If a shareholder appoints an attorney to act on the shareholder's behalf, the instrument appointing the attorney and the authority under which the instrument is signed or a certified copy of it must be received by the Company by 11:00am (AEDT) on Monday 20 November 2023, being no later than 48 hours before the commencement of the Meeting, at the Company's share registry, Automic, in accordance with the instructions on the Proxy Form.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

---

## Part A: Ordinary Business

### 1. Annual Report

There is no requirement for Shareholders to approve the Annual Report. Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <https://adalta.com.au/investors/annual-financial-reports/>;
- (b) ask questions or make comment online in connection with the management of the Company; and
- (c) ask the auditor questions online about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions online at the Meeting, written questions may be submitted to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

Written questions may be submitted no later than 11:00am (AEDT) on Wednesday 15 November 2023 being 5 Business Days before the Meeting to the Company Secretary at the Company's registered office or via email [cameron.jones@bio101.com](mailto:cameron.jones@bio101.com).

---

### 2. Resolution 1 - Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the adoption of the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Section 250R(3) of the Corporations Act provides that a vote on the adoption of the Remuneration Report (i.e. Resolution 1) is advisory only and does not bind the Directors or the Company.

While the vote on this Resolution 1 is advisory only, the outcome of the vote will be considered for the purposes of the "two strikes rule" under the Corporations Act, where if a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders a "board spill resolution" at the second of those annual general meetings. If the board spill resolution is passed at the second of those annual general meetings, the Company is required to hold a further meeting of the Shareholders within 90 days at which all Directors (other than the Managing Director) who were in office at the date of approval of the Director's Report (voted upon at the second of those annual general meetings) must stand for re-election.

No strike was recorded at the Company's 2022 annual general meeting. On this basis, while the vote on the Remuneration Report at this Meeting may potentially be counted towards the two strikes in the future, no board spill can occur at this 2023 Annual General Meeting.

The Chairman will allow a reasonable opportunity for Shareholders to ask online or in person about, or make comments on, the Remuneration Report.

### *Recommendation*

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's stated intention, even though the Resolution is connected with the remuneration of a member of the Key Management Personnel.

---

### **3. Resolution 2 – Re-election of Director – Dr David Fuller**

Listing Rule 14.4 and clause 13.3 of the Constitution require that a Director (excluding the Managing Director) must not hold office (without re-election) past the third annual general meeting following the Director's appointment or three years, whichever is longer.

Under the Constitution, the following Director or Directors (excluding the Managing Director) must retire at each annual general meeting, as applicable:

- (a) any Director required to retire for holding office for a period in excess of 3 years or beyond the third annual general meeting following the Director's election;
- (b) any Director appointed by the Directors since the last annual general meeting; or
- (c) if no person is standing for election or re-election under (a) or (b), then the Director who has been in office the longest since last being elected. Where 2 or more Directors were elected on the same date, the Director to retire will be decided by lot, unless the relevant Directors agree otherwise.

A Director who retires under clause 13.3 of the Constitution is eligible for re-election.

Dr David Fuller, a Director since 22 July 2020 and last re-elected on 25 November 2020, retires and seeks re-election. Dr David Fuller's qualifications and experience are set out below and in the Annual Report.

#### **Dr David Fuller, MBBS, BPharm(Hons)**

David has over 30 years' experience in pre-clinical, clinical development, medical and regulatory affairs with specialisations in early phase development and oncology. He has led five product approvals in the United States (US) and European Union (EU) for orphan and major market products, together with multiple Regulatory Agency (US/EU) interactions including Investigational New Drug (IND) applications. David has designed and executed multiple Phase I – III studies in US, EU and Asia across multiple therapeutic areas. David is currently Chief Medical Officer for Aucentra Therapeutics and is also Chair of EpiAxis Therapeutics Pty Ltd. Previously David was Chief Medical Officer at Race Oncology (ASX:RAC), Senior Vice President, Oncology, Syneos Health, a Non-Executive Director of Linear Clinical Research Ltd – a Perth based clinical trials facility – and a former Chair of Dimerix Ltd (ASX:DXB). David holds Bachelor of Medicine/Bachelor of Surgery and Bachelor of Pharmacy degrees from University of Sydney.

### *Recommendation*

The Directors (with Dr Fuller abstaining) recommend that Shareholders vote in favour of Resolution 2. The Chair intends to vote all undirected proxies in favour of Resolution 2.

---

#### 4. Resolutions 3 & 4 – Ratification of Prior Issue of Shares issued to nominees of Grannus Securities and Spark+

##### 4.1. Background

The Company recently undertook a placement offer of Shares to sophisticated investors, professional investors and others such that disclosure was not required under part 6D.2 of the Corporations Act.

Pursuant to this placement offer, as announced to the ASX, the Company issued:

- (a) 666,666 Shares to ANDREW P O'BRIEN HOLDINGS PTY LTD as trustee for the Andrew Peter O'Brien Family Trust , a nominee of Grannus Securities Pty Ltd (**Grannus Securities**) on 6 February 2023 for the provision of corporate advisory services in lieu of cash fees. The deemed issue price per Share was \$0.045 per Share;
- (b) 1,277,779 Shares to ANDREW P O'BRIEN HOLDINGS PTY LTD as trustee for the Andrew Peter O'Brien Family Trust , a nominee Grannus Securities on 27 September 2023 for the provision of corporate advisory services in lieu of cash fees. 444,444 shares had a deemed issue price of \$0.045 per share, and 833,335 Shares had a deemed issue price per Share of \$0.03; and
- (c) 524,515 Shares to **Spark+** on 6 February 2023 for the provision of investor relation services in lieu of cash fees. The deemed issue price per Share for the consideration was \$0.042 per Share.

(together the "**Grannus and Spark+ Shares**")

The Grannus and Spark+ Shares were issued utilising the Company's existing 15% placement capacity under Listing Rule 7.1. Accordingly by issuing the Grannus and Spark+ Shares, the Company's capacity to issue further Equity Securities without Shareholder approval within those limits was accordingly reduced.

Resolutions 3 & 4 seek Shareholder approval for the prior issue of the Grannus and Spark+ Shares (being a total of 2,468,960 Shares) to the persons noted above. If the Resolution is approved, it means that the Company's 15% placement capacity will be 'refreshed', allowing it to issue further securities without Shareholder approval in the future.

If this Resolution is not approved, then the Company's ability to raise capital without further Shareholder approval will be reduced, which may hinder its ability to raise capital quickly in order to take advantage of future opportunities.

Further detail is provided below.

Each Resolution is an ordinary resolution and will be passed if more than 50% of the votes cast by Shareholders entitled to vote are in favour of the particular Resolution. Shareholders' attention is drawn to the voting exclusion statement in the Notice.

##### **Rights Offer**

The Company announced a non-renounceable rights offer on 28 April 2023. The non renounceable rights offer provided eligible Shareholders the opportunity to acquire 2 new Shares for every 5 Shares held at \$0.025 per Share together with one Option for every 2 new Shares subscribed for, with each Option entitling the holder to subscribe for one additional Share at an exercise of \$0.03 cents. The rights offer (including the shortfall placement) raised a total of \$3,153,760 from the issue of 51,303,619 Shares on 29 May 2023 and 74,846,752 shortfall Shares on 13 July 2023. The rights offer does not require Shareholder approval.



## 4.2. Listing Rules 7.1 and 7.4

Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more equity securities in any rolling 12 month period other than the amount which is equal to 15% of its fully paid ordinary securities on issue at the start of that 12 month period (**15% Placement Capacity**).

Listing Rule 7.1A provides that, in addition to issues permitted without prior shareholder approval under Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid up to the number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in Listing Rule 7.1A (**10% Placement Capacity**). The Company is an Eligible Entity and last sought and received Shareholder approval for its 10% Placement Capacity at its annual general meeting held on 22 November 2022.

Listing Rule 7.4 provides that where an entity in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with shareholder approval under Listing Rule 7.1, thereby “refreshing” the Company’s capacity under Listing Rule 7.1. Listing Rule 7.4 can also be used to ratify a previous issue of securities made without Shareholder approval pursuant to Listing Rule 7.1A.

By ratifying these previous issues, the Company will retain the flexibility to issue Equity Securities in the future within the limits of Listing Rule 7.1 up to its 15% Placement Capacity, without needing to seek further Shareholder approval. If either of Resolutions 3 & 4 are not passed, the Company’s ability to issue new securities without prior Shareholder approval will not include the number of Shares for which ratification is not obtained at this Meeting until the earlier of (i) the date that that previous issue is ratified at a subsequent meeting and (ii) 12 months from the date of issue the those Shares.

Accordingly, Resolutions 3 & 4 seek Shareholder approval to allow the Company to refresh its 15% Placement Capacity in respect of the Grannus and Spark+ Shares.

## 4.3. Information required by Listing Rule 7.5

Listing Rule 7.5 requires that the Notice concerning a proposed resolution to ratify an issue of securities in accordance with Listing Rule 7.4 must include the following information:

### (a) The names of the allottees (or the basis on which the allottees were identified or selected)

The Grannus and Spark+ Shares were issued to:

- (i) Resolution 3 – ANDREW P O'BRIEN HOLDINGS PTY LTD as trustee for the Andrew Peter O'Brien Family Trust , a nominee of Grannus Securities for the provision of corporate advisory services in lieu of cash fees; and
- (ii) Resolution 4 –Spark Plus Pte Ltd. for the provision of investor relation services in lieu of cash fees.

### (b) The number and class of securities the entity issued

- (i) Resolution 3 – 1,944,445 fully paid ordinary shares.
- (ii) Resolution 4 – 524,515 fully paid ordinary shares.

(c) The dates the securities were issued

- (i) Resolution 3 – 666,666 Shares issued on 6 February 2023 and 1,277,779 Shares issued on 27 September 2023.
- (ii) Resolution 4 – 524,515 Shares issued on 6 February 2023.

(d) The issue price of, or consideration received for, the securities

- (i) Resolution 3 – issued for the provision of services in lieu of cash fees. The deemed issue price for the consideration was:
  - 1,111,110 Shares at \$0.045 per Share (being a total deemed issue price of \$49,999.95); and
  - 833,335 Shares at \$0.03 per Share (being a total deemed issue price of \$25,000.05).
- (ii) Resolution 4 – issued for the provision of services in lieu of cash fees. The deemed issue price for the consideration was 524,515 Shares at \$0.042 per Share (being a total deemed issue price of \$22,029.63).

(e) The intended use of the funds raised

Funds were not raised from the issue of the Grannus and Spark+ Shares as the Shares were issued in lieu of cash for services rendered.

(f) If the securities were issued under an agreement, a summary of any other material terms of the agreement(s)

The Grannus and Spark+ Shares were issued under agreements as follows:

- (i) Resolution 3 – Agreement with Grannus Securities for the provision of corporate advisory services. Fees to be split 50% cash and 50% equity in the Company's Shares priced at \$0.045 and \$0.03 per Share.
- (ii) Resolution 4 – Agreement with Spark+ for the provision of investor relations services. The fee to be split 50% in cash and 50% in equity in the Company's Shares priced at 5-day volume-weighted average price (**VWAP**) upon signing.

*Recommendation*

The Directors unanimously recommend that Shareholders vote in favour of Resolutions 3 & 4. The Chair intends to vote all undirected proxies in favour of Resolutions 3 & 4.

---

**5. Resolutions 5 – Ratification of prior issue of Options to Peak Asset Management**

**5.1. Background**

On 13 July 2023, as announced to ASX on 28 April 2023, the Company issued 15,000,000 quoted Options ("**Peak Options**") to a nominee of CoPeak Corporate Pty Ltd as trustee for the Peak Asset Management Unit Trust ("**Peak Asset Management**") as part of the fees payable for corporate advisory services provided by Peak Asset Management to the Company in respect of the rights issue announced by the Company on 28 April 2023.

The full terms of the Peak Options are set out in Annexure A to this Explanatory Memorandum. The Peak Options are on the same terms as the Options offered in the pro-rata non renounceable rights offer announced to the market on 28 April 2023.

The Peak Options were issued utilising the Company's existing capacity under Listing Rule 7.1. Accordingly, Shareholder approval is being sought to ratify the prior issue and allotments on 13 July 2023.

The Company issued the Peak Options the subject of Resolution 5 utilising its existing 15% Placement Capacity. By issuing the Peak Options, the Company's capacity to issue further Equity Securities without Shareholder approval within those limits was accordingly reduced. If the Resolution is approved, it means that the Company's 15% placement capacity will be 'refreshed', allowing it to issue further securities without Shareholder approval in the future.

If this Resolution is not approved, then the Company's ability to raise capital without further Shareholder approval will be reduced, which may hinder its ability to raise capital quickly in order to take advantage of future opportunities.

Further detail is provided below.

Resolution 5 seeks Shareholder approval for the prior issue of the Peak Options to Peak. The Resolution is an ordinary resolution and will be passed if more than 50% of the votes cast by Shareholders entitled to vote are in favour of the particular Resolution. Shareholders' attention is drawn to the voting exclusion statement in the Notice.

## **5.2. Listing Rules 7.1 and 7.4**

Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more Equity Securities in any rolling 12 month period that exceeds the 15% Placement Capacity.

Listing Rule 7.4 provides that where an entity in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval under Listing Rule 7.1, thereby "refreshing" the Company's capacity under Listing Rule 7.1. Listing Rule 7.4 can also be used to ratify a previous issue of securities made with approval pursuant to Listing Rule 7.1A.

By ratifying this previous issue, the Company will retain the flexibility to issue Equity Securities in the future within the limits of Listing Rules 7.1 up to its 15% Placement Capacity, without needing to seek further Shareholder approval. If Resolution 5 passed, the Company's ability to issue new securities without prior Shareholder approval will not include the number of Options for which ratification is not obtained at this Meeting until the earlier of (i) the date that that previous issue is ratified at a subsequent meeting and (ii) 12 months from the date of issue the those Options.

Accordingly, Resolutions 5 seeks Shareholder approval to allow the Company to refresh its 15% Placement Capacity in respect of the Peak Options.

## **5.3. Information required by ASX Listing Rule 7.5**

Listing Rule 7.5 requires that the Meeting documents concerning a proposed resolution to ratify an issue of securities in accordance with Listing Rule 7.4 must include the following information:

**(a) The names of the allottees (or the basis on which the allottees were identified or selected)**

The Peak Options were issued to 10 Bolivianos Pty Ltd, a nominee of Peak Asset Management.

**(b) The number and class of securities the entity issued**

15,000,000 quoted Options.

(c) A summary of the terms material terms of the securities

Each Option entitles the holder to be issued 1 Share on exercise, at an exercise price of \$0.03, and has an expiry date of 29 May 2024. The full terms of the Peak Options are set out in Annexure A to this Explanatory Memorandum.

(d) The date the securities were issued

13 July 2023.

(e) The issue price of, or consideration received for, the securities

Issued for the provision of corporate advisory services in assisting with the rights offer announced on 28 April 2023.

(f) The intended use of the funds raised

No funds were raised from the issue of the Peak Options as the Peak Options were issued as part of the fees payable to Peak Asset Management for assistance with the rights offer announced on 28 April 2023. Consideration received from any exercise of the Peak Options will be used for general working capital purposes or otherwise as determined by the Board.

(g) If the securities were issued under any agreement, a summary of any other material terms of the agreement

The Peak Options were issued under an agreement, the material terms of which were outlined in the prospectus dated 28 April 2023 whereby 15,000,000 quoted Options were issued as part of remuneration for assisting with the rights offer announced on 28 April 2023. The issue of the Options to Peak Asset Management were subject to the rights offer raising a minimum of \$3million. The rights offer raised approximately \$3.15million.

*Recommendation*

The Directors unanimously recommend that Shareholders vote in favour of Resolutions 5. The Chair intends to vote all undirected proxies in favour of Resolution 5.

---

**6. Resolutions 6, 7, 8 and 9 – Approval of issue of Options to Directors of the Company**

**6.1. Background**

Resolutions 6, 7, 8 and 9 seek Shareholder approval to issue and allot collectively 11,900,000 unquoted Options under the Company's Omnibus Equity Plan (which was approved by Shareholders at the annual general meeting of the Company held 22 November 2022). The Options will each have an exercise price equal to the Company's 20-day VWAP as at the date of the Annual General Meeting, 22 November 2023, expire on 22 November 2027 (Director Options) and are proposed to be issued to the Directors of the Company listed below (or their nominees) to preserve cash resources and to incentivise them in their role as Directors of the Company.

The full terms of the Options proposed to be issued to Directors (**Director Options**) are set out in Annexure B.

Accordingly, Shareholder approval is being sought to issue and allot:

- (a) 5,600,000 Director Options to Dr Timothy Oldham (Resolution 6);
- (b) 2,800,000 Director Options to Dr Paul MacLeman (Resolution 7);
- (c) 1,750,000 Director Options to Dr Robert Peach (Resolution 8); and
- (d) 1,750,000 Director Options to Dr David Fuller (Resolution 9).

Resolutions 6, 7, 8 and 9 are ordinary resolutions and will be passed if more than 50% of the votes cast by Shareholders entitled to vote on each Resolution are in favor of that Resolution. Shareholders' attention is drawn to the voting exclusion statements in the Notice.

## 6.2. Listing Rules 10.14

Under Listing Rule 10.14 the Company, as a listed company, must not permit certain persons, including a Director (or their associates), to acquire Equity Securities under an employee incentive scheme without Shareholder approval.

As each of Dr Timothy Oldham, Dr Paul MacLeman, Dr Robert Peach and Dr David Fuller are Directors of the Company, Shareholder approval is required for the purposes of Listing Rule 10.14. To this end, Resolutions 6, 7, 8 and 9 seek the required Shareholder approval to issue the Director Options to Dr Timothy Oldham, Dr Paul MacLeman, Dr Robert Peach and Dr David Fuller under and for the purposes of Listing Rule 10.14.

If approval is obtained under Listing Rule 10.14, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1.

If Resolutions 6, 7, 8 and 9 are passed, the Company will be able to proceed with the proposed issue of Director Options to each of Dr Timothy Oldham, Dr Paul MacLeman, Dr Robert Peach and Dr David Fuller.

If any of Resolutions 6, 7, 8 and 9 are not passed, the Company will not be able to proceed with the proposed issue of Director Options to the Director for whom Shareholder approval was not obtained and the Company will have to consider alternatives for the incentives it wishes to provide the Directors. The passing of Resolutions 6, 7, 8 and 9 are separate resolutions and are therefore not dependent upon the passing of any of the other of them.

## 6.3. Information required by Listing Rule 10.15

Listing Rule 10.15 requires that the Meeting documents concerning a proposed resolution to approve an issue of securities in accordance with Listing Rule 10.14 must include the following information:

(a) The names of the persons to be issued securities

- (i) Dr Timothy Oldham (Resolution 6).
- (ii) Dr Paul MacLeman (Resolution 7).
- (iii) Dr Robert Peach (Resolution 8).
- (iv) Dr David Fuller (Resolution 9).

(b) Which category in Listing Rules 10.14.1 – 10.14.3 the person falls into and why

Each of the allottees are current Directors of the Company and therefore fall within the category referred to in Listing Rule 10.14.1.

(c) The number of securities the entity will issue

- (i) 5,600,000 Director Options on the terms set out in Annexure B to Dr Timothy Oldham (Resolution 6).
- (ii) 2,800,000 Director Options on the terms set out in Annexure B to Dr Paul MacLean (Resolution 7).
- (iii) 1,750,000 Director Options on the terms set out in Annexure B to Dr Robert Peach (Resolution 8).
- (iv) 1,750,000 Director Options on the terms set out in Annexure B to Dr David Fuller (Resolution 9).

(d) Current total remuneration package received by each relevant Director

| Director          | Annual remuneration including superannuation                           |
|-------------------|--|
| Dr Timothy Oldham | \$343,844 plus \$55,015 bonus for achievement of short term incentives |
| Dr Paul MacLeman  | \$75,000   |
| Dr Robert Peach   | \$50,000   |
| Dr David Fuller   | \$50,000   |

(e) The number of securities that have previously been issued to these Directors under the Omnibus Equity Plan and the average acquisition price paid by the person for those securities

| Director          | Number of securities previously issued under Omnibus Equity Plan                         | Average acquisition price (if any) |
|-------------------|--|------------------------------------|
| Dr Timothy Oldham | 1,200,000 unquoted Options expiring 29 November 2025 with an exercise price of \$0.0845  | Nil                                |
| Dr Paul MacLeman  | 3,055,000 unquoted Options expiring 29 November 2025 with an exercise price of \$0.0845  | Nil                                |
| Dr Robert Peach   | 1,200,000 unquoted Options expiring 29 November 2025 with an exercise price of \$0.0845  | Nil                                |
| Dr David Fuller   | 1,200,000 unquoted Options expiring 29 November 2025, with an exercise price of \$0.0845 | Nil                                |

In addition, Dr Timothy Oldham holds 4,929,060 unquoted Options, expiring 26 November 2025 each with an exercise price of \$0.2479 that were issued outside Omnibus Equity Plan for nil consideration.

(f) The terms of the securities

The full terms of the Director Options are set out in Annexure B to this Explanatory Memorandum, but in summary they will each entitle the holder to be issued 1 Share upon exercise of each Option, and each have an exercise price equal to the 20-day VWAP of a Share calculated as of the 22 November 2023 and an expiry date of 22 November 2027.

(g) Why this type of security is being used

The Director Options are proposed to be issued to certain Directors to provide incentives to them in their role as Directors of the Company without the Company having to use cash resources to provide this incentive, and to align their remuneration with the interests of Shareholders. Cash will also be paid to the Company if any of the Options are exercised.

(h) Valuation of Director Options

To provide Shareholders with some guidance as to the likely market value of the Director Options, the Company has calculated that the financial value of the Director Options in accordance with a Black-Scholes model valuation methodology is an aggregate of \$150,225 for the Director Options proposed to be granted (being 11,900,000 Director Options in total) corresponding to the particular option issues as follows:

| Director          | Number of Director Options | Valuation |
|-------------------|----------------------------|-----------|
| Dr Timothy Oldham | 5,600,000                  | \$70,694  |
| Dr Paul MacLeman  | 2,800,000                  | \$35,347  |
| Dr Robert Peach   | 1,750,000                  | \$22,092  |
| Dr David Fuller   | 1,750,000                  | \$22,092  |

Details of the valuation methodology (including assumptions and qualifications) are set out in Annexure D.

(i) Date of issue

If the Resolutions 6 to 9 inclusive (or any of them) are passed, the relevant Director Options will be issued within one month of Shareholder approval being obtained by the Company.

(j) The issue price of the securities

Each of the Director Options will be issued for nil consideration.

(k) A summary of the material terms of the scheme

A summary of the material terms of the Omnibus Equity Plan is set out in Annexure C to this Explanatory Memorandum.

(l) Reporting and further issues under scheme

The details of any Equity Securities issued under the Omnibus Equity 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.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Equity Securities under the Omnibus Equity Plan after Resolutions 6, 7, 8 and 9 are approved and who were not named in those Resolutions will not participate until further approval is obtained under Listing Rule 10.14.

*No Recommendation*

As the Directors are excluded from voting upon Resolutions 6, 7, 8 and 9 pursuant to the Listing Rules, the Directors will not make a recommendation to Shareholders with respect to vote in relation to Resolutions 6, 7, 8 and 9.

The Chairman intends to exercise all undirected proxies in favour of Resolutions 6, 7, 8 and 9. If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolutions 6, 7, 8 and 9, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's stated intention, even though each of these Resolutions is connected with the remuneration of a member of the Key Management Personnel.

## Part B: Special Business

---

### 7. Resolution 10 – Approval of 10% Placement Capacity

#### 7.1. General

Listing Rule 7.1A provides that an Eligible Entity may seek shareholder approval to allow it to issue Equity Securities up to the 10% Placement Capacity. Approval under Listing Rule 7.1A is an increase in the Company's entitlement or capacity to issue a further 10% of its issued capital. There is no guarantee that the Company will issue any Shares under this 10% Placement Capacity.

The Company is an Eligible Entity (as described below). If Shareholders approve Resolution 10, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out below).

The effect of Resolution 10 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting (refer to 10% Placement Capacity Period defined below), without prior Shareholder approval and without using the Company's 15% Placement Capacity granted under Listing Rule 7.1.

If Resolution 10 is not passed, the Company will not be able to access the 10% Placement Capacity and will remain subject to the 15% Placement Capacity set out in Listing Rule 7.1.

Resolution 10 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 10 for it to be passed.

#### 7.2. Listing Rule 7.1A

Listing Rule 7.1A enables an Eligible Entity to seek Shareholder approval at its annual general meeting to issue Equity Securities in addition to those available to be issued under the Eligible Entity's 15% Placement Capacity.

An '**Eligible Entity**' is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the A&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300m.

The Company is an Eligible Entity as it is not included in the A&P/ASX 300 Index and at the date of this Notice has a current market capitalisation of approximately \$11.07m based on a Share price of \$0.025 as at 16 October 2023.

The Equity Securities must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities, being fully paid ordinary shares.



The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- plus the number of fully paid ordinary securities issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17,
  - plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
    - the convertible securities were issued or agreed to be issued before the commencement of the 12 month period; or
    - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
  - plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
    - the agreement was entered into before the commencement of the 12 month period; or
    - the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
  - plus the number of any other fully paid ordinary securities issued in the 12 month period with approval under Listing Rule 7.1 or Listing Rule 7.4,
  - plus the number of partly paid ordinary securities that became fully paid in the 12 month period,
  - less the number of fully paid ordinary securities cancelled in the 12 month 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 (described below) that have not been subsequently approved by Shareholders under Listing Rule 7.4.

### 7.3. Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution 10.

(a) Period for which the approval will be valid

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting approving this Resolution 10 and expiring on the first to occur of the following:

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

**(10% Placement Capacity Period).**

Shareholder approval under Listing Rule 7.1A does not lapse if the Company's market capitalisation subsequently exceeds \$300 million or if it is included in the S&P/ASX 300 Index at some time during that period provided that the Company meets those criteria on the date of this Meeting.

(b) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the VWAP of Equity Securities in that class, calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 10 ASX Trading Days of the date in paragraph (b)(i) above, the date on which the Equity Securities are issued.

(c) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration only. The Company intends to use any funds raised for expanding or accelerating the Company's existing business activities (including expenses associated with further development of the Company's existing assets and discovery of new assets), pursuing other acquisitions that have a strategic fit or will otherwise add value to Shareholders (including expenses associated with such acquisitions) and general working capital. The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.3 upon issue of any Equity Securities.

(d) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the economic and voting interests of Shareholders who do not receive any Shares under the issue.

If Resolution 10 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Equity Securities in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the date of issue of those Equity Securities,

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

The table below shows the potential dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A(2), on the basis of the current market price of Shares and the number of Equity Securities the Company will have on issue as at the date of this Notice of Meeting.

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 will have on issue at the date of the Meeting. 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 altered, one by a decrease by 50% and the other by an increase by 50% as against the current market price. The voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

| Variable 'A' in Listing Rule 7.1A.2                |                     | 50% decrease in Issue Price | Issue Price | 50% increase in Issue Price |
|--|---------------------|-----------------------------|-------------|-----------------------------|
|  |                     | \$0.0125                    | \$0.025     | \$0.0375                    |
| Current Variable A<br>442,804,077                  | 10% Voting Dilution | 44,280,408                  | 44,280,408  | 44,280,408                  |
|  |                     | Shares                      | Shares      | Shares                      |
|  | Funds raised        | \$553,505                   | \$1,107,010 | \$1,660,515                 |
| 50 % increase in current Variable A<br>664,206,116 | 10% Voting Dilution | 66,420,612                  | 66,420,612  | 66,420,612                  |
|  |                     | Shares                      | Shares      | Shares                      |
|  | Funds raised        | \$830,258                   | \$1,660,515 | \$2,490,773                 |
| 100% increase in current Variable A<br>885,608,154 | 10% Voting Dilution | 88,560,815                  | 88,560,815  | 88,560,815                  |
|  |                     | Shares                      | Shares      | Shares                      |
|  | Funds raised        | \$1,107,010                 | \$2,214,020 | \$3,321,031                 |

**The table above uses the following assumptions:**

1. The current shares on issue are the Shares on issue as at 16 October 2023.
2. The issue price set out above of \$0.025 is the closing price of the Shares on the ASX on 16 October 2023.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. No Options are exercised into Shares before the date of the issue of the Equity Securities;
5. 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%.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to by reason of placements under the 10% Placement Capacity. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to issues approved under Listing Rule 7.1.

(e) Allocation under the 10% Placement Capacity

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

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

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined but may include current Shareholders or new investors (or both), none of whom will be related parties or associates of a related party of the Company.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 upon issue of any Equity Securities.

(f) Previous approval and issues under Listing Rule 7.1A

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 22 November 2022.

The Company has not issued any securities in the 12 months preceding the date of this meeting pursuant to Listing Rule 7.1A.2.

**Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 Therefore, no people will be excluded from voting on Resolution 10.

*Recommendation*

The Directors unanimously recommend that the Shareholders vote in favour of Resolution 10. The Chair intends to vote all undirected proxies in favour of Resolution 10.

---

## Schedule - Definitions and Interpretation

### In this Notice and the Explanatory Memorandum:

**\$** means Australian Dollars.

**AEDT** means Australian Eastern Daylight Time, being the time in Melbourne on the dates specified in this Notice.

**Annexure** means an annexure to this Notice.

**Annual Report** means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2023.

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the board of Directors.

**Business Day** means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Melbourne.

**Chair or Chairman** means the person appointed to chair the Meeting convened by this Notice.

**Closely Related Party** has the meaning given in section 9 of the Corporations Act which include the spouses, dependents and certain other close family members of a member of the Key Management Personnel and any company controlled by a member of the Key Management Personnel.

**Company** means AdAlta Ltd (ACN 120 332 925).

**Constitution** means the constitution of the Company as at the commencement 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.

**Eligible Entity** has the same meaning as in the Listing Rules.

**Equity Securities** has the same meaning as in the Listing Rules.

**Explanatory Memorandum** means the explanatory memorandum attached to the Notice.

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

**Grannus Securities** means Grannus Securities Pty Ltd.

**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 ASX.

**Meeting or Annual General Meeting or AGM** means the 2023 annual general meeting of the Shareholders of the Company to be held on 22 November 2023 in accordance with this Notice.

**Notice** means this notice of the Meeting.

**Omnibus Equity Plan** means the employee incentive plan of the Company as approved by Shareholders on 26 November 2019.

**Option** means an option to acquire a Share.

**Peak or Peak Asset Management** means CoPeak Corporate Pty Ltd as trustee for the Peak Asset Management Unit Trust.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution contained in the Notice.

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

**Shareholder or member** means a shareholder of the Company.

**Spark+** means Spark Plus Pte Ltd.

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.

## Annexure A – Terms of Peak Options

|   |   |
|---|---|
| <b>Issue date</b>                           | 13 July 2023  |
| <b>Issue price</b>                          | Nil.  |
| <b>Exercise price of Options</b>            | \$0.03 upon exercise to acquire each Share  |
| <b>Expiry date of Options</b>               | 29 May 2024   |
| <b>Exercise period</b>                      | <p>Each Option is exercisable immediately on issue. The Options may be exercised at any time before their expiry date, by delivering a duly completed form of notice of exercise together with payment by EFT (or such other form of payment as is acceptable to the Company) for the exercise price. The Company will issue 1 fully paid ordinary share for each Option validly exercised.</p> <p>The exercise of each Option is subject to compliance with the Corporations Act (in particular, the requirements of Chapter 6 of the Corporations Act).</p> |
| <b>Minimum number able to be exercised</b>  | Options will only be able to be exercised in a minimum number of 100,000 Options at a time (unless the holder holds less than that number, at which time the minimum number of options able to be exercised will be the number held).   |
| <b>Terms of Shares issued</b>               | Any Shares issued as a result of exercising an Option will be issued as fully paid ordinary Shares on the same terms and rank in all respects on equal terms, with existing Shares in the Company.  |
| <b>Quotation of Shares issued</b>           | Application for official quotation of Shares allotted and issued as a result of the exercise of the Options will be made within five (5) business days from the date of issue of the Shares in accordance with ASX Listing Rule 2.8.3.  |
| <b>Option register</b>                      | Options will be registered in the name of the holder in an option register maintained by the Company's share registrar. The share registrar will issue holding statements that evidence the number of Options held. No option certificates will be issued.  |
| <b>Reconstruction of capital</b>            | <p>If there is a reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company:</p> <ul style="list-style-type: none"> <li>the number of Options or the exercise price of the Options or both will be adjusted as specified in Listing Rule 7.22 as it applies at the time of the reorganisation; and</li> <li>in all other respects the terms for the exercise of the Options will remain unchanged.</li> </ul>   |
| <b>Adjustment for pro rata Share issues</b> | If there is a pro rata issue of Shares the exercise price of the Options will be adjusted in accordance with the formula in Listing Rule 6.22.  |
| <b>Adjustment for issue of bonus Shares</b> | If there is a bonus issue of Shares, the number of Shares issued upon exercise of an Option will be adjusted in accordance with Listing Rule 6.22.  |
| <b>New issues of Shares</b>                 | The Options do not confer a right to participate in new issues of shares unless the Options have been exercised on or before the record date for determining entitlements to the issue.   |
| <b>Notice of adjustments</b>                | The Company will give written notice to the option holder of any adjustment of the exercise price of the Options and any increase or decrease in the number of Options.   |
| <b>Dividend rights</b>                      | While they remain unexercised, the Options will not give a holder an entitlement to receive any dividends declared and paid by the Company on its Shares.   |
| <b>Applicable law</b>                       | <p>Each Option is issued subject to:</p> <ul style="list-style-type: none"> <li>the Corporations Act;</li> <li>the Listing Rules; and</li> <li>the Company's Constitution.</li> </ul>   |
| <b>Quotation of the Options</b>             | The Options are quoted on ASX.  |
| <b>Change of terms</b>                      | The terms of an Option may be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.   |

## **Annexure B – Terms of the Director Options**

The full terms of the Director Options are set out below.

**(a) Entitlement**

The Director Options entitle the holder to subscribe for one Share upon the exercise of each Director Option.

**(b) Exercise price**

The Director Options are each exercisable at the 20-day VWAP calculated as of the 22 November 2023 (**Exercise Price**).

**(c) Vesting and Expiry Dates**

50% of the Director Options issued to each Director will vest on 22 November 2024 with the remaining 50% to vest on 22 November 2025.

The expiry date of each Director Option is 22 November 2027 (**Expiry Date**)

**(d) Notice of exercise**

The Director Options may be exercised by notice in writing to the Company and payment of the Exercise Price for each Director Option being exercised. Any notice of exercise of a Director Option received by the Company will be deemed to be a notice of the exercise of that Director Option as at the date of receipt.

**(e) Shares issued on exercise**

Shares issued on exercise of the Director Options will rank equally with the other issued Shares.

**(f) Quotation of Shares on exercise**

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Director Options.

**(g) Timing of issue of Shares**

After a Director Option is validly exercised, the Company must as soon as possible:

(i) allot and issue a Share; and

(ii) do all such acts matters and things to obtain:

(A) the grant of quotation for the Share on ASX no later than 5 business days from the date of exercise of the Director Option; and

(B) receipt of cleared funds equal to the sum payable on the exercise of the Director Options.

**(h) Participation in new issues**

There are no participation rights or entitlements inherent in the Director Options and merely by holding Director Options the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options.

However, the Company will use its reasonable endeavours to ensure that for the purposes of determining entitlements to any such issue, the record date will be at least two Business days after the issue is announced to attempt to give the holders of Director Options the opportunity to exercise their Director Options prior to the date for determining entitlements to participate in any such issue.

**(i) Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) subject to compliance with the Listing Rules, the number of Shares which must be issued on the exercise of a Director Option will be increased by the number of Shares which the holder would have received if the holder had exercised the Director Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

**(j) Adjustment for rights issue of Shares**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of a Director Option will be adjusted in accordance with Listing Rule 6.22.2 of the Listing Rules (which adjustment formula will apply even where the Company is not admitted to the ASX Official List).

**(k) Adjustment for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the holder must be varied in accordance with the Listing Rules which apply to the reconstruction at the time of the reconstruction (which adjustment formula will apply even where the Company is not admitted to the ASX Official List).

**(l) Unlisted options**

The Company will not apply for quotation of the Director Options.

**(m) Director Options not transferable**

The Director Options are not transferable.

**(n) Option Exercise instructions**

Payment of the Exercise Price shall be in Australian currency and may be made by cheque (made payable to the Company and crossed "Not Negotiable") or by BPay or other electronic funds transfer means specified by the Company from time to time. The application for Shares on exercise of the Director Options with the appropriate remittance should be lodged at the Company's share registry.

**(o) Ranking**

Shares allotted on the exercise of Director Options will rank equally in all respects with the then existing issued ordinary fully paid shares in the capital of the Company (except in respect to any dividends which shall have been declared but not yet distributed before the actual exercise of a Director Option) and will be subject to the provisions of the Constitution of the Company.

**(p) Entitlements**

The Director Options do not provide any entitlement to dividends paid to ordinary Shareholders, nor any entitlement to vote at any meeting of Shareholders

**(q) ASX Listing Rules Prevail**

To the extent (if any) that any of these Director Option Terms are inconsistent with or contrary to the Listing Rules, the Listing Rules provisions will prevail and these Director Option Terms are deemed to incorporate the relevant Listing Rules provisions as an amendment to these terms; and

**(r) Governing Law**

These Director Option Terms are governed by the laws of Victoria. The parties submit to the non-exclusive jurisdiction of the courts of Victoria.



## Annexure C – Summary of terms of Omnibus Equity Plan (OEP)

---

|                                  |  |
|----------------------------------|--|
| <b>Offer:</b>                    | The Board has discretion to make awards of options, rights, performance rights, performance shares and shares. The Board has further discretion to determine vesting conditions including service conditions or other performance hurdles, exercise prices, minimum holding periods, forfeiture conditions or events and other conditions of awards. The Board has further discretion to vary or waive these terms and conditions (subject to Corporations Act limitations on shareholder approval for awards to Directors).         |
| <b>Eligibility</b>               | Participants under the OEP include permanent, full-time, or part-time employees, Non-Executive Directors, casual employees or contractors who work a pro-rata equivalent of 40% or more of a comparable full-time position and are Australian residents for tax purposes.  |
| <b>Shares</b>                    | The total number of ordinary shares over which rights or securities may be awarded under the OEP is capped at 5% of the issued share capital of the Company. Consistent with ASIC Class Order 14/1000, this cap includes any securities awarded under all the Company's other employee incentive plans within the 3 years before any new award under the OEP, but excludes any rights or securities that have expired or that were issued without the need for disclosure (such as to senior managers of the Company).               |
| <b>Vesting:</b>                  | Rights and options will vest in accordance with applicable performance hurdles, service conditions and exercise conditions. Where a Participant ceases to be employed by the Company or a related body corporate of the Company as a result of death or serious injury which prohibits continued employment, retirement or retrenchment or such other eligible circumstance as determined by the Board ('Qualifying Event'), the Board may, in its absolute discretion, determine that unvested rights and/or options become Vested. |
| <b>Change of Control:</b>        | Where there is a change in control of the Company, the Board may in its absolute discretion determine that any unvested rights and/or options become vested.   |
| <b>Exercise:</b>                 | Once options and rights have vested, they are generally able to be exercised prior to the lapsing and forfeiture events. On exercise, the participant must pay the relevant exercise price for those options and/or rights.  |
| <b>Quotation:</b>                | Options and Rights will not be quoted on the ASX. The Company will apply for Official Quotation of the shares issued on exercise of options and/or rights, in accordance with the Listing Rules.   |
| <b>Cessation of eligibility:</b> | Where a Participant ceases to be employed by the Company or a related body corporate of the Company, other than as a result of a Qualifying Event, any options, rights and performance rights or shares will be immediately forfeited, whether or not those awards have vested.  |
| <b>Restrictions</b>              | Entitlements under the OEP are non-transferrable (subject to certain limited exceptions). Entitlements are also subject to the Company's share trading policies and the Corporations Law as it relates to share trading.   |
| <b>Amendments:</b>               | To the extent permitted by the Listing Rules, the Board retains the discretion to vary the terms and conditions of the OEP.  |
| <b>Listing Rules</b>             | To the extent (if any) that any of the OEP Terms And Conditions are inconsistent with or contrary to the Listing Rules, the Listing Rules provisions will prevail and these Option Terms And Conditions are deemed to incorporate the relevant Listing Rules provisions as an amendment to these terms;  |
| <b>Share Plan Loan</b>           | If the Board considers appropriate, the Board may invite some of the Eligible Participants to apply for a limited recourse loan under the Plan ( <b>Loan</b> ), which if granted by the Board, will be applied as the subscription price for the purchase of Shares to be issued under the Plan or the exercise price of Options or Rights issued under the Plan. The terms of any Loan granted will be determined by the Board from time to time.   |

## Annexure D – Valuation Methodology

---

The Director Options that are the subject of Resolutions 6, 7, 8 and 9 have not yet been issued, are not in an existing class of securities, and will not be quoted on the ASX and as such have no market value. Each Director Option grants the holder a right to subscribe for one Share upon exercise of each Director Option and payment of the exercise price described above. Accordingly, the Director Options may have a present value at the date of their grant.

The Director Options may acquire future value dependent upon the extent to which the market value of Shares exceeds the exercise price of the Director Options during the term of the Director Options.

As a general proposition, options to subscribe for ordinary fully paid shares in a company have value.

Various factors impact upon the value of options including things such as:

- The period outstanding before the expiry date of the options;
- The exercise price of the options relative to the underlying price or value of the securities into which they may be converted;
- The proportion of the issued capital as expanded consequent upon exercise represented by the shares issued upon exercise (i.e. whether or not the shares that might be acquired upon exercise of the options represent a controlling or other significant interest);
- The value of the shares into which the options may be converted; and
- Whether or not the options are listed (i.e. readily capable of being liquidated) or transferable, neither of which is applicable.

There are various formulae which can be applied to determining the theoretical value of options (including the formula known as the Black and Scholes option valuation methodology “**Black-Scholes Model**”). The Company performed a valuation of the Director Options using the Black-Scholes Model, which is the most widely used and recognized model for pricing options. The value of an Option issued by the Company calculated by the Black-Scholes Model is a function of the relationship between a number of variables, being the price of the underlying Share at the time of issue, the exercise price, the time to expiry, the risk-free interest rate, the volatility of the Company’s underlying Share price and expected dividends.

The data relied upon in the valuation applying the Black-Scholes Model was:

- Exercise price of the Director Options as \$.021 being an indicative 20 day VWAP;
- Expiry date of up to 4 years from issue date;
- Volatility measure of 77.72%
- Risk-free interest rate of 4.10%;
- No discount has been applied for their unlisted status; and
- Dividend yield of 0.00%.

Based on the assessed fair value of the Director Options based on the Black and Scholes option valuation methodology, the Company has adopted an indicative value of \$0.013 per Director Option, being an estimated total value of \$150,225 for the Director Options proposed to be granted (being 11,900,000 Director Options in total).

AdAlta Limited | ABN 92 120 332 925

Your proxy voting instruction must be received by **11.00am (AEDT) on Monday, 20 November 2023**, 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/#/loginsah> 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](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

#### All enquiries to Automic:

##### WEBSITE:

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

##### PHONE:

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

