

30 October 2025

## **Merino & Co. Limited – Notice of Annual Meeting**

Merino & Co. Limited (ASX: MNC) advises its Annual Shareholders' Meeting will be held at 10:00am (AWST) on Friday, 28 November 2025 at Armada Boardroom, 18 Sangiorgio Court, Osborne Park WA 6017.

The Following documents are attached:

1. Notice of Annual Meeting
2. Proxy Form

ENDS

For more information, please contact:

Alan Thomas  
Company Secretary

**MERINO & CO. LIMITED  
ACN 162 863 121**

**Notice of Annual General Meeting**

**The Annual General Meeting of the Company will be held as follows:**

**Time and date: 10:00am (AWST) on Friday, 28 November 2025**

**In Person: Armada Boardroom, 18 Sangiorgio Court, Osborne Park WA  
6017**

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from a suitably qualified professional advisor prior to voting.

**Should you wish to discuss any matter, please do not hesitate to contact the  
Company Secretary by telephone on (08) 9302 2659.**

**Shareholders are urged to vote by lodging the Proxy Form**

**MERINO & CO. LIMITED**  
**ACN 162 863 121**  
**(Company)**

## **Notice of Annual General Meeting**

Notice is hereby given that the Annual General Meeting of Shareholders of Merino & Co. Limited will be held at Armada Boardroom, 18 Sangiorgio Court, Osborne Park WA 6017 on Friday, 28 November 2025 at 10:00am (AWST).

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (AWST) on Wednesday, 26 November 2025.

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

Terms and abbreviations used in the Notice are defined in Schedule 1.

### **Agenda**

#### **1 Annual Report**

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2025, which includes the Financial Report, the Directors' Report and the Auditor's Report.

**Note:** there is no requirement for Shareholders to approve the Annual Report.

#### **2 Resolutions**

##### **Resolution 1 – Remuneration Report**

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

*'That, the Remuneration Report be adopted by Shareholders, on the terms and conditions in the Explanatory Memorandum.'*

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

##### **Resolution 2 – Election of Director - Steven Woolley**

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

*'That, in accordance with Article 12.3(b)(ii) of the Constitution, Listing Rule 14.4 and for all other purposes, Steven Woolley, a Director appointed on 15 October 2025, retires at this*

*Meeting and, being eligible and offering himself for election, is elected as a Director, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 3 – Approval to issue Shares to former Director - Jack Hanrahan**

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

*'That, the issue of up to 600,000 Shares to Jack Hanrahan (or his nominees) under the Plan and pursuant to his letter of appointment with the Company, is approved under and for the purposes of Listing Rule 10.14 and section 208 of the Corporations Act, and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 4 – Approval to issue Shares to Director - Boxiang (Peter) Zhao**

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

*'That, the issue of up to 150,000 Shares to Boxiang (Peter) Zhao (or his nominees) under the Plan and pursuant to his letter of appointment with the Company, is approved under and for the purposes of Listing Rule 10.14 and section 208 of the Corporations Act, and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 5 – Approval to issue Shares to Director - Steven Woolley**

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

*'That, the issue of up to 200,000 Shares to Steven Woolley (or his nominees) under the Plan and pursuant to his letter of appointment with the Company, is approved under and for the purposes of Listing Rule 10.14 and section 208 of the Corporations Act, and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 6 – Approval of 10% Placement Facility**

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

*'That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 7 – Adoption of proportional takeover provisions in the Constitution**

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

*'That, for the purpose of section 648G of the Corporations Act, Article 9 of the Constitution and for all other purposes, approval is given for the Company to modify its existing Constitution by adopting Article 9 for a period of 3 years from the date of the Meeting.'*

### **Resolution 8 – Approval to issue Performance Rights to Director - Fiona Yue**

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

*'That, the issue of up to 2,000,000 Performance Rights to Fiona Yue (or her nominees) under the Plan is approved under and for the purposes of Listing Rule 10.14, sections 208 and 200E of the Corporations Act, and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 9 – Approval to issue Performance Rights to Operations General Manager - Tim Kang**

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

*'That, the issue of up to 2,000,000 Performance Rights to Tim Kang (or his nominees) under the Plan is approved under and for the purposes of Listing Rule 10.14, sections 208 and 200E of the Corporations Act, and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 10 – Approval to issue Performance Rights to Director - Boxiang (Peter) Zhao**

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

*'That, the issue of up to 100,000 Performance Rights to Boxiang (Peter) Zhao (or his nominees) under the Plan is approved under and for the purposes of Listing Rule 10.14, sections 208 and 200E of the Corporations Act, and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 11 – Approval to issue Performance Rights to Director - Steven Woolley**

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

*'That, the issue of up to 200,000 Performance Rights to Steven Woolley (or his nominees) under the Plan is approved under and for the purposes of Listing Rule 10.14, sections 208 and 200E of the Corporations Act, and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'*

## **Voting exclusions**

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) Resolution 3 by or on behalf of Jack Hanrahan (or his nominees), being a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates;
- (b) Resolution 4 by or on behalf of Boxiang (Peter) Zhao (or his nominees), being a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates;
- (c) Resolution 5 by or on behalf of Steven Woolley (or his nominees), being a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates;
- (d) Resolution 6, if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, by or on behalf of any persons who are 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 Shareholder), or any of their respective associates;
- (e) Resolution 8 by or on behalf of Fiona Yue (or her nominees), being a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of her respective associates;
- (f) Resolution 9 by or on behalf of Tim Kang (or his nominees), being a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of his respective associates;
- (g) Resolution 10 by or on behalf of Boxiang (Peter) Zhao (or his nominees), being a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of his respective associates; and
- (h) Resolution 11 by or on behalf of Steven Woolley (or his nominees), being a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of his respective associates.

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

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

## Voting prohibitions

Resolution 1: In accordance with sections 250BD and 250R of the Corporations Act, a vote on this

Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

Resolution 3 - Resolution 5 (inclusive) and Resolution 8 - Resolution 11 (inclusive): In accordance with section 250BD of the Corporations Act, a vote on these Resolutions must not be cast (in any capacity) by a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on these Resolutions, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on these Resolutions; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on these Resolutions, but expressly authorises the Chair to exercise the proxy even if these Resolutions are connected with the remuneration of a member of the Key Management Personnel.

Resolution 8 - Resolution 11 (inclusive): Further, in accordance with section 200E(2A) of the Corporations Act, a vote on these Resolutions must not be cast (in any capacity) by or on behalf of Fiona Yue, Tim Kang (and any of their nominees), or any of their respective associates.

Resolution 3 - Resolution 5 (inclusive) and Resolution 8 - Resolution 11 (inclusive): Further, in accordance with section 224 of the Corporations Act, a vote on these Resolutions must not be cast (in any capacity) by or on behalf of a related party of the Company to whom these Resolutions would permit a financial benefit to be given, or an associate of such a related party.

Please note: If the Chair is a person referred to in the voting prohibition statement relating to section 224 of the Corporations Act (above), the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on the relevant Resolution.

However, a vote may be cast by such a person if:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on these Resolutions; and
- (b) it is not cast on behalf of the relevant Directors (or their respective nominees) or an associate of those persons.

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

**BY ORDER OF THE BOARD**

A handwritten signature in black ink that reads "Alan Thomas." The signature is written in a cursive style.

**Alan Thomas**  
Company Secretary  
Merino & Co. Limited  
Dated: 30 October 2025

**MERINO & CO. LIMITED**  
**ACN 162 863 121**  
**(Company)**

**Explanatory Memorandum**

**1. Introduction**

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Armada Boardroom, 18 Sangiorgio Court, Osborne Park WA 6017 on Friday, 28 November 2025 at 10:00am (AWST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 1	Introduction
Section 2	Voting and attendance information
Section 3	Annual Report
Section 4	Resolution 1 – Remuneration Report
Section 5	Resolution 2 – Election of Director - Steven Woolley
Section 6	Resolution 3 - Resolution 5 – Approval to issue Shares to Related Parties
Section 7	Resolution 6 – Approval of 10% Placement Facility
Section 8	Resolution 7 – Adoption of proportional takeover provisions in the Constitution
Section 9	Resolution 8 - Resolution 11 – Approval to issue Performance Rights to Related Parties
Schedule 1	Definitions
Schedule 2	Summary of terms of Plan
Schedule 3	Terms and conditions of Related Party Performance Rights
Schedule 4	Valuation of Related Party Performance Rights

A Proxy Form is included with this Notice.

## 2. Voting and attendance information

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

### 2.1 Voting in person

To vote in person, attend the Meeting on the date and at the place set out above.

### 2.2 Voting by proxy

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 or, if they are unable to attend, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) 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.

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

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:

- (i) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (ii) 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;
- (iii) 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 that way (i.e. as directed); and
- (iv) 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).

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

- (i) 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;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and

- (iv) either the proxy is not recorded as attending the meeting or 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.

### 2.3 **Chair's voting intentions**

If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of Resolution 1, Resolution 3, Resolution 4, Resolution 5, Resolution 8, Resolution 9, Resolution 10 and Resolution 11 even though these Resolutions are connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

### 2.4 **Submitting questions**

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at [mnc@merinoandco.com.au](mailto:mnc@merinoandco.com.au) by 5:00pm (AWST) on Friday, 21 November 2025.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

## 3. **Annual Report**

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2025.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at: <https://www.asx.com.au/markets/company/MNC>;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the Auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's Auditor about:

- (a) the preparation and 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,

may be submitted no later than five Business Days before the Meeting to the Company Secretary at the Company's registered office.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

## 4. Resolution 1 – Remuneration Report

### 4.1 General

In accordance with section 250R(2) of the Corporations Act, the Company must put 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 the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2024 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2026 annual general meeting, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about or make comments on the Remuneration Report.

### 4.2 Board recommendation

Resolution 1 is an ordinary resolution.

Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

## 5. **Resolution 2 – Election of Director - Steven Woolley**

### 5.1 **General**

Article 12.7(a) of the Constitution provides that the Directors may at any time, appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

Article 12.7(b) of the Constitution and Listing Rule 14.4 both provide that a Director appointed under Article 12.7(a) must not hold office without election past the next annual general meeting of the Company following the Director's appointment, but is eligible for election at that meeting.

Article 12.3(b) of the Constitution requires that an election of Directors be held at each annual general meeting of the Company. Article 12.3(b)(ii) of the Constitution provides that a Director appointed under Article 12.7 who stands for election satisfies this requirement.

Accordingly, Steven Woolley, a Director appointed on 15 October 2025, retires at this Meeting and, being eligible and offering himself for election, seeks election pursuant to Resolution 2.

### 5.2 **Steven Woolley**

Mr Woolley is a global brand and retail leader with more than 20 years of experience driving growth and transformation across heritage, lifestyle and performance brands in Australia, Europe, North America and Asia.

Mr Woolley is the founder of What We're Made Of, a practice dedicated to strengthening strategy, leadership and systems that connect business performance with social and cultural value. Mr Woolley is passionate about Australian manufacturing, craftsmanship and the sustainable use of natural resources.

Mr Woolley has held C-suite and senior advisory roles with iconic Australian consumer brands including R.M. Williams and Akubra, both portfolio companies of Tattarang, as well as senior leadership positions with multinational sportswear company Addidas. Mr Woolley holds an Executive Master of Business Administration and accreditation in integrative development coaching.

Mr Woolley does not currently hold any other material directorships, other than as disclosed in this Notice.

The Company confirms that it has taken appropriate checks into Mr Woolley's background and experience and that these checks did not identify any information of concern.

If elected, Mr Woolley is considered to be an independent Director and is free from any business or other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of his judgement.

Mr Woolley has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

### 5.3 **Board recommendation**

Resolution 2 is an ordinary resolution.

The Board (other than Mr Woolley who has a personal interest in the outcome of this

Resolution) recommends that Shareholders vote in favour of this Resolution.

## 6. Resolution 3 - Resolution 5 – Approval to issue Shares to Related Parties

### 6.1 General

The Company is proposing to issue up to a total of 950,000 Shares to Jack Hanrahan, Boxiang (Peter) Zhao and Steven Wooley (or their respective nominees), subject to Shareholder approval. The Shares are to be issued under the Plan and in accordance with each of their letters of appointment with the Company as follows:

Related Party	Shares
Jack Hanrahan	600,000
Boxiang (Peter) Zhao	150,000
Steven Woolley	200,000
<b>Total</b>	<b>950,000</b>

Notes:

1. Jack Hanrahan is a former Director of the Company, having resigned effective 17 September 2025.

Resolution 3 to Resolution 5 (inclusive) seek Shareholder approval for the proposed issue of up to a total of 950,000 Shares to Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees) under the Plan and in accordance with their respective letters of appointment with the Company, under and for the purposes of Listing Rule 10.14 and section 208 of the Corporations Act.

### 6.2 Listing Rule 10.14

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

- (a) a director of the company (Listing Rule 10.14.1);
- (b) an associate of a director of the company (Listing Rule 10.14.2); or
- (c) a person whose relation with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (Listing Rule 10.14.3),

unless it obtains the approval of its shareholders.

The proposed issue of Shares to each of Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees) falls within Listing Rules 10.14.1 or 10.14.2. The proposed issue of Shares to Jack Hanrahan (or his nominee), a former Director, falls within Listing Rule 10.14.3, as it is proposed to occur within six months of his resignation. Accordingly, the approval of Shareholders is required under Listing Rule 10.14.

Resolution 3 to Resolution 5 (inclusive) seek the required Shareholder approval for the issue of the Shares under and for the purposes of Listing Rule 10.14 and section 208 of the

Corporations Act.

If Resolution 3 to Resolution 5 (inclusive) are passed, the Company will be able to proceed with the issue of the Shares to each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees).

If Resolution 3 to Resolution 5 (inclusive) are not passed, the Company will not be able to proceed with the issue of the Shares to each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees).

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required. Accordingly, the issue of the Shares will not be included under the Company's 15% and 10% limits under Listing Rules 7.1 and 7.1A.

### 6.3 Specific information required by Listing Rule 10.15

Under and for the purposes of Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Shares:

- (a) the Shares will be issued to Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees);
- (b) each of Boxiang (Peter) Zhao and Steven Woolley fall into the category stipulated by Listing Rule 10.14.1 by virtue of being Directors. In the event that the Shares are issued to Boxiang (Peter) Zhao's or Steven Woolley's respective nominees, those persons will fall into the category stipulated by Listing Rule 10.14.2. Jack Hanrahan, as a former Director, falls within Listing Rule 10.14.3, as the Shares are proposed to be issued within six months of his resignation and relate to his prior service as a Director;
- (c) a maximum of 950,000 Shares will be issued to Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees). See Section 6.1 for further details regarding the maximum number of Shares to be issued to each;
- (d) each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley's total remuneration packages are set out below:

Remuneration (per annum)	Jack Hanrahan	Boxiang (Peter) Zhao	Steven Woolley
Salary and fees	\$40,500	\$36,174	\$54,000
Incentive payments	-	-	-
Other	-	-	-
Superannuation	-	-	-
<b>TOTAL</b>	<b>\$40,500</b>	<b>\$36,174</b>	<b>\$54,000</b>

Notes:

1. Jack Hanrahan is a former Director of the Company, having resigned effective 17 September 2025.

2. The remuneration figures set out above do not include any Shares proposed to be issued to Jack Hanrahan, Boxiang (Peter) Zhao or Steven Woolley under Resolution 3 to Resolution 5 (inclusive) or Performance Rights under Resolution 8 to Resolution 10 (inclusive).

(e) the number of Securities that have previously been issued to each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees) under the Plan are set out below:

<b>Security</b>	<b>Number of Securities Issued to Jack Hanrahan</b>	<b>Number of Securities Issued to Boxiang (Peter) Zhao</b>	<b>Number of Securities Issued to Steven Woolley</b>
Shares	Nil	Nil	Nil
Options	Nil	Nil	Nil
Performance Rights	Nil	Nil	Nil
<b>TOTAL</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

Notes:

1. The figures set out above do not include any Shares proposed to be issued to Jack Hanrahan, Boxiang (Peter) Zhao or Steven Woolley under Resolution 3 to Resolution 5 (inclusive) or Performance Rights under Resolution 8 to Resolution 10 (inclusive).

- (f) the Shares will be issued no later than three years after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules). For Jack Hanrahan, the Shares will be issued within six months from the date of his resignation, being 17 September 2025;
- (g) the Shares will be issued for nil cash consideration as part of Jack Hanrahan's, Boxiang (Peter) Zhao's and Steven Woolley's remuneration packages;
- (h) a summary of the material terms of the Plan is set out in Schedule 2;
- (i) no loan will be provided to each of Jack Hanrahan, Boxiang (Peter) Zhao or Steven Woolley (or their respective nominees) in relation to the issue of the Shares;
- (j) details of any securities issued under the Plan will be published in the annual report of the Company relating to a 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 the Plan after Resolution 3 to Resolution 5 (inclusive) are passed and who were not named in the Notice will not participate until approval is obtained under that rule; and
- (k) a voting exclusion statement is included in the Notice.

## 6.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees), the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Shares constitutes giving a financial benefit and each of Boxiang (Peter) Zhao and Steven Woolley are related parties of the Company by virtue of being Directors. Jack Hanrahan, as a former Director, is also considered a related party in respect of the Shares proposed to be issued to him within six months of his resignation, relating to his prior service as a Director.

It is the view of the Board that the exceptions set out in sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, the Company is seeking approval for the purposes of Chapter 2E of the Corporations Act in respect of the Shares proposed to be issued to each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees) pursuant to Resolution 3 to Resolution 5 (inclusive).

## 6.5 Specific information required by Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Shares to Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees):

- (a) **Identity of the related parties to whom Resolution 3 to Resolution 5 (inclusive) permit financial benefits to be given**

The Shares will be issued to:

- (i) former Director - Jack Hanrahan or his nominees;
- (ii) Non-Executive Director - Boxiang (Peter) Zhao or his nominees; and
- (iii) Non-Executive Chair - Steven Woolley or his nominees,

for nil cash consideration, as set out in Section 6.1.

- (b) **Nature of the financial benefit**

Resolution 3 to Resolution 5 (inclusive) seek approval from Shareholders to allow the Company to issue the Shares in the amounts specified in Section 6.1 above to each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees). The Shares are to be issued in accordance with the Plan. A summary of the material terms of the Plan is set out in Schedule 2.

The Shares proposed to be issued to each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees) will be fully paid ordinary shares in

the capital of the Company, on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares.

The issue of the Shares encourages each of Boxiang (Peter) Zhao and Steven Woolley to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. For Jack Hanrahan, the Shares relate to his prior service and are proposed to be issued within six months of his resignation, in accordance with the terms of his letter of appointment.

Under the Company's current circumstances, the Company considers that the incentives represented by the issue of these Shares are a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

**(c) Valuation of financial benefit**

The Company will issue 600,000 Shares to Jack Hanrahan (or his nominees) and 150,000 Shares to Boxiang (Peter) Zhao (or his nominees) for nil cash consideration. Based on the ASX closing price of \$0.165 on Friday, 17 October 2025, the financial benefit to each Director is:

- (i) Jack Hanrahan: \$99,000;
- (ii) Boxiang (Peter) Zhao: \$24,750; and
- (iii) Steven Woolley: \$33,000.

**(d) Remuneration of each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley**

The remuneration packages of each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley is set out above in Section 6.3(d).

**(e) Existing relevant interests**

At the date of this Notice, each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley hold the following relevant interests in securities of the Company:

Director	Shares	Options	Performance Rights
Jack Hanrahan	Nil	Nil	Nil
Boxiang (Peter) Zhao	Nil	Nil	Nil
Steven Woolley	Nil	Nil	Nil

Notes:

1. The figures do not include any Shares proposed to be issued to Jack Hanrahan, Boxiang (Peter) Zhao or Steven Woolley under Resolution 3 to Resolution 5 (inclusive) or Performance Rights under Resolution 8 to Resolution 10 (inclusive).

Assuming that Resolution 3 to Resolution 5 (inclusive) are approved by Shareholders, the Shares are issued, and no other Securities are issued or exercised, the respective interests in the Company of each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley would be as follows:

- (i) Jack Hanrahan's interest would represent approximately 0.80% of the Company's expanded capital (assuming the Company has 74,726,570 Shares on issue);
- (ii) Boxiang (Peter) Zhao's interest would represent approximately 0.20% of the Company's expanded capital (assuming the Company has 74,726,570 Shares on issue); and
- (iii) Steven Woolley's interest would represent approximately 0.27% of the Company's expanded capital (assuming the Company has 74,726,570 Shares on issue).

(f) **Dilution**

The issue of the Shares to each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees) will have a diluting effect on the percentage interest of existing Shareholders' holdings.

The potential dilutionary effect of the issue of the Shares to each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley is summarised below:

	Number of Merino Securities on issue	% of undiluted issued capital on issue	% of fully diluted issued capital on issue
Shares	73,776,570	100%	99.60%
Options	300,000	0.00%	0.40%
Performance Rights	Nil	0.00%	0.00%

Notes:

1. This table assumes that 73,776,570 Shares are currently on issue and that the fully diluted issued capital on issue is 75,026,570 Shares (which includes the Shares to be issued to each of Jack Hanrahan, Boxiang (Peter) Zhao and Steven Woolley the subject of Resolution 3 to Resolution 5 (inclusive), and the conversion of all Options and Performance Rights on issue).

(g) **Taxation consequences**

There are no taxation consequences for the Company arising from the issue of the Shares (including fringe benefits tax).

(h) **Other information**

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 3 to Resolution 5 (inclusive).

6.6 **Board recommendation**

Resolution 3 to Resolution 5 (inclusive) are ordinary resolutions.

The Board (other than Boxiang (Peter) Zhao and Steven Woolley who each have a personal interest in the outcome of these Resolutions) recommends that Shareholders vote in favour of Resolution 3 to Resolution 5 (inclusive).

Neither of Boxiang (Peter) Zhao or Steven Woolley have voted on any resolutions of the Board in respect of the issue of any Securities the subject of Resolution 3 to Resolution 5 (inclusive).

7. **Resolution 6 – Approval of 10% Placement Facility**

7.1 **General**

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

Resolution 6 seeks Shareholder approval to provide the Company with the ability to issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 7.2(f) below). The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) below).

If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 6 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval in Listing Rule 7.1.

7.2 **Listing Rule 7.1A**

(a) **Is the Company an eligible entity?**

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

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$8,757,634, based on the closing price of Shares (\$0.165) on Friday, 17 October 2025.

(b) **What Equity Securities can be issued?**

Any Equity Securities issued under the 10% Placement Facility must be in the same

class as an existing quoted class of Equity Securities of the eligible entity.

As at the date of the Notice, the Company has on issue one quoted class of Equity Securities on issue, being the Shares (ASX Code: MNC).

(c) **How many Equity Securities can be issued?**

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

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

Where:

**A =** is the number of Shares on issue at the commencement of the Relevant Period:

- (A) plus the number of fully paid Shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of fully paid Shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - (1) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
  - (2) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (C) plus the number of fully paid Shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - (1) the agreement was entered into before the commencement of the Relevant Period; or
  - (2) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of partly paid Shares that became fully paid Shares in the Relevant Period;
- (E) plus the number of any other fully paid Shares issued in the Relevant Period with approval under Listing Rules 7.1 and 7.4; and

- (F) less the number of fully paid Shares cancelled in the Relevant Period.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual 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 12-months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rules 7.1 or 7.4.

(d) **What is the interaction with Listing Rule 7.1?**

The Company's ability to issue Equity Securities under Listing Rule 7.1A will be in addition to its 15% annual placement capacity under Listing Rule 7.1.

(e) **At what price can the Equity Securities be issued?**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per Equity Security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph 7.2(e)(i) above, the date on which the Equity Securities are issued,

**(Minimum Issue Price).**

(f) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of the Meeting and will expire on the earlier of:

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

**(10% Placement Period).**

(g) **What is the effect of Resolution 6?**

The effect of Resolution 6 will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

### 7.3 **Specific information required by Listing Rule 7.3A**

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

(a) **Final date for issue**

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 7.2(f) above).

(b) **Minimum issue price**

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 7.2(e) above).

(c) **Purposes of issues under the 10% Placement Facility**

The Company may seek to issue Equity Securities under the 10% Placement Facility for the purposes of raising funds for continued investment in the Company's current assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), attracting necessary talent and/or for general working capital.

(d) **Risk of economic and voting dilution**

Shareholders should note that there is a risk that:

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

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

If this Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table (in the case of Options, only if the Options are converted into Shares).

The table below shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for Variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 7.2(c) above) as at the date of this Notice (**Variable A**), with:

- (i) two examples where Variable A has increased, by 50% and 100%; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Share on issue (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	<b>\$0.0825</b> 50% decrease in Current Market Price	<b>\$0.165</b> Current Market Price	<b>\$0.33</b> 100% increase in Current Market Price
<b>73,776,570 Shares Variable A</b>	10% Voting Dilution	7,377,657 Shares	7,377,657 Shares	7,377,657 Shares
	Funds raised	\$608,657	\$1,217,313	\$2,434,627
<b>110,664,855 Shares 50% increase in Variable A</b>	10% Voting Dilution	11,066,486 Shares	11,066,486 Shares	11,066,486 Shares
	Funds raised	\$912,985	\$1,825,970	\$3,651,940
<b>147,553,140 Shares 100% increase in Variable A</b>	10% Voting Dilution	14,755,314 Shares	14,755,314 Shares	14,755,314 Shares
	Funds raised	\$1,217,313	\$2,434,627	\$4,869,254

Notes:

1. The table has been prepared on the following assumptions:
  - (a) The issue price is the current market price (\$0.165), being the closing price of the Shares on ASX on Friday, 17 October 2025, being the latest practicable date before this Notice was signed.
  - (b) Variable A comprises of 73,776,570 Shares as calculated on 17 October 2025.
  - (c) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  - (d) No convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
  - (e) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
2. The number of Shares on issue (i.e. Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
3. 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%.
4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
5. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(e) **Allocation policy**

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

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

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new investors who are not related parties of or associates of a related party of the Company.

(f) **Issues in the past 12 months**

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has not issued any Equity Securities under Listing Rule 7.1A.

(g) **Voting exclusion statement**

At the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holders to participate in any such issue.

However, in the event that between the date of this Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

7.4 **Board recommendation**

Resolution 6 is a special resolution.

The Board recommends that Shareholders vote in favour of Resolution 6.

8. **Resolution 7 – Adoption of proportional takeover provisions in the Constitution**

8.1 **General**

In accordance with section 648G of the Corporations Act, a company's proportional takeover approval provisions, unless sooner omitted from its constitution, cease to apply on the third anniversary after adoption or renewal as appropriate unless otherwise specified.

When the provisions cease to apply, the company's constitution is modified by omitting the provisions.

A company may adopt or renew its proportional takeover approval provisions in the same manner in which a company can modify its constitution (i.e. by special resolution of shareholders)

The proportional takeover provisions set out in Article 9 of the Company's Constitution were adopted on 19 September 2022. Accordingly, the proportional takeover provisions included in the Constitution lapsed on the third anniversary of that date, being 19 September 2025.

Resolution 7, is a special resolution which will enable the Company to modify its Constitution by adopting Article 9 for a period of 3 years from the date of Shareholder approval. It is noted that Shareholder approval will not result in a change to the wording of Article 9.

The Company is permitted to seek further Shareholder approval to renew Article 9 for further periods of up to 3 years on each occasion.

A copy of the Constitution was released to ASX on 28 October 2024 and is available for download from the Company's ASX announcements platform.

## 8.2 Proportional takeover provisions

A proportional takeover bid is an off-market takeover bid where the offer made to each shareholder is only for a specified proportion of that shareholder's shares. If a shareholder accepts a proportional takeover bid, the shareholder will dispose of that specified proportion and retain the balance.

The proportional takeover provisions set out in Article 9 of the Constitution provides that the Company is prohibited from registering a transfer giving effect to a takeover contract resulting from acceptance of an offer made under the takeover bid unless and until a resolution to approve the bid is passed or taken to be passed in accordance with the terms set out in the Constitution and the Corporations Act.

This schedule will cease to have effect on the third anniversary of the date of the adoption of Article 9.

If Resolution 7 is passed, then for a period of 21 days after the Meeting, holders of 10% or more of the Company's Shares will have the right to apply to the Court to have the Resolution set aside. The Court may set aside the Resolution if the Court is satisfied in all the circumstances that it is appropriate to do so.

## 8.3 Information required by section 648G of the Corporations Act

Pursuant to and in accordance with section 648G of the Corporations Act, the information below is provided in relation to this Resolution 7:

### (a) Effect of proportional takeover provisions

- (i) If a bidder makes a proportional off-market takeover bid in respect of a class of securities in the Company (**Proportional Bid**), the Company will be prohibited from registering the transfer giving effect to a contract resulting from the acceptance of the Proportional Bid unless and until a resolution to approve

the Proportional Bid is passed by a simple majority or the deadline for obtaining such approval has passed.

- (ii) If Resolution 7 is approved and a proportional takeover bid is made for a class of securities in the Company, the Directors will call a meeting of holders of bid class securities to vote on a resolution to approve that bid. The bidder and its associates would be excluded from voting on the approving resolution.
- (iii) The vote on the approving resolution must take place more than 14 days before the last day of the bid period.
- (iv) If the approving resolution is rejected before the deadline, the bid cannot proceed and any transfers giving effect to takeover contracts for the bid will not be registered.
- (v) If the approving resolution is not voted on, the bid will be deemed to have been approved.
- (vi) If the approving resolution is passed (or deemed to have been passed), the transfers must be registered (subject to other provisions of the Corporations Act and the Constitution).

The proportional takeover provisions do not apply to full takeover bids.

**(b) Reasons for proportional takeover provisions**

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These proportional takeover provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and may assist in ensuring that any partial bid is appropriately priced.

The Board believes that the proportional takeover provisions are desirable to give shareholders protection from these risks. They give effect to a protection that the Corporations Act provisions are intended to provide.

To assess the merits of the proportional takeover provisions, Shareholders should make a judgement as to what events are likely to occur in relation to the Company during the three year life of those provisions.

**(c) Knowledge of any acquisition proposals**

As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

(d) **Advantages and disadvantages of proportional takeover provisions during the period in which they have been in effect**

The Corporations Act requires this Explanatory Statement to discuss retrospectively the advantages and disadvantages for Directors and shareholders of the proportional takeover provisions which are proposed to be adopted.

While the proportional takeover provisions have been in effect, there have been no takeover bids for the Company, either proportional or otherwise. Consequently, there are no actual examples against which to review the advantages or disadvantages of the proportional takeover provisions for the Directors and Shareholders of the Company.

(e) **Potential advantages and disadvantages of proportional takeover provisions**

The Corporations Act also requires this Explanatory Statement to discuss the potential future advantages and disadvantages of the proportional takeover provisions for both Directors and Shareholders of the Company.

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The Board notes that it could be argued that the proportional takeover provisions are an advantage to the Directors as a takeover defence mechanism that could be exploited to entrench the incumbent Board. However, the Board believes that argument ignores the basic object of the proportional takeover provisions which are to empower Shareholders, not the Directors.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (i) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (ii) assisting in preventing Shareholders from being locked in as a minority;
- (iii) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (iv) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (i) proportional takeover bids may be discouraged;
- (ii) lost opportunity to sell a portion of their Shares at a premium;
- (iii) individual Shareholders may consider that the proportional takeover provisions would restrict their ability to deal with their Shares as they see fit; and

- (iv) the likelihood of a proportional takeover bid succeeding may be reduced.

#### 8.4 Recommendation of the Board

Resolution 7 is a special resolution.

The Board does not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that adoption of the proportional takeover provision set out in Article 9 of the Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 7.

### 9. Resolution 8 - Resolution 11 – Approval to issue Performance Rights to Related Parties

#### 9.1 General

The Company is proposing, subject to Shareholder approval, to issue up to a total of 4,300,000 Performance Rights (**Related Party Performance Rights**) to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley or their respective nominees as follows:

Related Party	Tranche 1	Tranche 2	Tranche 3	Tranche 4	TOTAL
Fiona Yue	500,000	500,000	500,000	500,000	<b>2,000,000</b>
Tim Kang	500,000	500,000	500,000	500,000	<b>2,000,000</b>
Boxiang (Peter) Zhao	25,000	25,000	25,000	25,000	<b>100,000</b>
Steven Woolley	50,000	50,000	50,000	50,000	<b>200,000</b>
<b>TOTAL</b>	<b>1,075,000</b>	<b>1,075,000</b>	<b>1,075,000</b>	<b>1,075,000</b>	<b>4,300,000</b>

Performance Milestones of Related Party Performance Rights	Expiry Date	Related Party Performance Rights issuable by the Company
The Company achieving audited revenue (excluding extraordinary revenue items) of at least \$10,000,000 in any financial year after the date of issue.	5 years from the date of issue	1,075,000 Related Party Performance Rights in accordance with the table above, which will convert into Shares ( <b>Tranche 1 Related Party Performance Rights</b> ).
The Company achieving audited revenue (excluding extraordinary revenue items) of at least \$15,000,000 in	5 years from the date of issue	1,075,000 Related Party Performance Rights in accordance with the table above, which will convert into Shares ( <b>Tranche 2</b>

any financial year after the date of issue.		<b>Related Party Performance Rights).</b>
The Company achieving a market capitalisation of at least \$25,000,000, calculated using the VWAP of Shares over a continuous period of 20 Trading Days on which the Shares have been traded.	5 years from the date of issue	1,075,000 Related Party Performance Rights in accordance with the table above, which will convert into Shares ( <b>Tranche 3 Related Party Performance Rights</b> ).
The Company achieving a market capitalisation of at least \$35,000,000, calculated using the VWAP of Shares over a continuous period of 20 Trading Days on which the Shares have been traded.	5 years from the date of issue	1,075,000 Related Party Performance Rights in accordance with the table above, which will convert into Shares ( <b>Tranche 4 Related Party Performance Rights</b> ).

The Company is at a critical stage of its development, with significant opportunities and challenges in both the near and long term. The proposed issue of Related Party Performance Rights serves as an incentive to drive future performance, aligning their efforts with the objective of increasing the Share price and enhancing Shareholder value. Additionally, the Board believes that granting the Related Party Performance Rights is a prudent strategy to conserve the Company's cash reserves while ensuring the retention and continued engagement of highly experienced and qualified Key Management Personnel in a competitive market.

The Related Party Performance Rights are to be issued under the Plan. The terms and conditions of the Related Party Performance Rights are summarised in Schedule 3.

Resolution 8 - Resolution 11 (inclusive) seek Shareholder approval for the issue of up to a total of 4,300,000 Related Party Performance Rights under the Plan to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley, or their respective nominees, under and for the purposes of Listing Rule 10.14, and sections 208 and 200E of the Corporations Act.

## 9.2 **Listing Rule 10.14**

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

- (a) a director of the company (Listing Rule 10.14.1);
- (b) an associate of a director of the company (Listing Rule 10.14.2); or
- (c) a person whose relation with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (Listing Rule 10.14.3),

unless it obtains the approval of its shareholders.

The proposed issue of the Related Party Performance Rights to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley, or their respective nominees, falls within Listing Rules 10.14.1 or 10.14.2. It therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 8 - Resolution 11 (inclusive) seek the required Shareholder approval for the issue of the Related Party Performance Rights under and for the purposes of Listing Rule 10.14, and sections 208 and 200E of the Corporations Act.

If Resolution 8 - Resolution 11 (inclusive) are passed, the Company will be able to proceed with the issue of the Related Party Performance Rights to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley, or their respective nominees.

If Resolution 8 - Resolution 11 (inclusive) are not passed, the Company will not be able to proceed with the issue of the Related Party Performance Rights to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley, or their respective nominees. In that event, the Board may consider alternative forms of remuneration or incentive arrangements for each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rules 7.1 or 10.11 is not required. Accordingly, the issue of the Related Party Performance Rights will not be included under the Company's 15% and 10% limits under Listing Rules 7.1 and 7.1A.

### 9.3 Specific information required by Listing Rule 10.15

Under and for the purposes of Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Related Party Performance Rights:

- (a) the Related Party Performance Rights will be issued to Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley, or their respective nominees;
- (b) each of Fiona Yue, Boxiang (Peter) Zhao and Steven Woolley fall into the category stipulated by Listing Rule 10.14.1 by virtue of being a Director of the Company. Tim Kang falls into the category stipulated by Listing Rule 10.14.2 by virtue of being an associate of a Director of the Company, as the spouse of Fiona Yue. In the event that the Related Party Performance Rights are issued to their respective nominees, those persons will fall into the category stipulated by Listing Rule 10.14.2;
- (c) a maximum of 4,300,000 Related Party Performance Rights will be issued to Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley, or their respective nominees. See Section 9.1 for further details regarding the maximum number of Related Party Performance Rights to be issued to each;
- (d) the current total compensation package's available to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley as at the date of this Notice is set below:

Remuneration (per annum)	Fiona Yue	Tim Kang	Boxiang (Peter) Zhao	Steven Woolley
Salary and fees	\$160,615	\$200,769	\$36,174	\$54,000

Remuneration (per annum)	Fiona Yue	Tim Kang	Boxiang (Peter) Zhao	Steven Woolley
Incentive payments	-	-	-	-
Superannuation	\$18,489	\$23,112	-	-
<b>TOTAL</b>	<b>\$179,104</b>	<b>\$223,881</b>	<b>\$36,174</b>	<b>\$54,000</b>

Notes:

1. The Company has valued the Tranche 1 Related Party Performance Rights and Tranche 2 Related Party Performance Rights with non-market vesting conditions using the Share price on the valuation date, being 21 October 2025, as set out in Schedule 4. The total value of the Tranche 1 Related Party Performance Rights and Tranche 2 Related Party Performance Rights is \$0.16 per Performance Right.
2. The Company has valued the Tranche 3 Related Party Performance Rights and Tranche 4 Related Party Performance Rights with market vesting conditions using a combination of Hoadley's Barrier1 Model and Hoadley's Parisian Model, as set out in Schedule 4. The total value of the Tranche 3 Related Party Performance Rights is \$0.1437 per Performance Right and the total value of the Tranche 4 Related Party Performance Rights is \$0.1359 per Performance Right.
3. The value of the Shares the subject of Resolution 3 to Resolution 5 (inclusive) and the Related Party Performance Rights the subject of Resolution 8 to Resolution 11 (inclusive) is not reflected in the table above.

- (e) the number of securities that have previously been issued to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley (or their nominees) under the Plan are set out below:

Security	Fiona Yue	Tim Kang	Boxiang (Peter) Zhao	Steven Woolley
Shares	Nil	Nil	Nil	Nil
Options	Nil	Nil	Nil	Nil
Performance Rights	Nil	Nil	Nil	Nil
<b>TOTAL</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

Notes:

1. The figures set out above do not include any Shares proposed to be issued under Resolution 3 to Resolution 5 (inclusive) or Performance Rights under Resolution 8 to Resolution 10 (inclusive).

- (f) the Related Party Performance Rights will be issued under the Plan on the terms set out in Schedule 3. The Board considers that granting Performance Rights, rather than Shares, is a prudent strategy to conserve the Company's cash reserves while ensuring the retention and continued engagement of highly experienced and qualified Directors and senior managers in a competitive market;

- (g) the Company has commissioned and had an independent valuation of the proposed Related Party Performance Rights prepared, as set out in Schedule 4. In summary, it concludes that the value of the Related Party Performance Rights proposed to be granted to Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley (or their nominees) is \$644,571;
- (h) the Related Party Performance Rights will be issued no later than three years after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (i) the Related Party Performance Rights will be issued for nil cash consideration as part of Fiona Yue's, Tim Kang's, Boxiang (Peter) Zhao's and Steven Woolley's remuneration package;
- (j) a summary of the material terms of the Plan is set out in Schedule 2;
- (k) no loan will be provided to Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley (or their nominees) in relation to the issue of the Related Party Performance Rights;
- (l) details of any securities issued under the Plan will be published in the annual report of the Company relating to a 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 the Plan after Resolution 8 - Resolution 11 (inclusive) are passed and who were not named in the Notice will not participate until approval is obtained under that rule; and
- (m) a voting exclusion statement is included in the Notice.

#### 9.4 **Section 200E of the Corporations Act**

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a 'managerial or executive office' (as defined in the Corporations Act) if an exemption applies or if the benefit is approved by shareholders in accordance with section 200E of the Corporations Act.

Each of Fiona Yue, Boxiang (Peter) Zhao and Steven Woolley hold 'managerial or executive offices' by virtue of being Directors. Tim Kang holds a 'managerial or executive office' by virtue of being the Company's Operations General Manager.

Under the terms and conditions of the Plan, under which the Related Party Performance Rights, the subject of Resolution 8 - Resolution 11 (inclusive), are proposed to be issued, circumstances in which the early vesting of the Related Party Performance Rights are permitted at the Board's discretion include (but are not limited to), amongst other things, termination or discontinuance of a participant's employment, engagement or office with the Company due to death, permanent incapacity, mental incapacity, redundancy, resignation, retirement or any other reason the Board decides, or in other circumstances where the Board exercises its discretion to allow early vesting, as well as change of control events.

The termination 'benefit' under section 200B of the Corporations Act has a wide operation and relevantly includes, in the context of Resolution 8 - Resolution 11 (inclusive), the early vesting of Related Party Performance Rights, upon the exercise of the Board's discretion or the Board determining to provide that the Related Party Performance Rights do not lapse but will continue and vest in the ordinary course.

Resolution 8 - Resolution 11 (inclusive) therefore also seek approval of any termination benefit that may be provided to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley under the terms and conditions of the Related Party Performance Rights proposed to be issued under Resolution 8 - Resolution 11 (inclusive).

#### 9.5 **Specific information required by section 200E of the Corporations Act**

The value of the potential termination benefits cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Share price at the time of vesting and the number of Related Party Performance Rights that will vest or otherwise be affected. The following additional factors may also affect the benefit's value:

- (a) the length of service of each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley at the time they cease employment or office; and
- (b) the number of unvested Related Party Performance Rights that each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees) holds at the time they cease employment or office.

At the relevant time, the Company believes that the termination benefits can be appropriately valued using the Share price on the valuation date, being 21 October 2025, for the Tranche 1 Related Party Performance Rights and Tranche 2 Related Party Performance Rights, and using a combination of Hoadley's Barrier1 Model and Hoadley's Parisian Model for the Tranche 3 Related Party Performance Rights and Tranche 4 Related Party Performance Rights.

#### 9.6 **Chapter 2E of the Corporations Act**

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees), the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Related Party Performance Rights constitutes giving a financial benefit and each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley are related parties of the Company.

It is the view of the Board that the exceptions set out in sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, the Company is seeking approval for the purposes of Chapter 2E of the Corporations Act in respect of the Related Party Performance Rights proposed to be issued to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley pursuant to Resolution 8 - Resolution 11 (inclusive).

## 9.7 **Specific information required by Chapter 2E of the Corporations Act**

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Related Party Performance Rights:

### (a) **Identity of the related parties to whom Resolution 8 - Resolution 11 (inclusive) permit financial benefits to be given**

The Related Party Performance Rights will be issued to:

- (ii) Executive Director and Managing Director - Fiona Yue or her nominees;
- (iii) Operations General Manager - Tim Kang or his nominees;
- (iv) Non-Executive Director - Boxiang (Peter) Zhao or his nominees; and
- (v) Non-Executive Director - Steven Woolley or his nominees,

for nil cash consideration, as set out in Section 9.3(i).

### (b) **Nature of the financial benefit**

Resolution 8 - Resolution 11 (inclusive) seek approval from Shareholders to allow the Company to issue the Related Party Performance Rights in the amounts specified in Section 9.1 above to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees). The Related Party Performance Rights are to be issued in accordance with the Plan. The terms and conditions of the Related Party Performance Rights can be found in Schedule 3.

The Shares to be issued upon the vesting of the Related Party Performance Rights will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares.

The grant of the Related Party Performance Rights encourages each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. Under the Company's current circumstances, the Company considers that the incentives intended for each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley represented by the grant of these Related Party Performance Rights are a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

The number of Related Party Performance Rights to be granted to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley (or their respective nominees) has been determined based upon a consideration of:

- (i) the remuneration of each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley;
- (ii) the experience and reputation of each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley within the wool apparel industry;

- (iii) the Company's wish to ensure that the remuneration offered is competitive with market standards or/and practice. The Company has considered the proposed number of Related Party Performance Rights to be granted and will ensure that overall remuneration of each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley is in line with market practice; and
- (iv) incentives to attract and ensure continuity of service of directors and senior managers who have appropriate knowledge and expertise, while maintaining the Company's cash reserves. The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Related Party Performance Rights upon the terms proposed.

(c) **Valuation of financial benefit**

A valuation of the Related Party Performance Rights to be issued to each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley is set out in Schedule 4.

(d) **Remuneration of each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley**

The remuneration packages of each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley is set out above in Section 9.3(d).

(e) **Existing relevant interests**

At the date of this Notice, each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley hold the following relevant interests in Securities of the Company:

Related Party	Shares	Options	Performance Rights
Fiona Yue	10,200,000	Nil	Nil
Tim Kang	9,800,000	Nil	Nil
Boxiang (Peter) Zhao	Nil	Nil	Nil
Steven Woolley	Nil	Nil	Nil

Notes:

1. Fiona Yue is the legal holder of 10,200,000 shares. Tim Kang is the legal holder of 9,800,000 shares. Fiona Yue is the spouse of Tim Kang and is also an associate of Tim Kang.
2. The figures set out above do not include any Shares proposed to be issued under Resolution 3 to Resolution 5 (inclusive) or Performance Rights under Resolution 8 to Resolution 10 (inclusive).

Assuming that Resolution 3 - Resolution 5 (inclusive) and Resolution 8 - Resolution 11 (inclusive) are approved by Shareholders, all of the Related Party Performance Rights are issued and vest into Shares, and no other Securities are issued or exercised, the respective interests in the Company of each of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley would be as follows:

- (iv) Fiona Yue's interest would represent approximately 30.37% of the Company's expanded capital (assuming the Company has 79,026,570 Shares on issue);
- (v) Tim Kang's interest would represent approximately 30.37% of the Company's expanded capital (assuming the Company has 79,026,570 Shares on issue);
- (vi) Boxiang (Peter) Zhao's interest would represent approximately 0.32% of the Company's expanded capital (assuming the Company has 79,026,570 Shares on issue); and
- (vii) Steven Woolley's interest would represent approximately 0.51% of the Company's expanded capital (assuming the Company has 79,026,570 Shares on issue).

(f) **Dilution**

The issue of the Related Party Performance Rights will have a diluting effect on the percentage interest of existing Shareholders' holdings if the Related Party Performance Rights vest.

The potential dilutionary effect of the issue of the Related Party Performance Rights is summarised below:

	Number of MNC Securities on issue	% of undiluted issued capital on issue	% of fully diluted issued capital on issue
Shares	73,776,570	100%	94.13%
Options	300,000	0.00%	0.38%
Performance Rights	4,300,000	0.00%	5.49%

Notes:

1. This table assumes that 73,776,570 Shares are currently on issue and that the fully diluted issued capital on issue is 78,376,570 Shares (which includes the conversion of all Options on issue and the conversion of the Performance Rights the subject of Resolution 8 - Resolution 11 into Shares).

(g) **Taxation consequences**

There are no taxation consequences for the Company arising from the issue of the Related Party Performance Rights (including fringe benefits tax).

(h) **Other information**

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 8 - Resolution 11 (inclusive).

**9.8 Board recommendation**

Resolution 8 - Resolution 11 are each ordinary resolutions.

The Directors decline to make a recommendation to Shareholders in relation to Resolution 8 - Resolution 11 (inclusive) due to their material personal interests in the outcome of the Resolutions.

None of Fiona Yue, Tim Kang, Boxiang (Peter) Zhao and Steven Woolley have voted on any resolutions of the Board in respect of the issue of any Securities the subject of Resolution 8 - Resolution 11 (inclusive).

## Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

<b>\$</b>	means Australian Dollars.
<b>10% Placement Facility</b>	has the meaning given to it in Section 7.1.
<b>10% Placement Period</b>	has the meaning given to it in Section 7.2(f).
<b>Annual General Meeting or Meeting</b>	means the meeting convened by the Notice.
<b>Annual Report</b>	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2025.
<b>ASX</b>	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
<b>ASX Limit</b>	has the meaning given to it in Schedule 2.
<b>Auditor</b>	means the Company's auditor from time to time.
<b>Auditor's Report</b>	means the report of the Auditor contained in the Annual Report.
<b>AWST</b>	means Western Standard Time, being the time in Perth, Western Australia.
<b>Board</b>	means the board of Directors.
<b>Business Day</b>	a day on which banks are open for business in Perth, Western Australia, other than a Saturday, Sunday or public holiday in Perth, Western Australia.
<b>Chair</b>	means the person appointed to chair the Meeting of the Company convened by the Notice.
<b>Closely Related Party</b>	means: (a) a spouse or child of the member; or (b) has the meaning given in section 9 of the Corporations Act.
<b>Company</b>	means Merino & Co. Limited ACN 162 863 121.
<b>Convertible Securities</b>	has the meaning given to it in Schedule 2.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth), as amended.
<b>Director</b>	means a director of the Company.
<b>Directors' Report</b>	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

<b>Division 1A of Part 7.12</b>	has the meaning given to it in Schedule 2.
<b>Eligible Participant</b>	has the meaning given to it in Schedule 2.
<b>Equity Security</b>	has the same meaning as in the Listing Rules.
<b>Expiry Date</b>	has the meaning given to it in Schedule 3.
<b>Explanatory Memorandum</b>	means the explanatory memorandum which forms part of the Notice.
<b>Financial Report</b>	means the annual financial report in respect of the year ended 30 June 2025 prepared under Chapter 2M of the Corporations Act and contained in the Annual Report.
<b>Group</b>	means the Company and its subsidiaries.
<b>Holder</b>	has the meaning given to it in Schedule 3.
<b>Key Management Personnel</b>	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Market Value</b>	has the meaning given to it in Schedule 2.
<b>Milestone</b>	has the meaning given to it in Schedule 3.
<b>Minimum Issue Price</b>	has the meaning given to it in Section 7.2(e).
<b>Notice</b>	means this notice of Annual General Meeting.
<b>Option</b>	means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.
<b>Participant</b>	has the meaning given to it in Schedule 2.
<b>Performance Right</b>	means a right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.
<b>Plan</b>	means the Merino & Co. Limited Employee Securities Incentive Plan.
<b>Plan Shares</b>	has the meaning given to it in Schedule 2.
<b>Proportional Bid</b>	has the meaning given to it in Section 8.3(a)(i).
<b>Proxy Form</b>	means the proxy form attached to the Notice.

<b>Related Party Performance Rights</b>	has the meaning given to it in Section 9.1.
<b>Relevant Period</b>	means the 12-month period immediately preceding the date of the issue or agreement.
<b>Remuneration Report</b>	means the remuneration report of the Company contained in the Directors' Report.
<b>Resolution</b>	means a resolution referred to in the Notice.
<b>Section</b>	means a section of the Explanatory Memorandum.
<b>Securities</b>	means any Equity Securities of the Company (including Shares, Options and Performance Rights).
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means the holder of a Share.
<b>Strike</b>	has the meaning given to it in Section 4.1.
<b>Trading Day</b>	means a day determined by ASX to be a trading day and notified to market participants being: <ul style="list-style-type: none"> <li>(a) a day other than: <ul style="list-style-type: none"> <li>(i) a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day; and</li> <li>(ii) any other day which ASX declares and publishes is not a trading day; and</li> </ul> </li> <li>(b) notwithstanding (a), a day which for the purposes of settlement, ASX declares is a trading day notwithstanding that dealings between market participants are suspended on that day.</li> </ul>
<b>Tranche 1 Related Party Performance Rights</b>	has the meaning given to it in Section 9.1.
<b>Tranche 2 Related Party Performance Rights</b>	has the meaning given to it in Section 9.1.
<b>Tranche 3 Related Party Performance Rights</b>	has the meaning given to it in Section 9.1.
<b>Tranche 4 Related Party Performance Rights</b>	has the meaning given to it in Section 9.1.
<b>Variable A</b>	has the meaning given to it in Section 7.3(d).
<b>VWAP</b>	means the volume weighted average price of Shares traded on ASX.

## Schedule 2 Summary of terms of Plan

- (a) **(Eligible Participant):** Eligible Participant means a person that:
- (i) is an "ESS participant", as that term is defined in s 1100L of the Corporations Act in relation to the Company or an associated entity of the Company, where that associated entity is a body corporate (and where associated entity has the meaning given by section 50AAA of the Corporations Act); and
  - (ii) has been determined by the Board to be eligible to participate in the Plan from time to time.
- (b) **(Maximum allocation)**
- (i) The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where the total number of Plan Shares (as defined in paragraph (m) below) that may be issued, or acquired upon exercise of securities exercisable for Plan Shares (**Convertible Securities**) offered, when aggregated with the number of Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period would exceed 5% of the total number of Shares on issue at the date of the offer, or such other limit as may be specified by the relevant requirements of the Constitution from time to time.
  - (ii) The maximum number of equity securities proposed to be issued under the Plan for the purposes of Listing Rule 7.2, Exception 13 is 7,800,000 equity securities (**ASX Limit**). This means that, subject to the following paragraph, the Company may issue up to the ASX Limit under the Plan, without seeking Shareholder approval and without reducing its placement capacity under Listing Rule 7.1.
  - (iii) The Company will require prior Shareholder approval for the issue of Securities under the Plan to Directors, their associates, and any person whose relationship with the Company or a Director or a Director's associate is such that, in ASX's opinion, the acquisition should be approved by Shareholders. The issue of Securities with Shareholder approval will not count towards the ASX Limit.
- (c) **(Purpose):** The purpose of the Plan is to:
- (i) assist in the reward, retention and motivation of Eligible Participants;
  - (ii) link the reward of Eligible Participants to Shareholder value creation; and
  - (iii) align the interests of Eligible Participants with shareholders of the Group, by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
- (d) **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.

- (e) **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An invitation issued under the Plan will comply with the disclosure obligations pursuant to Division 1A of Part 7.12 of the Corporations Act (**Division 1A of Part 7.12**).

On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A of Part 7.12.

- (f) **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (**Participant**) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
- (g) **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

- (h) **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
- (i) **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

At the time of exercise of the Convertible Securities, and subject to Board approval, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the

Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

**Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

- (j) **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
- (k) **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group (as defined above), the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
  - (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (l) **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
  - (m) **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

- (n) **(Disposal restrictions on Securities):** If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share or Convertible Security is subject to any disposal restrictions under the Plan, the Participant will not:

- (i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
  - (ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
- (o) **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

- (p) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
- (q) **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

- (r) **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for

any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

## Schedule 3      **Terms and conditions of Related Party Performance Rights**

### (a)      **General**

- (i)      **(Share Capital)** Each Performance Right is a right to acquire a share in the capital of the Company.
- (ii)      **(General meetings)** Each Performance Right confers on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to the Company's shareholders. A Holder has the right to attend general meetings of the Company.
- (iii)      **(No voting rights)** A Performance Right does not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.
- (iv)      **(No dividend rights)** A Performance Right does not entitle the Holder to any dividends.
- (v)      **(No rights to return of capital)** A Performance Right does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (vi)      **(No rights on winding up)** A Performance Right does not confer a right to participate in the surplus profits or assets of the Company upon a winding up of the Company.
- (vii)      **(Transfer of Performance Rights)** A Performance Right is not transferable.
- (viii)      **(Reorganisation of Capital)** In the event that the issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the economic and other rights of the Holder are not diminished.
- (ix)      **(Quotation)** The Performance Rights will not be quoted on ASX.
- (x)      **(No participation in entitlements and bonus issues)** Subject always to the rights under (a)(viii), Holders will not be entitled to participate in new issues of capital offered to Shareholders such as bonus issues and entitlement issues.
- (xi)      **(Amendments required by ASX)** The terms of the Performance Rights may be amended as considered necessary by the board of directors of the Company in order to comply with the Listing Rules or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.

- (xii) **(No other rights)** A Performance Right does not give a Holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

(b) **Definitions**

In this Section, these capitalised terms have the following meanings:

**Related Body Corporate** has the meaning given to that term in the Corporations Act.

(c) **Milestones**

The Performance Rights will convert into Shares in four (4) tranches upon the satisfaction of each of the milestones set out below (**Milestone**), before the Expiry Date and otherwise in accordance with their terms.

(i) **Milestone 1**

The Company achieving audited revenue (excluding extraordinary revenue items) of at least \$10,000,000 in any financial year after the date of issue;

(ii) **Milestone 2**

The Company achieving audited revenue (excluding extraordinary revenue items) of at least \$15,000,000 in any financial year after the date of issue;

(iii) **Milestone 3**

The Company achieving a market capitalisation of at least \$25,000,000, calculated using the VWAP of Shares over a continuous period of 20 Trading Days on which the Shares have been traded; and

(iv) **Milestone 4**

The Company achieving a market capitalisation of at least \$35,000,000, calculated using the VWAP of Shares over a continuous period of 20 Trading Days on which the Shares have been traded.

(d) **Change in control**

Performance Rights will automatically convert into Shares upon the happening of either of the following events:

- (i) **Takeover bid:** the occurrence of the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that takeover bid has become unconditional; or
- (ii) **Scheme of arrangement:** the announcement by the Company that Shareholders have at a Court-convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return of the issued capital of the Company) under which all Company securities are to be either cancelled or

transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement,

provided that the offeror under the takeover bid, or the third party under the scheme of arrangement (as applicable), or the acquirer under such disposal, does not control the Company at the time of issue of the Performance Rights.

(e) **Expiry Date**

- (i) The Expiry Date for each of the Performance Rights is 5.00pm (Western Australian Standard Time) on the date, which is 5 years after the date of their issue (**Expiry Date**).
- (ii) To the extent that any Performance Rights have not converted into Shares by the applicable Expiry Date, such Performance Rights for each Holder will automatically lapse and be deemed to have been cancelled without payment or other compensation to the Holder.

(f) **Conversion of Performance Rights**

- (i) Any conversion of Performance Rights into Shares is on a one for one basis (subject to (a)(viii), if applicable).
- (ii) The Company must issue the relevant number of Shares to the Holder immediately upon conversion of any Performance Rights.
- (iii) A Performance Right, which converts immediately, ceases to exist.

(g) **Takeover provisions**

- (i) If the conversion of Performance Rights (or part thereof) under (c) would result in any person being in contravention of section 606(1) of the Corporations Act, then the conversion of each Performance Right that would cause the contravention shall be deferred until such time or times thereafter that the conversion would not result in a contravention of section 606(1) of the Corporations Act.
- (ii) Where (g)(i) applies, if requested to do so by the affected Holder, the Company must seek to obtain the approval of its shareholders under section 611, item 7 of the Corporations Act for the conversion of the affected Performance Rights at the Company's next annual general meeting.
- (iii) A Holder must promptly notify the Company in writing if they consider that the conversion of Performance Rights (or part thereof) under (c) may result in the contravention of section 606(1) of the Corporations Act, failing which the Company is entitled to assume that such conversion will not result in any person being in contravention of section 606(1) of the Corporations Act (unless it is on notice to the contrary through a substantial holder notice which has been lodged in relation to the Company).
- (iv) The Company may (but is not obliged to) by written notice request that a Holder confirm to the Company in writing within 7 days if they consider that the conversion of Performance Rights under (c) may result in the contravention of section 606(1) of the Corporations Act. If the Holder does not confirm to the

Company within 7 days that they consider such conversion may result in the contravention of section 606(1) of the Corporations Act, then the Company is entitled to assume that such conversion will not result in any person being in contravention of section 606(1) of the Corporations Act (unless it is on notice to the contrary through a substantial holder notice which has been lodged in relation to the Company).

(h) **Quotation**

If the Company is listed on the ASX at the time, upon conversion of the Performance Rights into Shares in accordance with these terms, the Company must within 7 days after the conversion, apply for and use its best endeavours to obtain the official quotation on ASX of the Shares arising from the conversion.

(i) **Conversion procedure**

- (i) The Company will procure that the Holder is issued with a new holding statement for the Shares as soon as practicable following the conversion of the Performance Rights into Shares.
- (ii) The Company must use its best endeavours to release to ASX a notice under sections 708A(5) and (6) of the Corporations Act in relation to the Shares within 5 Business Days of conversion of the Performance Rights into Shares.

(j) **Ranking of Shares**

Subject to any applicable laws and the Listing Rules, the Shares into which the Performance Rights will convert will be freely tradable and will rank pari passu in all respects with the Shares on issue at the date of conversion.

# Schedule 4 Valuation of Related Party Performance Rights

(a) **Valuation of Performance Rights (with non-market vesting conditions)**

To arrive at the value of the Tranche 1 Related Party Performance Rights and Tranche 2 Related Party Performance Rights with non-market vesting conditions, the valuer used the Share price on the valuation date as the 'per security' value of Tranche 1 Related Party Performance Rights and Tranche 2 Related Party Performance Rights. The valuer has calculated the total value based on the total number of securities to be issued. To arrive at the expected value of these securities, the Company should adjust the total value based on the number of Performance Rights expected to vest.

The 'per security' value of the Tranche 1 Related Party Performance Rights and Tranche 2 Related Party Performance Rights is \$0.1600 (being the Share price of the Company on the valuation date). The total value of the Tranche 1 Related Party Performance Rights and Tranche 2 Related Party Performance Rights, calculated based on the total number of securities issued, is as follows.

Tranche	Number of Securities	Value per Security	Total value
Tranche 1 Related Party Performance Rights	1,075,000	\$0.16	\$172,000
Tranche 2 Related Party Performance Rights	1,075,000	\$0.16	\$172,000
<b>TOTAL</b>	<b>2,150,000</b>	-	<b>\$344,000</b>

(b) **Valuation of Performance Rights (with market vesting conditions)**

The valuer performed the valuation of the Tranche 3 Related Party Performance Rights and Tranche 4 Related Party Performance Rights using a combination of Hoadley's Barrier1 Model and Hoadley's Parisian Model (the combination of the two models to be referred to as the 'Parisian Barrier1 Model').

Hoadley's Parisian Model was first used to generate an implied barrier price that factors in the number of consecutive calendar days for which the underlying asset price must remain above or below the barrier. The implied barrier price (usually higher than the price target for 'up' barrier options) is then input into Hoadley's Barrier1 Model and Hoadley's ESO Model to calculate the value of the Performance Rights.

The key inputs for the Parisian Barrier1 Model for the Related Party Performance Rights are as follows:

- (i) spot price: \$0.16 (or 16 cents) as at valuation date of 21 October 2025;
- (ii) exercise price: nil (as provided in the terms of the Related Party Performance Rights);
- (iii) Share price targets: as provided in the terms of the Related Party Performance Rights:
  - (A) Tranche 3 Related Party Performance Rights: \$0.3389 (calculated based on the Company achieving a market capitalisation of at least \$25,000,000, calculated using the VWAP of Shares over a continuous period of 20 Trading Days on which the Shares have been traded); and
  - (B) Tranche 4 Related Party Performance Rights: \$0.4744 (calculated based on the Company achieving a market capitalisation of at least \$35,000,000, calculated using the VWAP of Shares over a continuous period of 20 Trading Days on which the Shares have been traded);
- (iv) implied barrier price: calculated from Hoadley's Parisian Model based on the share price target of the Related Party Performance Rights and the equivalent of 28 calendar days based on the '20 consecutive Trading Day or 20-day VWAP' requirement:
  - (A) Tranche 3 Related Party Performance Rights: approximately \$0.4717; and
  - (B) Tranche 4 Related Party Performance Rights: approximately \$0.6604;
- (v) days to vesting/expiry: 1826 days (from valuation date to the vesting and expiry dates which are five years from the issue date);
- (vi) volatility: approximately 96% (given that the Shares of the Company were admitted to the official list of ASX on 28 October 2024 and the Shares did not have sufficient trading history for the purpose of the valuer's analysis, the valuer also considered various period volatilities of comparable companies listed on the ASX, and concluded that a volatility estimate of 96% would not be an unreasonable proxy for the Company's forecast volatility);
- (vii) interest rate: 3.48% per annum (continuously compounded rate based on the five-year discrete Australian Government bond yield on 21 October 2025); and
- (viii) dividend yield: nil.

The per security and total values of Tranche 3 Related Party Performance Rights and Tranche 4 Related Party Performance Rights are as follows:

<b>Tranche</b>	<b>Number of Securities</b>	<b>Value per Security</b>	<b>Total value</b>
Tranche 3 Related Party Performance Rights	1,075,000	\$0.1437	\$154,478
Tranche 4 Related Party Performance Rights	1,075,000	\$0.1359	\$146,093
<b>TOTAL</b>	<b>2,150,000</b>	<b>-</b>	<b>\$300,571</b>

(c) **Conclusion**

A summary of the total value of the Related Party Performance Rights is as follows:

<b>Tranche</b>	<b>Number of Securities</b>	<b>Value per Security</b>	<b>Total value</b>
Tranche 1 Related Party Performance Rights	1,075,000	\$0.16	\$172,000
Tranche 2 Related Party Performance Rights	1,075,000	\$0.16	\$172,000
Tranche 3 Related Party Performance Rights	1,075,000	\$0.1437	\$154,478
Tranche 4 Related Party Performance Rights	1,075,000	\$0.1359	\$146,093
<b>TOTAL</b>	<b>4,300,000</b>	<b>-</b>	<b>\$644,571</b>

A summary of the total value of the Related Party Performance Rights by recipient is as follows:

Related Party	Tranche	Number of Securities	Value per Security	Total value
Fiona Yue	Tranche 1 Related Party Performance Rights	500,000	\$0.16	\$80,000
	Tranche 2 Related Party Performance Rights	500,000	\$0.16	\$80,000
	Tranche 3 Related Party Performance Rights	500,000	\$0.1437	\$71,850
	Tranche 4 Related Party Performance Rights	500,000	\$0.1359	\$67,950
	<b>TOTAL</b>	<b>2,000,000</b>	<b>-</b>	<b>\$299,800</b>
Tim Kang	Tranche 1 Related Party Performance Rights	500,000	\$0.16	\$80,000
	Tranche 2 Related Party Performance Rights	500,000	\$0.16	\$80,000
	Tranche 3 Related Party Performance Rights	500,000	\$0.1437	\$71,850
	Tranche 4 Related Party Performance Rights	500,000	\$0.1359	\$67,950
	<b>TOTAL</b>	<b>2,000,000</b>	<b>-</b>	<b>\$299,800</b>
Boxiang (Peter) Zhao	Tranche 1 Related Party Performance Rights	25,000	\$0.16	\$4,000
	Tranche 2 Related Party Performance Rights	25,000	\$0.16	\$4,000
	Tranche 3 Related Party Performance Rights	25,000	\$0.1437	\$3,593
	Tranche 4 Related Party Performance Rights	25,000	\$0.1359	\$3,398
	<b>TOTAL</b>	<b>100,000</b>	<b>-</b>	<b>\$14,991</b>
Steven Woolley	Tranche 1 Related Party Performance Rights	50,000		\$8,000
	Tranche 2 Related Party Performance Rights	50,000		\$8,000
	Tranche 3 Related Party Performance Rights	50,000		\$7,185
	Tranche 4 Related Party Performance Rights	50,000		\$6,795
	<b>TOTAL</b>	<b>200,000</b>	<b>-</b>	<b>\$29,980</b>

Your proxy voting instruction must be received by **10:00am (AWST) on Wednesday, 26 November 2025**, 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 Key Management Personnel.

### 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://automicgroup.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:

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