
HERAMED LIMITED
ACN 626 295 314
NOTICE OF GENERAL MEETING

TIME: 10:30am (AEST)
DATE: Tuesday, 19 September 2023
PLACE: Automic Group, Level 5, 126 Phillip St, Sydney NSW 2000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary by email on jonathan@hera-med.com.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is hereby given that the meeting of the Company (**Meeting**) will be held at 10:30am (AEST) on Tuesday, 19 September 2023 at Automic Group, Level 5, 126 Phillip St, Sydney NSW 2000.

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

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 10:30am (AEST) on 17 September 2023.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

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

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- 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 (ie as directed); and
- 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 (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

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

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - 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.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of:

- (a) 12,969,985 Placement Shares issued pursuant to Listing Rule 7.1; and
- (b) 23,887,158 Placement Shares pursuant to Listing Rule 7.1A,

on 20 July 2023 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

A voting exclusion statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT OPTIONS

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 18,428,572 Options issued on 20 July 2023 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

A voting exclusion statement applies to this Resolution. Please see below.

3. RESOLUTION 3 – APPROVAL TO ISSUE BROKER OPTIONS

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 12,000,000 Broker Options to Clarity Capital Advisors Pty Ltd (or its nominee(s)) on the terms and conditions set in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

4. RESOLUTION 4 – ISSUE OF DIRECTOR OPTIONS TO RELATED PARTY – DR RONALD WEINBERGER

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the

Company to issue 7,500,000 Director Options to Dr Ronald Weinberger (or his nominee) on the terms and conditions set out in the Explanatory Statement.

A voting exclusion and prohibition statement applies to this Resolution. Please see below.

5. RESOLUTION 5 – AMENDMENT TO TERMS AND CONDITIONS OF HMDAL OPTIONS

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

"That, for the purpose of Listing Rule 6.23.4 and for all other purposes, approval is given for the Company to amend the terms of the HMDAL Options on the terms and conditions set out in the Explanatory Statement."

Dated: 11 August 2023

By order of the Board

Ron Weinberger
Executive Chairman

Voting Prohibition Statement

Resolution 4 – Issue of Director Options to Related Party – Dr Ronald Weinberger	A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if: (a) the proxy is either: (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. However, the above prohibition does not apply if: (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
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Voting Exclusion Statements

In Accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the of the following persons:

Resolution 1 – Ratification of Prior Issue of Placement Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely those recipients who participated in the Placement in respect of this Resolution) or an associate of that person or those persons.
Resolution 2 – Ratification of Prior Issue of Placement Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely sophisticated and professional clients of Clarity Capital Advisors Pty Ltd) or an associate of that person or those persons.
Resolution 3 – Approval to issue Broker Options	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder ordinary securities in the Company) (namely Clarity Capital Advisors Pty Ltd) or an associate of that person or those persons.
Resolution 4 – Issue of Director Options to Related Part – Dr Ronald Weinberger	Dr Ronald Weinberger (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the Options (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

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

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTIONS 1(A), 1(B) AND 2 - RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES AND PLACEMENT OPTIONS

1.1 General

On 12 July 2023, the Company announced that it had received binding commitments for a placement to raise approximately \$2,580,000 (before costs) (**Placement**) through the issue of 36,857,143 Shares at \$0.07 each (**Placement Shares**), together with one free attaching unlisted Option for every 2 Placement Shares subscribed under the Placement (**Placement Options**) to sophisticated and professional investors of Clarity Capital Advisors Pty Ltd (**Placement Participants**).

On 20 July 2023, the Company issued 36,857,143 Placement Shares (and 18,428,572 Placement Options) to the Placement Participants whereby:

- (a) 12,969,985 Placement Shares and 18,428,572 Placement Options were issued using the Company's placement capacity under Listing Rule 7.1; and
- (b) 23,887,158 Placement Shares were issued using the Company's additional placement capacity under Listing Rule 7.1A.

Resolution 1(a) and (b) each separately seek the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Placement Shares.

The Placement Options have been issued and Resolution 2 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Placement Options.

In connection with the Placement, the Company appointed Clarity Capital Advisors Pty Ltd (**Clarity Capital**) to act as the lead manager of the Placement. The material terms for Clarity Capital acting as lead manager (**Lead Manager Mandate**) are that the Company will pay:

- (a) a 2% management fee on the gross proceeds raised under the Placement payable in cash (plus GST);
- (b) a 4% placement fee on the capital introduced in the Placement, payable in cash (plus GST); and
- (c) subject to Shareholder approval (pursuant to Resolution 3), issue 12,000,000 Options to the Lead Manager on the same terms as the Placement Options (**Broker Options**).

Resolutions 1(a) and (b) and 2 are ordinary resolutions and the Board recommends that Shareholders vote in favour of Resolution 1 and 2.

1.2 Listing Rules 7.1, 7.1A, 7.2 and 7.4

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1 and 7.1A. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 and 7.1A (and provided that the previous issue did not breach Listing Rule 7.1 and 7.1A), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1 and 7.1A.

Under Listing Rule 7.1A an eligible entity can seek shareholder approval at its annual general meeting to allow it to issue Equity Securities comprising up to 10% of its issued capital. The Company obtained this approval at its annual general meeting held on 30 May 2023.

Listing Rule 7.2 sets out various types of equity issues that are excluded from the operation of Listing Rule 7.1 and 7.1A.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1 and 7.1A.

Accordingly,

- (a) Resolutions 1(a) and (b) each separately seeks Shareholder approval for the prior issue of the Placement Shares under and for the purposes of Listing Rule 7.4; and
- (b) Resolution 2 seeks Shareholder approval for the prior issue of the Placement Options under and for the purposes of Listing Rule 7.4.

If Resolution 1(a) is passed, 12,969,985 Placement Shares will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the date of issue of the Placement Shares (being 20 July 2023).

If Resolution 1(a) is not passed, 12,969,985 Placement Shares will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Securities it can issue without Shareholder approval over the 12-month period following the date of issue of the Placement Shares (being 20 July 2023).

If Resolution 1(b) is passed, 23,887,158 Placement Shares will be excluded in calculating the Company's 10% limit under Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the date of issue of the Placement Shares (being 20 July 2023).

If Resolution 1(b) is not passed, 23,887,158 Placement Shares will be included in calculating the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of Securities it can issue without Shareholder approval over the 12-month period following the date of issue of the Placement Shares (being 20 July 2023).

If Resolution 2 is passed, 18,428,572 Placement Options will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the date of issue of the Placement Options (being 20 July 2023).

If Resolution 2 is not passed, 18,428,572 Placement Options will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Securities it can issue without Shareholder approval over the 12-month period following the date of issue of the Placement Options (being 20 July 2023).

1.3 Specific information required by Listing Rule 7.5 for Placement Shares

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the prior issue of the Placement Shares:

- (a) a total of 36,857,143 Placement Shares were issued on 20 July 2023, whereby
 - (i) 12,969,985 Placement Shares were issued within the 15% annual limit permitted under Listing Rule 7.1; and
 - (ii) 23,887,158 Placement Shares were issued within the 10% limit permitted under Listing Rule 7.1A,without the need for Shareholder approval;
- (b) the Placement Shares were issued at \$0.07 per Share;
- (c) the Placement Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Placement Shares were issued to the Placement Participants, being investors selected by the Company in consultation with the Company's lead manager, Clarity Capital. No Placement Participants are considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.2. More specifically the Company confirms that none of the recipients will be:

- (i) related parties of the Company, members of the Company's key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) Issued more than 1% of the issued capital of the Company;
- (e) the proceeds from the issue of the Placement Shares will be used to fund the execution of the HeraCARE commercialisation strategy in key markets of US and Australia, inventory build, continued refinement of the HeraCARE platform as well as integration work into new customers and costs of the offer; and
- (f) a voting exclusion statement is included in the Notice.

1.4 Specific information required by Listing Rule 7.5 for Placement Options

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the prior issue of the Placement Options:

- (a) a total of 18,428,572 Placement Options were issued on 20 July 2023 within the 15% annual limit permitted under Listing Rule 7.1 without the need for Shareholder approval;
- (b) the Placement Shares were free-attaching to the Placement Shares, issued on a one for 2 basis, and therefore have an issue price of nil;
- (c) the Placement Options went to the Placement Participants being investors selected by the Company in consultation with the Company's lead manager, Clarity Capital. No Placement Participants are considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.2. More specifically the Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) Issued more than 1% of the issued capital of the Company;
- (d) the Placement Options have an exercise price of \$0.12 each, an expiry date of 20 July 2026 and will otherwise be issued on the terms and conditions set out in Schedule 1;
- (e) no funds were raised from the issue of the Placement Options as they were free attaching to the Placement Shares on a one for two basis. If the Placement Options are exercised, the proceeds from the exercise of the Placement Options will be used towards general working capital expenses; and
- (f) a voting exclusion statement is included in the Notice.

2. RESOLUTION 3 – APPROVAL TO ISSUE BROKER OPTIONS

2.1 General

The Company has entered into an agreement to issue 12,000,000 Broker Options to Clarity Capital in part consideration for acting as lead manager to the Placement (**Broker Options**).

As summarised in Section 1.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue on the start of that period.

The proposed issue of the Broker Options does not fit within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

2.2 Technical Information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Broker Options. In addition, the issue of the Broker Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Broker Options. Should the issue not proceed, the Company will have to renegotiate the terms of the Lead Manager Mandate.

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Broker Options.

2.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the Broker Options will be issued to Clarity Capital (and or its nominees(s));
- (b) the maximum number of Broker Options to be issued is 12,000,000. The terms and conditions of the Broker Options are set out in Schedule 1. For the avoidance of doubt, the Broker Options will be on the same terms as the Placement Options;
- (c) the Broker Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Broker Options will occur on the same date;
- (d) the Broker Options will be issued at a nil price in part consideration for acting as lead manager to the Placement under the Lead Manager Mandate;
- (e) the purpose of the issue of the Broker Options is to satisfy the Company's obligations under the Lead Manager Mandate;
- (f) the Broker Options are being issued to Clarity Capital or its nominee(s) under the Lead Manager Mandate. A summary of the Lead Manager Mandate is set out in Section 1.1; and
- (g) the Broker Options are not being issued under, or to fund, a reverse takeover.

3. RESOLUTION 4 – ISSUE OF DIRECTOR OPTIONS TO RELATED PARTY – DR RONALD WEINBERGER

3.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 7,500,000 Options to Dr Ronald Weinberger (or his nominee), on the terms and conditions set out below (**Director Options**).

Resolution 4 seeks Shareholder approval for the issue of the Director Options to Dr Ronald Weinberger (or his nominee).

Under Dr Ronald Weinberger's terms of engagement as Executive Chairman he will receive remuneration of \$250,000 plus superannuation. He is also entitled to a once off cash payment of \$50,000 if the Company raises over \$2,500,000 before the end of July 2023, which the Company has completed. Further Dr Ronald Weinberger (or his nominee) will, subject to Shareholder approval (being sought by this Resolution 4), be issued the 7,500,000 Director Options on the terms set out in the table below:

	No. of Incentive Options	Exercise Price	Vesting Condition	Performance Period or Expiry Period	Vesting Date
Tranche 1 Incentive Options	1,500,000 Director Options	50% premium to the closing share price of the day prior to the Commencement Date.	A minimum AUD\$5m raise is completed post the next capital raise the Company completes.	On or before 31 December 2025	The earliest date when the Vesting Condition is achieved prior to the expiration of the Expiry Period.
Tranche 2 Incentive Options	1,500,000 Director Options	50% premium to the closing share price of the day prior to the	Company first achieves a VWAP of at least A\$0.20 during a period of	On or before 31 December 2025	The earliest date when the Vesting Condition is achieved prior to

		Commencement Date.	30 consecutive trading days VWAP during the Performance Period.		the expiration of the Expiry Period.
Tranche 3 Incentive Options	1,500,000 Director Options	50% premium to the closing share price of the day prior to the Commencement Date.	Company first achieves a VWAP of at least A\$0.35 during a period of 30 consecutive trading days during the Performance Period	On or before 31 December 2025	The earliest date when the Vesting Condition is achieved prior to the expiration of the Expiry Period.
Tranche 4 Incentive Options	1,500,000 Director Options	50% premium to the closing share price of the day prior to the Commencement Date.	5,000 active users at one time of the HeraMED's HeraCARE platform.	On or before 31 December 2025	The earliest date when the Vesting Condition is achieved prior to the expiration of the Expiry Period.
Tranche 5 Incentive Options	1,500,000 Director Options	50% premium to the closing share price of the day prior to the Commencement Date.	20,000 active users at one time of the HeraMED's HeraCARE platform.	On or before 31 December 2025	The earliest date when the Vesting Condition is achieved prior to the expiration of the Expiry Period.

3.2 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, 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 Director Options to Dr Ronald Weinberger constitutes giving a financial benefit and Dr Ronald Weinberger is a related party of the Company by virtue of being a Director.

The Directors (other than Dr Ronald Weinberger who has a material personal interest in Resolution 4) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Director Options because the agreement to issue the Director Options, reached as part of the remuneration package for Dr Ronald Weinberger, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

3.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or

- (e) a person whose relationship with the company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

The issue of the Director Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under and for the purposes of Listing Rule 10.11.

Resolution 4 seeks the required Shareholder approval for the issue of the Director Options under and for the purposes of Listing Rule 10.11.

3.4 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Director Options to Dr Ronald Weinberger (or his respective nominees) within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Options (because approval is being obtained under Listing Rule 10.11), the issue of the Director Options will not use up any of the Company's 15% placement capacity.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Director Options and will likely be required to renegotiate the employment contract of Dr Ronald Weinberger.

3.5 Technical information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 4:

- (a) the Director Options will be issued to Dr Ronald Weinberger (or his nominee) who falls within the category set out in Listing Rule 10.11.1 as Dr Ronald Weinberger is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Director Options to be issued to Dr Ronald Weinberger is 7,500,000 Director Options;
- (c) the terms and conditions of the Director Options are set out in Section 3.1 and Schedule 2;
- (d) the Director Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules) and it is intended that issue of the Director Options will occur on the same date;
- (e) the issue price of the Director Options will be nil. The Company will not receive any other consideration in respect of the issue of the Director Options;
- (f) the purpose of the issue of the Director Options is to provide a performance linked incentive component in the remuneration package for Dr Ronald Weinberger to motivate and reward their performance as a Director and to provide cost effective remuneration to Dr Ronald Weinberger, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Dr Ronald Weinberger;
- (g) the current total remuneration package for Dr Ronald Weinberger including the issue of the Director Options pursuant to this Resolution 4 is \$250,000 plus superannuation. He is also entitled to a once off cash payment of \$50,000 if the Company raises over \$2,500,000 before the end of July 2023, which the Company has completed; and
- (h) the Director Options are being issued to Dr Ronald Weinberger under the Dr Ronald Weinberger Employment Agreement. A summary of the material terms of the Dr Ronald Weinberger Employment Agreement is set out in Section 3.1.

4. AMENDMENT TO TERMS AND CONDITIONS OF HMDAL OPTIONS

The full terms of the HMDAL options are set out in section 7.8 of the supplementary prospectus dated 23 November 2018 (exercise price of US\$0.01 and an expiry of 15 August 2024) (**Option Terms**).

The Company is seeking, subject to Shareholder approval, to add an extra clause to these Options Terms allowing for Cashless Exercise of the HMDAL options. Cashless exercise can be defined as the following:

(a) The optionholder may, if permitted by the Company at the discretion of the Board, exercise the HMDAL options after the vesting date by setting off the total exercise price against the number of Shares which they are entitled to receive upon exercise (**Cashless Exercise Facility**).

(b) By using the Cashless Exercise Facility, the holder of HMDAL Options (**Option Holder**) will receive Shares to the value of the surplus after the exercise price has been set off.

(c) If the Option Holder elects to use the Cashless Exercise Facility (where permitted by the Company, at the discretion of the Board), the Option Holder will only be issued that number of Shares (rounded down to the nearest whole number) as is equal in value to the difference between the total exercise price otherwise payable for the HMDAL options on the HMDAL Options being exercised and the then market value of the Shares at the time of exercise.

(d) If the difference between the total exercise price otherwise payable for the HMDAL options on the HMDAL options being exercised and the then market value of the Shares at the time of exercise is zero or negative, then an Option Holder will not be entitled to use the Cashless Exercise Facility.

Resolution 5 is an ordinary resolution which requires at least 50% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 5 for it to be passed.

If Resolution 5 does not pass, the terms of the HMDAL options will remain unchanged.

5. ENQUIRIES

Shareholders are required to contact the Company Secretary via email to jonathan@hera-med.com if they have any queries in respect of the matters set out in this Notice.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means HeraMED Limited (ACN 626 295 314).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

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

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the meaning given in the accounting standards issued by the Australian Accounting Standards Board. It includes 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, 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.

Meeting has the meaning given in the introductory paragraph of the Notice.

Notice or **Notice General of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Placement has the meaning given in Section 1.1.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Security means a security issued or to be issued in the capital of the Company, including a Share or an Option.

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

Shareholder means a registered holder of a Share.

Trading Day means a day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day and any other day that ASX may declare and publish is not a trading day.

AEST means Australian Eastern Standard Time as observed in Sydney, New South Wales.

SCHEDULE 1 – TERMS AND CONDITIONS OF THE PLACEMENT OPTIONS AND BROKER OPTIONS

The following terms apply to the unlisted Placement Options.

a) Entitlement

Each Placement Option entitles the holder to subscribe for one (1) fully paid ordinary share upon exercise of the Placement Option.

b) Exercise Price

Subject to paragraph i), the amount payable upon exercise of each Placement Option will be A\$0.12 (**Exercise Price**).

c) Expiry Date

Each Placement Option will expire at 5.00pm AEST on 20 July 2026 (**Expiry Date**). A Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

d) Exercise Period

The Placement Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

e) Notice of Exercise

The Placement Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Placement Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Placement Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Placement Option being exercised in cleared funds (**Exercise Date**).

g) Timing of issue of Shares on exercise

Within five (5) Business Days after the Exercise Date, the Company will:

- i) issue the number of Shares required under these terms and conditions in respect of the number of Placement Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Placement Options.

If a notice delivered under g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

h) Shares issued on exercise

Shares issued on exercise of the Placement Options will rank equally with the then issued Shares of the Company.

i) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of a holder of a Placement Option are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

j) Participation in new issues

There are no participation rights or entitlements inherent in the Placement Options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Placement Options without exercising the Placement Options.

k) Change in exercise price

A Placement Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Placement Option can be exercised.

l) Transferability

The Placement Options are transferable subject to approval of the Company, and any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – TERMS AND CONDITIONS OF THE DIRECTOR OPTIONS

1. Entitlement

Each Director Option entitles the holder to subscribe for one Share upon exercise of the Director Option.

2. Exercise Price

Subject to paragraph 10 below, the amount payable upon exercise of each Director Option will be \$0.0975 (**Exercise Price**).

3. Vesting Conditions and Expiry Date

Each Director Option will have the expiry dates and vesting conditions as set out in Section 3.1.

4. Expiry Date

Each Director Option will have an expiry date in accordance with the table set out in Section 3.1.

5. Exercise Period

The Director Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

6. Notice of Exercise

The Director Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Director Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Director Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

7. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Director Option being exercised in cleared funds (**Exercise Date**).

8. Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Director Options.

If a notice delivered under 8(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to

ensure that an offer for sale of the Shares does not require disclosure to investors.

9. Shares issued on exercise

Shares issued on exercise of the Director Options rank equally with the then issued shares of the Company.

10. Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of a Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

11. Participation in new issues

There are no participation rights or entitlements inherent in the Director Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options without exercising the Director Options.

12. Change in exercise price

A Director Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Director Option can be exercised.

13. Transferability

The Director Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **10.30am (AEST) on Sunday, 17 September 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

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

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

The logo for AUTOMIC, featuring a stylized blue and green geometric icon to the left of the word "AUTOMIC" in a bold, sans-serif font.

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

[illegible]

Unless indicated otherwise by ticking the “for,” against” or “abstain” box you will be authorising the Chair to vote in accordance with the Chair’s voting intention.

Resolutions		For	Against	Abstain
1.	RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES	☐	☐	☐
2.	RATIFICATION OF PRIOR ISSUE OF PLACEMENT OPTIONS	☐	☐	☐
3.	APPROVAL TO ISSUE BROKER OPTIONS	☐	☐	☐
4.	ISSUE OF DIRECTOR OPTIONS TO RELATED PARTY – DR RONALD WEINBERGER	☐	☐	☐
5.	AMENDMENT TO TERMS AND CONDITIONS OF HMDAL OPTIONS	☐	☐	☐

HMD

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
Email Address:		
Contact Daytime Telephone	Date (DD/MM/YY)	

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).