

WFL ANNUAL GENERAL MEETING

Wellfully Limited (ASX: WFL) (Wellfully or the Company) advises that an Annual General Meeting (AGM) will be held at the offices of RSM Perth at the Sir Cyril Bird Boardroom, Level 32 Exchange Tower, 2 The Esplanade, Perth Western Australia on 23 November 2020 commencing at 2.30pm (Perth time).

In accordance with section 5(1)(f) of the *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020* made by the Commonwealth Treasurer on 5 May 2020, the Notice of Meeting is being made available to Shareholders electronically and can be viewed and downloaded online at the following link: <https://www.wfl.com.au/investor-centre/asx-announcements/>.

The Company encourages Shareholders to vote on resolutions via proxy form. Proxy forms can be lodged online, by post or in person, by following the proxy lodgement instructions on the proxy form. Proxy forms must be received by the Company's share registry Automic by 2:30pm (Perth time) on Saturday, 21 November 2020.

The Australian government is implementing a wide range of measures to contain or delay the spread of Covid-19. If it becomes necessary or appropriate to make alternative arrangements to those set out in the Company's Notice of Meeting, the Company will notify Shareholders accordingly via the Company's ASX Announcement Platform at <https://www.asx.com.au> (ASX: WFL).

ABOUT WELLFULLY

Wellfully is a fully integrated, science-based wellness company. In addition to its own-brand, RÉDUIT, the Company also offers a portfolio of proprietary technologies and supports partners by providing IP-protected market exclusivity, expertise in magnetic array design, feasibility and efficacy, and claims testing, engineering and production.

Wellfully's established operations via its wholly-owned business units are:

- The Innovation & R&D unit provides technology to the other business units of the Company, as well as licensing and development services to international partners.
- The Design & Technology and Supply-chain hub in Dongguan, China has the ability to rapidly develop and industrialize the Company's technologies and innovations in an agile, efficient, secure and cost-effective manner.
- The Digital Communications and Marketing & Sales units are focused on supporting Wellfully's own consumer brands.
- BodyGuard is the Company's therapeutic unit and develops advanced "direct to site of injury" patch products for the wellness and pain management sectors. This technology also has applications across supplement, healthcare, and musculoskeletal sectors.

ABOUT WELLFULLY'S TECHNOLOGIES

Wellfully has developed a number of physical enhancement technologies based on the interactions between ingredient molecules and weak atomic forces, positioning the Company as a world leader in the science of magnetic fields as they relate to drug or active-ingredient delivery.

The first of Wellfully's magnetic technologies was the Magnetic Microarray. Complex 3-D magnetic fields, produced by low-cost microarray film, influence the movement and penetration through the skin of drugs, active ingredients and formulations at the molecular level. This was licensed and commercialized in 2014.

The second magnetic technology, the Programmable Array technology, employs powered electromagnetic fields that can be altered to suit individual consumer's skincare needs. This was licensed for skincare applications in 2020.

The third magnetic technology uses magnetic fields to alter the wettability of a surface, substantially enhancing contact between liquid and solids. Magneto-Wetting underpins the Company's current developments in haircare, skincare and surface hygiene, in conjunction with Wellfully's recently developed Ultrasonic Misting technology. International patents have been filed.

FORWARD-LOOKING STATEMENTS

This announcement contains certain "forward-looking statements" concerning Wellfully. Where Wellfully expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis.

Forward-looking statements provided in this announcement are based on assumptions and contingencies which are subject to change without notice. Such forward-looking statements including statements regarding intentions, planned events and potential results are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements, and there are risks associated with Wellfully and the industry which may affect the accuracy of the forward-looking statements. Wellfully does not undertake any obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this announcement or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

This release has been issued with the authorisation of the Board.

- Ends -

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Directors

Mr Antonio Varano
Mr Steven Schapera
Mr Jeffrey Edwards
Mr Cameron Reynolds

CEO

Mr Paul Peros

Company Secretary

Mr John Palermo

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WELLFULLY LIMITED
(ACN 056 482 636)

NOTICE OF ANNUAL GENERAL MEETING

**Meeting to be held at the offices of RSM Perth at the Sir Cyril Bird Boardroom,
Level 32 Exchange Tower, 2 The Esplanade, Perth Western Australia
on 23 November 2020 commencing at 2:30pm (Perth time).**

This Notice and Explanatory Statement should be read in its entirety.

Shareholders are urged to attend or vote by lodging the Proxy Form attached to this Notice.

**If Shareholders are in doubt as to how to vote, they should seek advice from their
accountant, solicitor or other professional adviser without delay.**

WELLFULLY LIMITED (ACN 056 482 636)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Wellfully Limited (ACN 056 482 636) will be held at the the offices of RSM Perth at the Sir Cyril Bird Boardroom, Level 32 Exchange Tower, 2 The Esplanade, Perth Western Australia on 23 November 2020 commencing at 2:30pm (Perth time).

Terms and abbreviations used in this Notice are defined in the Glossary in the Explanatory Statement attached to this Notice.

AGENDA

Ordinary business

1. Financial Statements

To receive the Financial Statements for the year ended 30 June 2020.

Note: There is no requirement for Shareholders to approve these statements.

2. Resolution 1 – Adoption of the Remuneration Report

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

“To adopt the Remuneration Report for the financial year ended 30 June 2020.”

Note: This Resolution is advisory only and does not bind the Company or the Directors. The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company’s remuneration policies.

Voting Prohibition Statement:

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

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

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter 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:

- (i) does not specify the way the proxy is to vote on this Resolution;
and
- (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Re-election of Mr Steven Schapera a Director

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

“That for the purposes of clause 12.3 of the Company’s Constitution and for all other purposes, Mr Steven Schapera retires and, being eligible, is re-elected as a Director of the Company.”

4. Resolution 3 – Issue of Incentive Performance Rights to Mr Antonio Varano

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 10.11 and for all other purposes, Shareholders approve the grant of up to:

- (a) 2,000,000 Class A Incentive Performance Rights;
- (b) 2,000,000 Class B Incentive Performance Rights; and
- (c) 2,000,000 Class C Incentive Performance Rights,

to Mr Antonio Varano or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Antonio Varano or his nominee and any other person who will obtain a material benefit as a result of the proposed issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) and any of their associates.

However, this does not apply to a vote cast in favour of the 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:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a

person excluded from voting, on the Resolution; and

- the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

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 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 Key Management Personnel.

5. Resolution 4 – Issue of Incentive Performance Rights to Mr Steven Schapera

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 10.11 and for all other purposes, Shareholders approve the grant of up to:

- (a) 2,000,000 Class A Incentive Performance Rights;*
- (b) 2,000,000 Class B Incentive Performance Rights; and*
- (c) 2,000,000 Class C Incentive Performance Rights,*

to Mr Steven Schapera or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Steven Schapera or his nominee and any other person who will obtain a material benefit as a result of the proposed issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) and any of their associates.

However, this does not apply to a vote cast in favour of the 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:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

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 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 Key Management Personnel.

6. Resolution 5 – Issue of Incentive Performance Rights to Mr Jeffrey Edwards

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 10.11 and for all other purposes, Shareholders approve the grant of up to:

- (a) 600,000 Class A Incentive Performance Rights;*
- (b) 600,000 Class B Incentive Performance Rights; and*
- (c) 600,000 Class C Incentive Performance Rights,*

to Mr Jeffrey Edwards or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Jeffrey Edwards or his nominee and any other person who will obtain a material benefit as a result of the proposed issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) and any of their associates.

However, this does not apply to a vote cast in favour of the 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:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

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 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 Key Management Personnel.

7. Resolution 6 – Issue of Incentive Performance Rights to Mr Cameron Reynolds

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 10.11 and for all other purposes, Shareholders approve the grant of up to:

- (a) 800,000 Class A Incentive Performance Rights;*
- (b) 800,000 Class B Incentive Performance Rights; and*
- (c) 800,000 Class C Incentive Performance Rights,*

to Mr Cameron Reynolds or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Cameron Reynolds or his nominee and any other person who will obtain a material benefit as a result of the proposed issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) and any of their associates.

However, this does not apply to a vote cast in favour of the 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:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

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 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 Key Management Personnel.

8. Resolution 7 – Approval of additional placement capacity

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

“That for the purposes of ASX Listing Rule 7.1A and for all other purposes, the issue of up to 10% of the Company’s share capital calculated in accordance with Listing Rule 7.1A, and on the terms and conditions set out in the Explanatory Statement, is approved.”

9. Resolution 8 – Ratification of issue of 19 August 2020

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, Shareholders ratify the issue of 635,351 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) a person who participated in the issue; or
- (b) an associate of that person (or those persons).

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

- (a) a person as 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:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

10. Resolution 9 – Ratification of issue of 19 August 2020

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, Shareholders ratify the issue of 5,020,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) a person who participated in the issue (including Mr Paul Peros and his nominee); or
- (b) an associate of that person (or those persons).

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

- (a) a person as 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:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

11. Resolution 10 – Re-approval of Employee Incentive Plan

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 7.2 (Exception 13(b)) and for all other purposes, Shareholders re-approve and re-authorise the Directors to grant Options and Performance Rights and issue Shares pursuant to those Options and Performance Rights from time to time on the terms and conditions set out in the Employee Incentive Plan, a summary of which is set out in the Explanatory Statement, as an exception to ASX Listing Rule 7.1.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is eligible to participate in the employee incentive scheme

and any of their associates.

However, this does not apply to a vote cast in favour of the 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:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

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 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:

- (c) the proxy is the Chair; and
- (d) 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 Key Management Personnel.

Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice and should be read in conjunction with it.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in this Notice and the Explanatory Statement.

Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders 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. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

Voting Entitlements

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 2:30pm (Perth time) on 21 November 2020.

Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company Secretary in advance of the Meeting or handed in at the Meeting when registering as a corporate representative. An appointment of Corporate Representative form is enclosed if required.

By order of the Board

Mr Antonio Varano
Chairperson
23 October 2020

EXPLANATORY STATEMENT

1. Financial Statements

The Financial Statements are placed before the meeting thereby giving shareholders the opportunity to discuss those documents and to ask questions. The Company's auditor will be attending the Meeting and will be available to answer any questions relevant to the conduct of the audit and his report.

No vote will be taken on the Financial Statements. However, shareholders attending the Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Financial Statements.

2. Resolution 1 – Adoption of the Remuneration Report

2.1 General

The Annual Report for the year ended 30 June 2020 contains the Remuneration Report which:

- (a) explains the Board's policies in relation to the nature and level of remuneration paid to Directors of the Company;
- (b) sets out the remuneration details for each Director; and
- (c) sets out the details of any Share based compensation.

The Remuneration Report is contained within the Directors' Report in the Company's Annual Report.

Voting on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors or the Company.

The Chairperson of the Meeting will allow reasonable opportunity for Shareholders to ask questions about, or comment on, the Remuneration Report at the Meeting.

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

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive meetings, Shareholders will be required to vote at the second of those meetings on a resolution (a "spill resolution") on whether the Board should be put up for re-election. If the spill resolution is passed, another meeting must be held within 90 days at which all of the Company's Directors (other than the Executive Chairperson) who were in office at the date of approval of the applicable Directors' Report must go up for re-election.

2.2 Recommendation

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

3. Resolution 2 – Re-election of Mr Steven Schapera as a Director

3.1 General

In accordance with clause 12.3 of the Company's Constitution, Mr Steven Schapera retires, and being eligible, offer himself for re-election as a Director.

Mr Schapera founded the successful BECCA Cosmetic brand (www.beccacosmetics.com) and commercialised it into a range of cosmetic products that were distributed throughout Europe, Asia and North America. Mr Schapera guided BECCA from its infancy through to being a global player in the luxury cosmetic space. In 2016, BECCA was sold to Estee Lauder for more than US\$230 million. Mr Schapera is Chairman of BECCA Holdings Pty. Ltd.; he serves as a non-executive Director on the Board of Invincible Brands GmbH., arguably Europe's most successful influencer-marketing business, and recently assisted with their partial sale to Henkel. He is also Founder and Managing Director of London-based Lab Brands Limited and is a non-executive Director of Wild Nutrition Ltd, a fast-growing player in the vitamin and mineral supplement space. Mr Schapera is Chairman of ASX-listed Crowd Media Holdings Ltd, headquartered in the Netherlands.

3.2 Recommendation

The Board (excluding Mr Schapera) recommends that Shareholders vote in favour of Resolution 2.

4. Resolutions 3 to 6 – Issue of Incentive Performance Rights to Mr Antonio Varano, Mr Steven Schapera, Mr Jeffrey Edwards and Mr Cameron Reynolds

4.1 General

The Board is seeking Shareholder approval to grant up to:

- (a) Incentive Performance Rights to Mr Antonio Varano, or his nominee, as follows:
 - (i) 2,000,000 Class A Incentive Performance Rights;
 - (ii) 2,000,000 Class B Incentive Performance Rights; and
 - (iii) 2,000,000 Class C Incentive Performance Rights;
- (b) Incentive Performance Rights to Mr Steven Schapera, or his nominee, as follows:
 - (i) 2,000,000 Class A Incentive Performance Rights;
 - (ii) 2,000,000 Class B Incentive Performance Rights; and
 - (iii) 2,000,000 Class C Incentive Performance Rights;
- (c) Incentive Performance Rights to Mr Jeffrey Edwards, or his nominee, as follows:
 - (i) 600,000 Class A Incentive Performance Rights;

- (ii) 600,000 Class B Incentive Performance Rights; and
 - (iii) 600,000 Class C Incentive Performance Rights; and
- (d) Incentive Performance Rights to Mr Cameron Reynolds, or his nominee, as follows:
- (i) 800,000 Class A Incentive Performance Rights;
 - (ii) 800,000 Class B Incentive Performance Rights; and
 - (iii) 800,000 Class C Incentive Performance Rights.

4.2 Reasons for grant of Incentive Performance Rights

The grant of the Incentive Performance Rights to the Directors is considered to be a cost-effective mechanism to assist in the reward and retention of the Directors of the Company. The grant of the Incentive Performance Rights to the current Directors forms part of the Company's long-term incentive objectives to encourage the relevant Directors to have a greater involvement in the achievement of the Company's objectives and to provide them with the opportunity to participate in the future growth and prosperity of the Company through share ownership.

The Board considers the number of Incentive Performance Rights proposed to be granted will ensure that overall Director remuneration remains competitive with market standards.

4.3 Purpose of approval

Approval for the grant of the Incentive Performance Rights is sought for the purposes of Listing Rule 10.11 and for all other purposes.

Listing Rule 10.11 provides that a company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without the approval of shareholders. Mr Antonio Varano, Mr Steven Schapera, Mr Jeffrey Edwards and Mr Cameron Reynolds are related parties of the Company by virtue of being Directors. Therefore, approval is required under Listing Rule 10.11 for the issue of any Incentive Performance Rights to each of them.

If Resolutions 3 to 6 are passed, the Company will be able to proceed with the issue of the Incentive Performance Rights to the Directors. If Resolutions 3 to 6 are not passed, the Company will not be able to proceed with the issue of the Incentive Performance Rights to the Directors, and the Company may need to seek alternative means of raising capital and re-negotiate the remuneration packages received by each Director.

Resolutions 3 to 6 are ordinary resolutions

4.4 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act also requires Shareholder approval where a public company seeks to give a "financial benefit" to a "related party" (unless an exception applies). A "related party" for the purposes of the Corporations Act is defined widely. It includes a director of a public company and specified members

of the director's family. It also includes an entity over which a director maintains control. The Directors are considered to be related parties within the meaning of the Corporations Act, and the Incentive Performance Rights will constitute a financial benefit for the purposes of Chapter 2E of the Corporations Act.

A "financial benefit" is defined in section 229 of the Corporations Act. This concept includes issuing shares to a related party.

Section 211 of the Corporations Act provides an exception to the requirement to obtain shareholder approval for giving a financial benefit to a related party, where the financial benefit is remuneration of a related party as an officer of the Company and is on terms that would be reasonable in the circumstances.

The Company considers that the proposed issues of Incentive Performance Rights to the Directors fall within the reasonable remuneration exception set out in section 211 of the Corporations Act.

4.5 Key terms of the grant

The following information is provided pursuant to Listing Rule 10.13:

Names of persons entitles to participate

The names of all persons to whom Incentive Performance Rights are intended to be issued are:

- (a) Mr Antonio Varano;
- (b) Mr Steven Schapera;
- (c) Mr Jeffrey Edwards; and
- (d) Mr Cameron Reynolds.

Categories of person to participate

Mr Antonio Varano, Mr Steven Schapera, Mr Jeffrey Edwards and Mr Cameron Reynolds are Directors, and are therefore related parties for the purposes of Listing Rule 10.11.1.

Maximum number and class of securities that may be granted

The Company will issue Incentive Performance Rights as follows:

- (a) 6,000,000 Incentive Performance Rights to Mr Antonio Varano, or his nominee;
- (b) 6,000,000 Incentive Performance Rights to Mr Steven Schapera, or his nominee;
- (c) 1,800,000 Incentive Performance Rights to Mr Jeffrey Edwards, or his nominee; and
- (d) 2,400,000 Incentive Performance Rights to Mr Cameron Reynolds, or his nominee,

therefore up to 16,200,000 Incentive Performance Rights in total.

Summary of material terms of Incentive Performance Rights

The terms of the Incentive Performance Rights are set out in Schedules 1 to 3.

Date of Grant

The Incentive Performance Rights will be issued on or before 11 December 2020.

Related party relationship

Mr Antonio Varano, Mr Steven Schapera and Mr Cameron Reynolds are Non-executive Directors of the Company. Mr Jeffrey Edwards is an Executive Director of the Company.

Price

Each Performance Right forms part of the remuneration of the Director for services provided as a director of the Company.

Intended use of funds raised

No funds will be raised from the grant of Incentive Performance Rights.

Details (including amounts) of all participating Director's remuneration packages

The Directors remuneration packages are as follows:

- (a) Mr Antonio Varano is paid \$40,000 per annum plus the USD equivalent of £6,300 per month, paid monthly in arrears for consulting services;
- (b) Mr Steven Schapera is paid \$40,000 per annum plus £6,300 per month, paid monthly in arrears for consulting services;
- (c) Mr Jeffrey Edwards is paid a salary of \$208,050 per annum inclusive of compulsory superannuation contributions; and
- (d) Mr Cameron Reynolds is paid \$75,000 per annum, paid quarterly in arrears for director's services.

Voting exclusion statement

A voting exclusion statement is included in the Notice for each relevant Resolution.

4.6 Listing Rule 7.1

Approval under Listing Rule 7.1 is not required in order to grant the Incentive Performance Rights to the Directors or their nominees as approval is being obtained under Listing Rule 10.11.

Accordingly, the grant of the Incentive Performance Rights will not be included in calculating the Company's capacity to issue equity securities equivalent to 15% of the Company's Shares under Listing Rule 7.1.

4.7 Directors' Recommendation

The Directors (excluding, Mr Antonio Varano in respect of Resolution 3, Mr Steven Schapera in respect of Resolution 4, Mr Jeffrey Edwards in respect of Resolution 5 and Mr Cameron Reynolds in respect of Resolution 6) recommend that Shareholders vote in favour of the Resolutions.

5. Resolution 7 – Approval of additional placement capacity

5.1 General

The Company is seeking shareholder approval to create an ability to issue up to an additional 10% of the issued share capital of the Company under ASX Listing Rule 7.1A (**10% Placement**).

This Resolution is a special resolution and requires approval of 75% of the votes cast by Shareholders present and eligible to vote. The only securities that the 10% Placement can cover are existing quoted securities, namely ordinary fully paid Shares.

As at the date of this Notice, the Company has a market capitalisation of \$33,692,004.¹

5.2 Eligibility criteria

Under Listing Rule 7.1A, an eligible listed entity may, subject to shareholder approval by way of special resolution, issue Shares comprising up to 10% of its issued share capital in addition to the normal 15% new issue capacity under Listing Rule 7.1.

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

5.3 Placement capacity under Listing Rule 7.1 and 7.1A

The 10% Placement is in addition to a listed entity's usual 15% placement capacity under Listing Rule 7.1. As at the date of finalisation of this Notice, the Company has 146,487,133 Shares on issue and therefore, in addition to any other Shares which it can issue under the permitted exceptions to Listing Rules 7.1 and 7.1A, it has the (potential) capacity to issue:

- (a) 21,973,070 Shares under Listing Rule 7.1; and
- (b) 14,648,713 Shares under Listing Rule 7.1A.

¹ Based on a market price for each Share of \$0.23 and a total of 146,487,133 Shares on issue on 6 October 2020.

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

In summary, Listing Rule 7.1A.2 would apply to the Company as follows:

If the Company has obtained the approval of Shareholders at the Meeting (ie. if this Resolution is passed), the Company may issue or agree to issue, during the approval period (ie. the 12 month period after the date of the Meeting or, in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking), the date of such approval, whichever occurs first), a number of Shares calculated in accordance with the following formula:

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

Where²:

A = The number of Shares on issue 12 months before the date of issue or agreement,

- plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2 (which contains numerous exceptions to Listing Rule 7.1 and Listing Rule 7.1A, including in relation to issues of Shares pursuant to pro-rata issues, upon the conversion of convertible securities such as options; under off-market bids, mergers by scheme of arrangement or approved employee incentive schemes, or certain issues of preference shares, etc – refer to Listing Rule 7.2 for full details),
- plus the number of party paid Shares that became fully paid in the 12 months,
- plus the number of Shares issued with Shareholder approval under Listing Rule 7.1 (ie. the 15% capital raising approval requirement rule) or Listing Rule 7.4 (which relates to subsequent approvals by Shareholders of an issue of equity securities),
- less the number of Shares cancelled in the previous 12 months.

D = 10%.

E = 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 issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or Listing Rule 7.4.

5.4 Minimum issue price

In accordance with Listing Rule 7.1A, Shares issued by the Company under a 10% Placement can only be issued at a price that is not less than 75% of the VWAP (volume weighted average price) of the Shares calculated over the 15 trading days on which trades in its Shares were recorded immediately before:

² Nb. The explanation of the formula components should be read in conjunction with the definitions and rules of interpretation in the Listing Rules.

- (a) the date on which the issue price of the Shares is agreed; or
- (b) the issue date (if the Shares are not issued within five trading days of the date on which the issue price is agreed).

The Company notes that equity securities issued in accordance with ASX Listing Rule 7.1A must be issued for cash consideration.

5.5 Placement period

Shareholder approval under Listing Rule 7.1A is valid from the date of this Meeting until the earlier to occur of:

- (a) 12 months after the date of the Meeting; and
- (b) the date of approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking), or such longer period if allowed by ASX.

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

5.6 Dilution to existing shareholdings

If this Resolution is approved by Shareholders and the Company issues Shares under the 10% Placement, there is a risk of economic and voting dilution to existing Shareholders as a result.

Further, as the market price of the Company's Shares may be significantly lower on the issue date than on the date of Meeting approval, and because the Shares may be issued at a price that is at a discount to the market price on the issue date, there is a risk that the 10% Placement may raise less funding than it would based on current market prices.

As required by Listing Rule 7.3A.2, the table below shows a number of hypothetical scenarios for a 10% Placement where variable "A" in the formula in Listing Rule 7.1A.2 (representing the Company's share capital) has increased by either 50% or 100%, and the share price has decreased by 50% or increased by 100% from the approximate share price as at the date of finalisation of this Notice.

Share Capital (Variable 'A' in Listing Rule 7.1A.2)		Dilution table		
		\$0.115 (50% decrease in share price)	\$0.23 share price	\$0.46 (100% increase in share price)
Current Shares (146,487,133 Shares)	Number of Shares issued	14,648,713	14,648,713	14,648,713
	Funds raised	\$1,684,602	\$3,369,204	\$6,738,408

50% increase (219,730,700 Shares)	Number of Shares issued	21,973,070	21,973,070	21,973,070
	Funds raised	\$2,526,903	\$5,053,806	\$10,107,612
100% increase (292,974,266 Shares)	Number of Shares issued	29,297,427	29,297,427	29,297,427
	Funds raised	\$3,369,204	\$6,738,408	\$13,476,816

The dilution table has been prepared on the following hypothetical assumptions. The Company does not represent that they will necessarily occur:

- (a) the Company issues the maximum number of Shares available under the 10% Placement;
- (b) any increase in Variable A (being the issued share capital at the time of issue) is due to an issue of Shares which is an exception in Listing Rule 7.2, for example a pro-rata rights issue;
- (c) the table shows only the effect of issues of Shares under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1;
- (d) the table does not show the dilution that may be caused to any particular Shareholder by reason of placements under Listing Rule 7.1A, based on that Shareholder's holding at the date of the Meeting; and
- (e) the share price is assumed to be \$0.23, being the approximate Share price on 6 October 2020 prior to finalising this Notice.

5.7 Purpose of the 10% Placement

The Company may seek to issue Shares under the 10% Placement for either:

- (a) a cash issue price. In this case, the Company may use the funds for working capital or for other corporate purposes; or
- (b) non-cash consideration, such as for the acquisition of new assets or investments (in such circumstances the Company will provide a valuation of non-cash consideration, as required by Listing Rule 7.1A.3).

In either case, the cash issue price or the value of the non-cash consideration must comply with the minimum issue price noted above.

5.8 Allocation policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue under the 10% Placement. The identity of the allottees under the 10% Placement will be determined on a case by case basis having regard to the factors including the following:

- (a) the methods of raising funds that are available to the Company, including a rights issue or other issue in which existing shareholders can participate;

- (b) the effect of the issue of the Shares on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, financial and broking advisors (if applicable).

The allottees under the 10% Placement have not been determined as at the date of finalisation of this Notice and may include existing substantial Shareholders and/or new Shareholders, but the allottees cannot include any directors, related parties or associates of a related party of the Company without a further specific shareholder approval.

5.9 Issues under ASX Listing Rule 7.1A

The Company previously obtained approval to issue Equity Securities pursuant to ASX Listing Rule 7.1A at the annual general meeting held on 30 November 2018. Since that date, the Company has issued 51,334,521 equity securities pursuant to ASX Listing Rule 7.1A.

In the 12 months preceding the date of the Meeting, the Company has issued 146,863,158 equity securities, representing 28.6% of the total number of ordinary shares on issue at the commencement of that 12 month period.

Details of all issues of equity securities by the Company during the preceding 12 months are set out at Schedule 4.

5.10 Voting exclusion

A voting exclusion statement is not included in the Notice. At the date of finalisation of the Notice, the Company has not approached any particular existing Shareholder or an identifiable class of existing Shareholders to participate in the issue of the Shares. No existing Shareholder's vote will therefore be excluded from voting on the Resolution.

5.11 Previous approval

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at the annual general meeting held on 30 November 2018.

5.12 Recommendation

As at the date of finalisation of this Notice, the Company has no plans to raise additional capital. However, many eligible companies seek this form of available shareholder approval to enable a capital raising to be implemented if appropriate during the following year. Accordingly, shareholder approval of this Resolution is considered to be a prudent approach. The Directors believe that this Resolution will provide the Company with flexibility to raise capital quickly if advantageous terms are available, and is in the best interests of the Company.

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

6. Resolutions 8 and 9 – Ratification of prior issues

6.1 General

Resolutions 8 and 9 seek shareholder ratification on the following issue of equity securities:

- (a) 19 August 2020: issue of 635,351 Shares at issue price of A\$0.10 to sophisticated investors being clients of CPS Capital Group Pty Ltd for \$63,535.10.
- (b) 19 August 2020: issue of 5,020,000 Shares at issue price of A\$0.10 to the nominee of Paul Peros (Chief Executive Officer) who is considered to be 'material' for the purposes of section 7.4 of ASX Guidance Note 21, for \$502,000.

6.2 Listing Rule 7.4

Listing Rule 7.1 provides that a company must not issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity, if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period without shareholder approval.

Listing Rule 7.4 provides that where an issue of securities made without Shareholder approval under Listing Rule 7.1 is subsequently approved by Shareholders (and the issue did not breach Listing Rule 7.1), the issue of securities will be treated as having been made with approval for the purpose of Listing Rule 7.1.

By ratifying the issue of equity securities, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity under Listing Rule 7.1 and (subject to approval of Resolution 7) the additional 10% annual placement facility under Listing Rule 7.1A without the requirement to obtain prior Shareholder approval. If the issues of equity securities are not ratified, the Company will not have this flexibility until 12 months has passed.

6.3 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratifications:

Shares issued on 19 August 2020

- (a) The Shares were issued to sophisticated investors being clients of CPS Capital Group Pty Ltd.
- (b) 635,351 Shares were issued.
- (c) The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (d) The Shares were issued on 19 August 2020.
- (e) The issue price per Share was \$0.10.

- (f) The Company has used and intends to use the funds raised towards technology licensing, business development, BodyGuard go-to-market activities, device division development and go-to-market activities, and redemption of the non-related investor convertible notes, as well as providing for general working capital.
- (g) The material terms of the placement pursuant to which the Shares were issued was set out in the Company's Notice of Meeting and Explanatory Statement announced to ASX on 20 July 2020.
- (h) A voting exclusion statement is included in the Notice.

Shares issued on 19 August 2020

- (a) The Shares were issued to the nominee of Paul Peros (Chief Executive Officer).
- (b) 5,020,000 Shares were issued.
- (c) The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (d) The Shares were issued on 19 August 2020.
- (e) The issue price per Share was \$0.10.
- (f) The Company has used and intends to use the funds raised towards technology licensing, business development, BodyGuard go-to-market activities, device division development and go-to-market activities, and redemption of the non-related investor convertible notes, as well as providing for general working capital.
- (g) The material terms of the agreement pursuant to which the Shares were issued were set out in the Company's announcement to ASX on 20 April 2020.
- (h) A voting exclusion statement is included in the Notice.

6.4 Recommendation

The Board recommends that Shareholders vote in favour of the Resolutions.

7. Resolution 10 – Re-approval of Employee Incentive Plan

7.1 General

The Company previously sought, and was granted approval, under Listing Rule 7.2 (Exception 13(b)), for the Employee Incentive Plan at its annual general meeting held on 9 November 2017.

The Board is now seeking re-approval for the Employee Incentive Plan in accordance with the ASX Corporate Governance Council's Principles and Recommendations (4th Edition).

In addition, re-approval is sought under Listing Rule 7.2 (Exception 13(b)) which provides an exemption from the Listing Rule 7.1 15% annual limit on securities issued under an employee share incentive scheme provided, within three years before the date of issue, shareholders have approved the issue of securities under the plan. In the absence of such approval, the issue can still occur but is counted as part of the Listing Rule 7.1 15% limit which would otherwise apply during a 12 month period.

The Directors considered that it was desirable to establish an employee equity incentive plan pursuant to which employees may be offered the opportunity to be granted Options and Performance Rights in the Company.

The Employee Incentive Plan provides Directors, senior executives including CEO Paul Peros and Company Secretary John Palermo, employees and consultants with an opportunity to participate in the Company's future growth and gives them an incentive to contribute to that growth.

The Directors consider that the approval of the Employee Incentive Plan will enable the Company to retain and attract skilled and experienced directors, senior executives, employees and consultants and provide them with the motivation to make the Company more successful.

A copy of the Employee Incentive Plan will be made available for inspection at the Company's registered office before the Meeting and at the Meeting. A summary of the terms of the Employee Incentive Plan is contained in Schedule 5.

The main terms of the Performance Rights and Options that may be granted under the Employee Incentive Plan are summarised in Schedules 6 and 7.

To allow the Directors to issue securities pursuant to the Employee Incentive Plan as an exception to Listing Rule 7.1, Shareholder approval of the Employee Incentive Plan is being sought pursuant to Listing Rule 7.2 Exception 13(b).

The Company will seek prior Shareholder approval in accordance with the Corporations Act and the Listing Rules prior to issuing any Performance Rights or Options under the Employee Incentive Plan to Directors or their associates.

7.2 Regulatory Requirements

The following information is provided to Shareholders for the purpose of Listing Rule 7.2 Exception 13(b):

- (a) a summary of the terms of the Employee Incentive Plan is set out in Schedule 5;
- (b) no Performance Rights or Options have been issued under the Employee Incentive Plan since 9 November 2017;
- (c) the Company proposes to issue maximums of up to 3,000,000 Performance Rights and up to 3,000,000 Options following approval of the Resolution; and
- (d) a voting exclusion statement for the Resolution is included in the Notice.

7.3 Board Recommendation

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

8. Action to be taken by Shareholders

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

9. Glossary

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

Board means the board of Directors.

Chairperson means the person appointed to chair the Meeting.

Class A Incentive Performance Right means a performance right to acquire a Share, expiring 3 years from issue which will convert into Shares on a 1 for 1 basis on the Company's market capitalisation reaching \$40,000,000, based on a VWAP of over 20 consecutive trading days (on which Shares have actually traded), to be issued on the terms set out at Schedule 1.

Class B Incentive Performance Right means a performance right to acquire a Share, expiring 4 years from issue which will convert into Shares on a 1 for 1 basis on the Company's market capitalisation reaching \$60,000,000, based on a VWAP of over 20 consecutive trading days (on which Shares have actually traded), to be issued on the terms set out at Schedule 2.

Class C Incentive Performance Right means a performance right to acquire a Share, expiring 5 years from issue which will convert into Shares on a 1 for 1 basis on the Company's market capitalisation reaching \$85,000,000, based on a VWAP of over 20 consecutive trading days (on which Shares have actually traded), to be issued on the terms set out at Schedule 3.

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 dependant of the member or the member's spouse;
- (d) anyone else who is on 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 this definition.

Company means Wellfully Limited (ACN 056 482 636)

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

Director means a director of the Company.

Explanatory Statement means the explanatory statement attached to the Notice.

Employee Incentive Plan means the Company's Employee Incentive Plan, a summary of which is set out at Schedule 5.

Financial Statements means the financial reports, directors' declaration and reports, and the auditor's report for the Company.

Incentive Performance Rights means Class A Incentive Performance Rights, Class B Incentive Performance Rights and Class C Incentive Performance Rights.

Key Management Personnel 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.

Listing Rules means the ASX Listing Rules.

Meeting means the annual general meeting the subject of this Notice.

Non-executive Director means a non-executive Director of the Company.

Notice means this notice of meeting.

Option means an option to acquire a Share, to be issued on the terms contemplated by the Employee Incentive Plan.

Performance Right means a performance right to acquire a Share, to be issued on the terms contemplated by the Employee Incentive Plan.

Resolution means a resolution contained in the Notice.

Schedule means a schedule to this Explanatory Statement.

Section means a section contained in this Explanatory Statement.

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

Shareholder means a shareholder of the Company.

VWAP means volume weighted average price.

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

Schedule 1 – Class A Incentive Performance Right Terms

The terms and conditions of the Class A Incentive Performance Rights are as follows:

(a) Definitions

In these terms and conditions, unless the context otherwise requires:

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

Board means the board of directors of the Company.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Australia.

Change of Control Event has the meaning given in condition 14(b).

Company means Wellfully Limited (ACN 056 482 636).

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

Expiry Date means 5pm (WST) on the date which is 3 years from the date of issue of a Performance Right.

Holder means a holder of a Performance Right.

Listing Rules means the official Listing Rules of the ASX as they apply to the Company from time to time.

Performance Right means the right to acquire a Share on these terms and conditions.

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

Vesting Condition has the meaning given in condition 2.

VWAP means volume weighted average price.

(b) Performance Rights

Each Performance Right is a right of the Holder (and/or its nominees) to acquire a Share subject to these terms and conditions.

(c) Vesting Condition

Each Performance Right will vest on the Company reaching a market capitalisation of \$40,000,000, based on a VWAP of the Company's Shares over 20 consecutive trading days (on which Shares have actually traded), at any time prior to the Expiry Date (**Vesting Condition**).

(a) Exercise

Upon the Vesting Condition being satisfied, the Holder may exercise a Performance Right by delivering a written notice of exercise (**Notice of**

Exercise) to the Company Secretary at any time prior to the Expiry Date. The Holder is not required to pay a fee in order to exercise Performance Rights.

(b) Expiry

Any Performance Rights that have not been exercised prior to the Expiry Date will automatically expire on the Expiry Date.

(c) Transfer

A Performance Right is not transferable.

(d) Entitlements and bonus issues

The holder of a Performance Right will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(e) Reorganisation of capital

In the event that the issued capital of the Company is reconstructed, all the Holder's rights 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 Holder's economic and other rights are not diminished or terminated.

(f) Right to receive Notices and attend general meetings

Each Performance Right confers on the Holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. A Holder has the right to attend general meetings of the Company.

(g) 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.

(h) Dividend rights

A Performance Right does not entitle the Holder to any dividends.

(i) Return of capital rights

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(j) Rights on winding up

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

(k) Change in control

- (1) If prior to the earlier of the conversion or the Expiry Date a Change in Control Event occurs, then each Performance Right will automatically and immediately convert into a Share. However, if the number of Shares to be issued as a result of the conversion of the Performance Rights is in excess of 10% of the total fully diluted share capital of the Company at the time of the conversion, then the number of Performance Rights to be converted will be reduced so that the aggregate number of Shares to be issued on conversion of the Performance Rights is equal to 10% of the entire fully diluted share capital of the Company.
- (2) A Change of Control Event occurs when:
 - (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 the Shareholders have at a Court-convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Company securities are to be either cancelled transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement.
- (3) The Company must ensure the allocation of shares issued under subparagraph (1) is on a pro rata basis to all Holders in respect of their respective holdings of Performance Rights and all remaining Performance Rights held by each Holder will remain on issue until conversion or expiry in accordance with the terms and conditions set out herein.

(l) Timing of issue of Shares on exercise

Within 10 Business Days of receiving an Exercise Notice, the Company will:

- (1) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights specified in the Notice of Exercise;
- (2) 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

- (3) 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 Performance Rights.

(m) Compliance with law

The conversion of the Performance Rights is subject to compliance at all times with the Corporations Act and the Listing Rules.

(n) Application to ASX

Performance Rights will not be quoted on ASX. On conversion of Performance Rights into Shares, the Company will within five (5) Business Days after the conversion, apply for official quotation on ASX of the Shares issued upon such conversion.

(o) Ranking of Shares

Shares into which the Performance Rights will convert will rank parri passu in all respects with existing Shares.

(p) 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.

Schedule 2 – Class B Incentive Performance Right Terms

The terms and conditions of the Class B Incentive Performance Rights are as follows:

(a) Definitions

In these terms and conditions, unless the context otherwise requires:

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

Board means the board of directors of the Company.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Australia.

Change of Control Event has the meaning given in condition 14(b).

Company means Wellfully Limited (ACN 056 482 636).

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

Expiry Date means 5pm (WST) on the date which is 4 years from the date of issue of a Performance Right.

Holder means a holder of a Performance Right.

Listing Rules means the official Listing Rules of the ASX as they apply to the Company from time to time.

Performance Right means the right to acquire a Share on these terms and conditions.

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

Vesting Condition has the meaning given in condition 2.

VWAP means volume weighted average price.

(b) Performance Rights

Each Performance Right is a right of the Holder (and/or its nominees) to acquire a Share subject to these terms and conditions.

(c) Vesting Condition

Each Performance Right will vest on the Company reaching a market capitalisation of \$60,000,000, based on a VWAP of the Company's Shares over 20 consecutive trading days (on which Shares have actually traded), at any time prior to the Expiry Date (**Vesting Condition**).

(d) Exercise

Upon the Vesting Condition being satisfied, the Holder may exercise a Performance Right by delivering a written notice of exercise (**Notice of**

Exercise) to the Company Secretary at any time prior to the Expiry Date. The Holder is not required to pay a fee in order to exercise Performance Rights.

(e) Expiry

Any Performance Rights that have not been exercised prior to the Expiry Date will automatically expire on the Expiry Date.

(f) Transfer

A Performance Right is not transferable.

(g) Entitlements and bonus issues

The holder of a Performance Right will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(h) Reorganisation of capital

In the event that the issued capital of the Company is reconstructed, all the Holder's rights 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 Holder's economic and other rights are not diminished or terminated.

(i) Right to receive Notices and attend general meetings

Each Performance Right confers on the Holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. A Holder has the right to attend general meetings of the Company.

(j) 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.

(k) Dividend rights

A Performance Right does not entitle the Holder to any dividends.

(l) Return of capital rights

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(m) Rights on winding up

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

(n) Change in control

- (4) If prior to the earlier of the conversion or the Expiry Date a Change in Control Event occurs, then each Performance Right will automatically and immediately convert into a Share. However, if the number of Shares to be issued as a result of the conversion of the Performance Rights is in excess of 10% of the total fully diluted share capital of the Company at the time of the conversion, then the number of Performance Rights to be converted will be reduced so that the aggregate number of Shares to be issued on conversion of the Performance Rights is equal to 10% of the entire fully diluted share capital of the Company.
- (5) A Change of Control Event occurs when:
 - (iii) 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
 - (iv) scheme of arrangement: the announcement by the Company that the Shareholders have at a Court-convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Company securities are to be either cancelled transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement.
- (6) The Company must ensure the allocation of shares issued under subparagraph (1) is on a pro rata basis to all Holders in respect of their respective holdings of Performance Rights and all remaining Performance Rights held by each Holder will remain on issue until conversion or expiry in accordance with the terms and conditions set out herein.

(o) Timing of issue of Shares on exercise

Within 10 Business Days of receiving an Exercise Notice, the Company will:

- (4) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights specified in the Notice of Exercise;
- (5) 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

- (6) 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 Performance Rights.

(p) Compliance with law

The conversion of the Performance Rights is subject to compliance at all times with the Corporations Act and the Listing Rules.

(q) Application to ASX

Performance Rights will not be quoted on ASX. On conversion of Performance Rights into Shares, the Company will within five (5) Business Days after the conversion, apply for official quotation on ASX of the Shares issued upon such conversion.

(r) Ranking of Shares

Shares into which the Performance Rights will convert will rank parri passu in all respects with existing Shares.

(s) 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.

Schedule 3 – Class C Incentive Performance Right Terms

The terms and conditions of the Class A Incentive Performance Rights are as follows:

(a) Definitions

In these terms and conditions, unless the context otherwise requires:

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

Board means the board of directors of the Company.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Australia.

Change of Control Event has the meaning given in condition 14(b).

Company means Wellfully Limited (ACN 056 482 636).

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

Expiry Date means 5pm (WST) on the date which is 5 years from the date of issue of a Performance Right.

Holder means a holder of a Performance Right.

Listing Rules means the official Listing Rules of the ASX as they apply to the Company from time to time.

Performance Right means the right to acquire a Share on these terms and conditions.

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

Vesting Condition has the meaning given in condition 2.

VWAP means volume weighted average price.

(b) Performance Rights

Each Performance Right is a right of the Holder (and/or its nominees) to acquire a Share subject to these terms and conditions.

(c) Vesting Condition

Each Performance Right will vest on the Company reaching a market capitalisation of \$85,000,000, based on a VWAP of the Company's Shares over 20 consecutive trading days (on which Shares have actually traded), at any time prior to the Expiry Date (**Vesting Condition**).

(d) Exercise

Upon the Vesting Condition being satisfied, the Holder may exercise a Performance Right by delivering a written notice of exercise (**Notice of**

Exercise) to the Company Secretary at any time prior to the Expiry Date. The Holder is not required to pay a fee in order to exercise Performance Rights.

(e) Expiry

Any Performance Rights that have not been exercised prior to the Expiry Date will automatically expire on the Expiry Date.

(f) Transfer

A Performance Right is not transferable.

(g) Entitlements and bonus issues

The holder of a Performance Right will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(h) Reorganisation of capital

In the event that the issued capital of the Company is reconstructed, all the Holder's rights 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 Holder's economic and other rights are not diminished or terminated.

(i) Right to receive Notices and attend general meetings

Each Performance Right confers on the Holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. A Holder has the right to attend general meetings of the Company.

(j) 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.

(k) Dividend rights

A Performance Right does not entitle the Holder to any dividends.

(l) Return of capital rights

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(m) Rights on winding up

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

(n) Change in control

- (7) If prior to the earlier of the conversion or the Expiry Date a Change in Control Event occurs, then each Performance Right will automatically and immediately convert into a Share. However, if the number of Shares to be issued as a result of the conversion of the Performance Rights is in excess of 10% of the total fully diluted share capital of the Company at the time of the conversion, then the number of Performance Rights to be converted will be reduced so that the aggregate number of Shares to be issued on conversion of the Performance Rights is equal to 10% of the entire fully diluted share capital of the Company.
- (8) A Change of Control Event occurs when:
- (v) 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
 - (vi) scheme of arrangement: the announcement by the Company that the Shareholders have at a Court-convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Company securities are to be either cancelled transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement.
- (9) The Company must ensure the allocation of shares issued under subparagraph (1) is on a pro rata basis to all Holders in respect of their respective holdings of Performance Rights and all remaining Performance Rights held by each Holder will remain on issue until conversion or expiry in accordance with the terms and conditions set out herein.

(o) Timing of issue of Shares on exercise

Within 10 Business Days of receiving an Exercise Notice, the Company will:

- (7) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights specified in the Notice of Exercise;
- (8) 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

- (9) 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 Performance Rights.

(p) Compliance with law

The conversion of the Performance Rights is subject to compliance at all times with the Corporations Act and the Listing Rules.

(q) Application to ASX

Performance Rights will not be quoted on ASX. On conversion of Performance Rights into Shares, the Company will within five (5) Business Days after the conversion, apply for official quotation on ASX of the Shares issued upon such conversion.

(r) Ranking of Shares

Shares into which the Performance Rights will convert will rank parri passu in all respects with existing Shares.

(s) 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.

Schedule 4 – Issue of Equity Securities in preceding 12 months

(a)	Issue date	19 August 2020
	Number issued	635,351
	Class and type of equity security	Fully paid ordinary shares
	The persons to whom the Equity Securities were issued or the basis on which those persons were determined	Sophisticated investors being clients of CPS Capital Group Pty Ltd
	Issue price	\$0.10
	Discount to market price on the date of issue (if any)	\$0.20
	For cash issues	
	Total cash consideration received	\$63,535.10
	Amount of cash consideration spent	\$36,750
	Use of cash consideration	Technology licensing, business development, BodyGuard go-to-market activities, device division development and go-to-market activities, and redemption of the non-related investor convertible notes, as well as providing for general working capital
	Intended use for remaining amount of cash (if any)	Technology licensing, business development, BodyGuard go-to-market activities, device division development and go-to-market activities, and redemption of the non-related investor convertible notes, as well as providing for general working capital
	For non-cash issues	
	Non-cash consideration paid	N/A
	Current value of that non-cash consideration	N/A

(b)	Issue date	19 August 2020
	Number issued	5,020,000
	Class and type of equity security	Fully paid ordinary shares
	The persons to whom the Equity Securities were issued or the basis on which those persons were determined	The nominee of Paul Peros (Chief Executive Officer) who is considered to be 'material' for the purposes of section 7.4 of ASX Guidance Note 21
	Issue price	\$0.10
	Discount to market price on the date of issue (if any)	\$0.20
	For cash issues	
	Total cash consideration received	\$1,122,000

Amount of cash consideration spent	\$561,000
Use of cash consideration	Technology licensing, business development, BodyGuard go-to-market activities, device division development and go-to-market activities, and redemption of the non-related investor convertible notes, as well as providing for general working capital
Intended use for remaining amount of cash (if any)	Technology licensing, business development, BodyGuard go-to-market activities, device division development and go-to-market activities, and redemption of the non-related investor convertible notes, as well as providing for general working capital
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

(c)	Issue date	19 August 2020
	Number issued	33,939,982
	Class and type of equity security	Fully paid ordinary shares
	The persons to whom the Equity Securities were issued or the basis on which those persons were determined	Sophisticated investors being clients of CPS Capital Group Pty Ltd
	Issue price	\$0.10
	Discount to market price on the date of issue (if any)	\$0.20
	For cash issues	
	Total cash consideration received	\$3,393,998.20
	Amount of cash consideration spent	\$1,670,000
	Use of cash consideration	Technology licensing, business development, BodyGuard go-to-market activities, device division development and go-to-market activities, and redemption of the non-related investor convertible notes, as well as providing for general working capital
	Intended use for remaining amount of cash (if any)	Technology licensing, business development, BodyGuard go-to-market activities, device division development and go-to-market activities, and redemption of the non-related investor convertible notes, as well as providing for general working capital
	For non-cash issues	
	Non-cash consideration paid	N/A
	Current value of that non-cash consideration	N/A

(d)	Issue date	19 August 2020
	Number issued	10,217,843
	Class and type of equity security	Fully paid ordinary shares
	The persons to whom the Equity Securities were issued or the basis on which those persons were determined	Directors and senior executives of the Company
	Issue price	\$0.10
	Discount to market price on the date of issue (if any)	\$0.20
	For cash issues	
	Total cash consideration received	N/A
	Amount of cash consideration spent	N/A
	Use of cash consideration	N/A

Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	\$1,021,784
Current value of that non-cash consideration	\$1,021,784

(e)	Issue date	19 August 2020
	Number issued	6,150,000
	Class and type of equity security	Unlisted Options expiring 19 August 2023
	The persons to whom the Equity Securities were issued or the basis on which those persons were determined	Holder of cancelled convertible notes (not related parties)
	Issue price	Nil
	Discount to market price on the date of issue (if any)	N/A
	For cash issues	
	Total cash consideration received	N/A
	Amount of cash consideration spent	N/A
	Use of cash consideration	N/A
	Intended use for remaining amount of cash (if any)	N/A
	For non-cash issues	
	Non-cash consideration paid	N/A
	Current value of that non-cash consideration	N/A

Schedule 5 – Summary of Employee Incentive Plan

The following is a summary of the Employee Incentive Plan. In the event of any inconsistency between the terms and conditions of the securities issued under the Employee Incentive Plan and the summary set out below, the terms and conditions of the Employee Incentive Plan will prevail.

- (a) **(Eligibility):** The Board may, in its absolute discretion, invite an “Eligible Person” to participate in the Plan and be granted Options and/or Performance Rights (“Awards”). An “Eligible Person” includes a director, full time or part time employee, certain contractor or certain casual employee of the Company.
- (b) **(Nature of Awards):** Each Option or Performance Right entitles the participant holding the Option or Performance Right, to subscribe for, or be transferred, one Share. Any Share acquired pursuant to the exercise of an Award will rank equally with all existing Shares from the date of acquisition.
- (c) **(Vesting):** Awards may be subject to exercise conditions, performance hurdles or vesting conditions (“**Conditions**”). These Conditions must be specified in the offer document to Eligible Persons. In the event that a takeover bid for the Company is declared unconditional, there is a change of control in the Company, or if a merger by way of a scheme of arrangement has been approved by a court, then the Board may determine that:
 - (vii) all or a percentage of unvested Options or Performance Rights will vest and become exercisable; and
 - (viii) any Shares issued or transferred to a participant under the Plan will be free from any restriction on disposal.
- (d) **(Exercised Period):** The period during which a vested Award may be exercised will commence when all Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under the rules of the Plan and the Company has issued a vesting notification to the participant, and ends on the Expiry Date (as defined below).
- (e) **(Disposal restrictions):** Awards granted under the Plan may not be assigned, transferred, novated, encumbered with a security interest (such as a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature) over them, or otherwise disposed of by a participant, other than to a nominated party (such as an immediate family member, a corporate trustee of a self-managed superfund where the Eligible person is a director of the trustee or a company in which all of shares are held by either the Eligible Person or an immediately family member) in accordance with the Plan, unless:
 - (i) the prior consent of the Board is obtained; or
 - (ii) such assignment or transfer occurs by force of law upon the death of a participant to the participant’s legal personal representative.
- (f) **(Lapse):** Unvested Awards will generally lapse on the earlier of:
 - (i) the cessation of employment, engagement or office of a relevant person;

- (ii) the day the Board makes a determination that all unvested Awards of the relevant person will lapse because, in the opinion of the Board a relevant person has acted fraudulently or dishonestly, or is in material breach of his or her duties or obligations to the Company;
 - (iii) if any applicable Conditions are not achieved or waived by the relevant time;
 - (iv) if the Board determines that any applicable Conditions have not been met and cannot be met prior to the date that is 5 years from the grant date of an Award or any other date determined by the Board and as specified in the Offer (“Expiry Date”); or
 - (v) the Expiry Date.
- (g) **(Good leaver):** Where a participant ceases to be employed or engaged by the Company and is not a “Bad Leaver” (as that term is defined in the Plan), and the Awards have vested, they will remain exercisable until the Awards lapse in accordance with the Plan rules or if they have not vested, the Board will determine as soon as reasonably practicable after the date the participant ceases to be employed or engaged, how many (if any) of those participant’s Awards will be deemed to have vested and exercised.
- (h) **(Bad leaver):** Where a participant becomes a “Bad Leaver” (as that term is defined in the Plan), all Awards, unvested or vested, will lapse on the date of the cessation of employment, engagement or office of that participant.

Schedule 6 – Terms and conditions of Performance Rights

The following is a summary of the terms and conditions of Performance Rights issued under the Plan. In the event of any inconsistency between the terms and conditions of the Plan and the summary set out below, the terms and conditions of the Plan will prevail.

1. Upon issue of the Performance Rights, a certificate will be issued to the Plan Participant.
2. Each Performance Right shall carry the right in favour of the Plan Participant to be issued one Performance Share on satisfaction of the Performance Conditions.
3. A Performance Right may only be exercised after that Performance Right has vested. A Performance Right vests upon satisfaction of the Performance Conditions as determined by the Board. The Board may determine the vesting period and any condition on exercise.
4. An unvested Performance Right will lapse upon the first to occur of:
 - (a) the Performance Conditions not being satisfied by the expiry date as determined by the Board,
 - (b) the Plan Participant acting fraudulently or dishonestly in relation to the Company, or
 - (c) on certain conditions associated with a party acquiring a 90% interest in the Shares.
5. A Performance Right which has vested but has not been exercised will lapse upon the first to occur of (i) the close of business on the last day of any exercise period, (ii) the transfer or purported transfer without the consent of the Board, (iii) the Plan Participant acting fraudulently or dishonestly in relation to the Company, or (iv) on certain conditions associated with an entity acquiring a 90% interest in the Shares.
6. Performance Shares allotted to Plan Participants on exercise of Performance Rights shall be issued at an exercise price determined by the Board in its discretion on or before the issue date.
7. The exercise of any vested Performance Right will be effected in the form and manner determined by the Board and where an amount is payable on the vesting of the Performance Right, will be accompanied by payment.
8. The Company shall allot and issue the resultant Performance Shares and deliver the share certificate or uncertified holding statement within 5 business days of the exercise of the Performance Rights.
9. Performance Rights shall not be listed for Official Quotation on ASX.
10. The Company shall, in accordance with the Listing Rules, make application to have the Performance Shares allotted pursuant to an exercise of Performance Rights listed for Official Quotation on ASX.
11. Performance Rights may only be transferred with the consent of the Board or by force of law upon the death of a Plan Participant. Performance Shares may only be transferred upon the expiration of a period (if any) advised to the Plan Participant at the time the Performance Rights relating to those Performance Shares were issued.
12. Performance Shares allotted pursuant to an exercise of the Performance Rights shall rank from the date of allotment, equally with existing Shares in all respects.
13. The Board may declare an unvested Performance Right immediately vest if, in the opinion of the Board, any of the following has occurred or is likely to occur:
 - (a) the Company entering into a scheme of arrangement;
 - (b) the commencement of a takeover bid for the Company's Shares; or
 - (c) a party acquiring a sufficient interest in the Company to enable them to replace the Board; and
 - (d) the Plan Participant's pro-rata performance is in line with the Performance Conditions applicable to those Performance Rights.
14. There are no participating rights or entitlements inherent in the Performance Rights and Plan Participants will not be entitled to participate in new issues of capital offered

to Shareholders unless a Performance Right has vested and been exercised and a Performance Share has been issued in respect of that Performance Right. However, the Company will ensure that the record date for determining entitlements to any such issue will be at least 7 business days after the issue is announced. Plan Participants shall be afforded the opportunity to exercise all Performance Rights which have vested pursuant to the Plan prior to the date for determining entitlements to participate in any such issue.

15. In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the vesting of any Performance Rights, the number of Performance Shares to which each Plan Participant is entitled upon exercise of the Performance Rights or any amount payable on exercise the Performance Rights or both will be adjusted in a manner determined by the Board which complies with the provisions of the Listing Rules to ensure that no advantage or disadvantage accrues to the Plan Participant as a result of such corporate actions.

Schedule 7 – Terms and conditions of Options

any inconsistency between the terms and conditions of the Plan and the summary set out below, the terms and conditions of the Plan will prevail.

1. An uncertified holding statement will be issued for the Options;
2. The Options shall expire on the earliest of the relevant dates set out below (“**Expiry Date**”):
 - (a) the date specified by the Board upon the grant of a Option;
 - (b) 30 days (or such later date as the Company’s Board determines in its sole discretion) after a person or corporation becomes entitled to proceed to compulsory acquisition of the Shares pursuant to section 661 of the Corporations Act. In such event, the Company shall notify (in writing) the Plan Participant of the Expiry Date as soon as possible after the Company becomes aware that the person or corporation has become entitled to proceed to compulsory acquisition; and
 - (c) 10 days (or such later date as the Company’s Board determines in its sole discretion) after the Company convenes a meeting of Shareholders in order to enter into a plan of arrangement (pursuant to the provisions of the Corporations Act) which, if implemented would result in a person or corporation becoming entitled to not less than 90% of the Shares.In such event, the Company shall notify (in writing) the Plan Participant of the Expiry Date as soon as practicable after the Company convenes the aforementioned meeting.
3. Each Option shall carry the right in favour of the Plan Participant to subscribe for 1 Share.
4. Shares allotted to Plan Participants on the exercise of Options shall be issued at an exercise price determined by the Board in its discretion (“**Exercise Price**”) provided that in no event shall the Exercise Price be less than the weighted average sale price of Shares sold on ASX during the five business days prior to the issue date or such other period as determined by the Board in its discretion.
5. The Exercise Price of Shares the subject of the Options shall be payable in full on exercise of the Options.
6. Options shall be exercisable at any time up to and including the Expiry Date by the delivery to the registered office of the Company of a notice in writing stating the intention of the Plan Participant to:
 - (a) exercise all or a specified number of Options; and
 - (b) pay the Exercise Price by way of subscription monies in full for the exercise of each Option.
 - (c) The notice must be accompanied by a cheque made payable to the Company for the subscription monies for the Shares. An exercise of only some Options shall not affect the rights of the Plan Participant to the balance of the Options held by the Plan Participant.
7. The Company shall allot the resultant Shares and deliver the share certificate or uncertified holding statement within 5 business days of the exercise of the Options.
8. Options shall not be listed for Official Quotation on ASX.
9. The Options are transferable only to associates of the Plan Participant.
10. Shares allotted pursuant to an exercise of the Options shall rank from the date of allotment, equally with existing Shares in all respects.
11. The Company shall, in accordance with the Listing Rules, make application to have Shares allotted pursuant to an exercise of Options listed for Official Quotation on ASX.
12. In the event of a reconstruction (including consolidation, subdivision, reduction or return of the issued capital of the Company), all rights of the Plan Participant shall be reconstructed in accordance with the Listing Rules.
13. Subject to paragraph 4, the Plan Participant shall have no right to a change in the Exercise Price of a Option or a change to the number of Shares over which a Option can be exercised.

14. If the Company enters into a scheme of arrangement, a takeover bid is made for the Company's Shares, or a party acquires a sufficient interest in the Company to enable them to replace the Board (or the Board forms the view that one of those events is likely to occur) then the Board may declare a Option to be free of any conditions of exercise. Options which are so declared may be exercised at any time on or before they lapse.

15. There are no participating rights or entitlement inherent in the Options and Plan Participants will not be entitled to participate in new issues of securities offered to Shareholders of the Company during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least seven (7) business days after the issue is announced so as to give holders the opportunity to exercise their Options before the date for determining entitlements to participate in any issue.

Company or Trust in which Securityholding is held

Wellfully Limited (ACN 056 482 636)

Registered Name(s)

Registered Address

Holder Identification Number (HIN) or Securityholder Reference Number (SRN)

Use a black pen. Print in CAPITAL letters.

A B C

1 2 3

Where a choice is required, mark the box with an 'X'

X

Appointment of Corporate Representative

A Appointment of Corporate Representative

The abovenamed registered holder hereby appoints:

to act as its representative at:

the meeting of the above named company to be held on: Day / Month / Year
*and at any adjournment of that meeting

OR

all meetings of the above named company.

Please state if there are any restrictions on the representative's power: YES NO

If yes, please describe these restrictions

Contact Name Telephone Number – Business Hours / After Hours

B Sign Here – This section must be signed for your instructions to be executed

I/We authorise you to act in accordance with the instructions set out above. We acknowledge that these instructions supersede and priority over all previous instructions.

Director

Director/Company Secretary

Sole Director and Sole Company Secretary

Day / Month / Year

/ /

How to complete this form

A

Appointment of Corporate Representative

Enter the name of the person you wish to appoint as a corporate representative

Indicate whether this appointment is for one specific meeting or all future meetings. If it is only for one specific meeting, enter the date of that meeting. State if there are any restrictions to the representative's power and, if so, describe these. Please enter contact details so that we can call you in the instance we have a query regarding this form.

B

Signature(s)

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

Companies: this form must be signed by either 2 Directors or a Director and a Company Secretary. Alternatively, where the company has a Sole Director and, pursuant to the Corporations Act, there is no Company Secretary, or where the Sole Director is also the Sole Company Secretary, that Director may sign alone. Delete titles as applicable.

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 **2.30pm (WST) on Saturday, 21 November 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

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

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

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

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

