



QEM Limited
ACN 167 966 770

Notice of General Meeting

**The General Meeting of the Company will be held at
at Suite 6A, Level 6, 50 Appel Street, Surfers Paradise, Queensland on
Thursday, 24 August 2023 at 3pm (AEST).**

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

***Should you wish to discuss any matter, please do not hesitate to contact the
Company Secretary, David Palumbo, by telephone on +61 8 9481 0389.***

Shareholders are encouraged to vote by lodging the proxy form attached to the Notice

**QEM Limited
ACN 167 966 770
(Company)**

Notice of General Meeting

Notice is given that the general meeting of QEM Limited will be held at Suite 6A, Level 6, 50 Appel Street, Surfers Paradise, Queensland on Thursday, 24 August 2023 at 3pm (AEST) (**Meeting**).

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

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 22 August 2023 at 7pm (AEST).

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

Agenda

1 Resolutions

Resolution 1 - Ratification of prior issue of Placement Shares

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

'That the issue of 11,499,478 Placement Shares at \$0.17 per Share is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'

Resolution 2 - Approval to issue Placement Shares to Director

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

'That the issue of up to 4,500,522 Placement Shares at \$0.17 per Share to Mr David Fitch (or his nominee) is approved under and for the purposes of Listing Rule 10.11 on the terms and conditions in the Explanatory Memorandum.'

Resolution 3 - Ratification of prior issue of Shares

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

'That the issue of 248,143 Shares to Spark Plus Pte Ltd is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'

Resolution 4 - Ratification of prior issue of Options

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

'That the issue of 250,000 Options to Ms Joanne Bergamin is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'

2 Voting exclusions

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

- (a) Resolution 1 by or on behalf of any person who participated in the issue of the Placement Shares, or any of their respective associates;
- (b) Resolution 2 by or on behalf of Mr David Fitch, his nominee and any other person who will obtain a material benefit as a result of the issue of the Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates; and
- (c) Resolution 3 by or on behalf of any person who participated in the issue of Shares, or any of their respective associates;
- (d) Resolution 4 by or on behalf of any person who participated in the issue of Options, or any of their respective associates;

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

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

Shares held by or for an employee incentive scheme must only be voted on a Resolution under the Listing Rules if and to the extent that they are held for the benefit of a nominated participant in the scheme; the nominated participant is not excluded from voting on the Resolution under the Listing Rules; and the nominated participant has directed how the Shares are to be voted.

BY ORDER OF THE BOARD

David Palumbo
Company Secretary
QEM Limited
Dated: 21 July 2023

QEM Limited
ACN 167 966 770
(Company)

Explanatory Memorandum

1 Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Suite 6A, Level 6, 50 Appel Street, Surfers Paradise, Queensland on Thursday, 24 August 2023 at 3pm (AEST) (**Meeting**).

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

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

Section 2	Voting and attendance information
Section 3	Resolution 1 – Ratification of prior issue of Placement Shares
Section 4	Resolution 2 – Approval to issue Placement Shares to Director
Section Error! Reference source not found.	Resolution 3 – Ratification of prior issue of Shares
Section 6	Resolution 4 – Ratification of prior issue of Options
Schedule 1	Definitions
Schedule 2	Terms and Conditions of Options

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

2 Voting and attendance information

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

2.1 Voting in person

To vote in person, attend the Meeting at the time, date and place set out above. You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting, however, representatives from the share registry will need to verify your identity. You can register from 2pm on the day of the Meeting.

2.2 Voting by proxy

Shareholders are encouraged to vote by completing a Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form to the Notice of Meeting.

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

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

Shareholders and their proxies should be aware that:

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

Proxy Forms can be lodged via:

Online:	https://investor.automic.com.au/#!/loginsah
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 mobile:	Scan the QR Code on your Proxy Form and follow the prompts

2.3 Chair's voting intentions

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

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on any of the Resolutions by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

3 Resolution 1 – Ratification of prior issue of Placement Shares

3.1 General

On 21 June 2023 the Company announced that it had received binding commitments for a placement to raise \$2,720,000 before costs (**Placement**) by the issue of 16,000,000 Shares at \$0.17 each (**Placement Shares**) to sophisticated and professional investors (**Placement Participants**).

Company Director Mr David Fitch intends to participate in the Placement and has agreed to subscribe for 4,500,522 Placement Shares to raise approximately \$765,000. Mr Fitch's participation is the subject of Resolution 2.

On 28 June 2023, the Company issued 11,499,478 Placement Shares to unrelated Placement Participants using the Company's placement capacity under Listing Rule 7.1 to raise \$1,682,399 (before costs).

Resolution 1 seeks approval of the Shareholders to ratify the issue of 11,499,478 Placement Shares to the unrelated Placement Participants under and for the purposes of Listing Rule 7.4.

3.2 Listing Rules 7.1 and 7.4

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of 11,499,478 Placement Shares to unrelated Placement Participants does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under that Listing Rule for the 12 month period following the issue of the Placement Shares to unrelated Placement Participants.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further Equity Securities without shareholder approval under Listing Rule 7.1.

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

To this end, Resolution 1 seeks Shareholder approval to ratify the issue of 11,499,478 Placement Shares under and for the purposes of Listing Rule 7.4.

If Resolution 1 is passed, the issue of 11,499,478 Placement Shares to unrelated Placement Participants will be excluded in calculating the Company's 15% limit in Listing Rule 7.1,

effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue of the Placement Shares.

If Resolution 1 is not passed, the Placement Shares to unrelated Placement Participants will be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining Shareholder approval over the 12 month period following the issue of those Placement Shares.

3.3 Specific information required by Listing Rule 7.5

Under and for the purposes of Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Placement Shares:

- (a) 11,499,478 Placement Shares were issued to the unrelated Placement Participants;
- (b) none of the Placement Participants are a related party of the Company, with the exception of Mr David Fitch. The Company is seeking Shareholder approval separately for Mr Fitch to participate in the Placement under Resolution 2;
- (c) a total of 11,499,478 Placement Shares were issued on 28 June 2023;
- (d) the Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (e) the Placement Shares were issued at \$0.17 per Share;
- (f) the proceeds from the issue of the Placement Shares are intended to be used towards the development of the Julia Creek Vanadium-Oil Project, including further resource drilling and additional ongoing processing optimisation work, as well as for costs of the Placement and general working capital;
- (g) there are no additional material terms with respect to the agreements for the issue of the Placement Shares; and
- (h) a voting exclusion statement is included in the Notice.

3.4 Board recommendation

Resolution 1 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 1.

4 Resolution 2 – Approval to issue Placement Shares to Director

4.1 General

Mr David Fitch is a non-executive director of the Company (the **Related Party Participant**) and wishes to participate in the Placement, subject to Shareholder approval being obtained.

Resolution 2 seeks the approval of Shareholders for the issue of up to 4,500,522 Shares to the Related Party Participant (or his nominee) arising from his participation in the Placement (**Participation**) under and for the purposes of Listing Rule 10.11.

4.2 Listing Rule 10.11

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

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose relation with the company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

The proposed issue of Shares to the Related Party Participant (or his nominee) falls within Listing Rule 10.11.1 and do not fall within any of the exceptions in Listing Rule 10.12. That proposed issue therefore requires the approval of Shareholders under Listing Rule 10.11.

If Resolution 2 is passed, the Company will be able to proceed with the issue of 4,500,522 Placement Shares to the Related Party Participant (or his nominee) and the Company will raise approximately \$765,000 from the Related Party Participant (or his nominee).

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of 4,500,522 Placement Shares to the Related Party Participant (or his nominee) and the Company may need to raise additional funds from other investors or through other means. Failure to obtain sufficient financing for the Company's activities and projects may result in delay and indefinite postponement of development of the Julia Creek Vanadium-Oil Project. In

turn, this could affect the Company's ability to operate as a going concern. There can be no assurance that additional finance will be available when needed or, if available, that the terms of the financing will be favourable to the Company.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of 4,500,522 Placement Shares to the Related Party Participant will not be included under the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

4.3 Specific information required by Listing Rule 10.13

Under and for the purposes of Listing Rule 10.13, the following information is provided in relation to the proposed Participation:

- (a) the 4,500,522 Placement Shares will be issued to Director Mr David Fitch (or his nominee);
- (b) Mr David Fitch is a related party of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.11.1. In the event the 4,500,522 Placement Shares are issued to his nominee, that person will fall into the category stipulated by Listing Rule 10.11.4;
- (c) the maximum number of Placement Shares to be issued to the Related Party Participant (or his nominee) is 4,500,522;
- (d) the 4,500,522 Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the 4,500,522 Placement Shares will be issued to the Related Party Participant (or his nominee) no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (f) the issue price will be \$0.17 per Share, being the same issue price as all other Shares issued under the Placement;
- (g) the funds raised will be used for the same purposes as all other funds raised under the Placement (as set out in Section (f));
- (h) the Participation is not to remunerate or incentivise the Related Party Participant;
- (i) there are no additional material terms with respect to the agreements for the proposed issue of the 4,500,522 Placement Shares; and
- (j) a voting exclusion statement is included in the Notice.

4.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

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

The Participation will result in the issue of Shares which constitutes giving a financial benefit and the Related Party Participant is a related party of the Company by virtue of being a Director.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares will be issued to the Related Party Participant on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

4.5 Board recommendation

Resolution 2 is an ordinary resolution.

The Board (other than Mr David Fitch who has a material personal interest in the outcome of the Resolution) recommends that Shareholders vote in favour of Resolution 2.

5 Resolution 3 – Ratification of prior issue of Shares

5.1 General

On 26 April 2023 the Company announced that it had issued 248,143 Shares to be issued to Spark Plus Pte Ltd (**Spark Plus**) as consideration for investor relation services.

Resolution 3 seeks approval of the Shareholders to ratify the issue of 248,143 Shares to Spark Plus for the purposes of Listing Rule 7.4.

5.2 Listing Rules 7.1 and 7.4

A generic description of Listing Rules 7.1 and 7.4 is provided at Section 3.2.

The issue of 248,143 Ordinary Shares to Spark Plus does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under that Listing Rule for the 12 month period following the issue of the Placement Shares to unrelated Placement Participants.

To this end, Resolution 3 seeks Shareholder approval to ratify the issue of 248,143 Shares under and for the purposes of Listing Rule 7.4.

If Resolution 3 is passed, the issue of 248,143 Shares to Spark Plus will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue of the Shares.

If Resolution 3 is not passed, the Shares to Spark Plus will be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining Shareholder approval over the 12 month period following the issue of those Shares.

5.3 Specific information required by Listing Rule 7.5

Under and for the purposes of Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of Shares:

- (a) a total of 248,143 Shares were issued to Spark Plus on 26 April 2023;
- (b) Spark Plus is an unrelated party of the Company;
- (c) the Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the purpose of the issue was consideration for investor relation services provided by Spark Plus;
- (e) there are no additional material terms with respect to the agreements for the issue of the Shares; and
- (f) a voting exclusion statement is included in the Notice.

5.4 Board recommendation

Resolution 3 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 3.

6 Resolution 4– Ratification of prior issue of Options

6.1 General

On 28 April 2023 the Company announced the issue of 250,000 Options exercisable at \$0.20 on or before 1 May 2025 to Ms Joanne Bergamin, an employee of the Company. There are no vesting or performance conditions associated with the issue.

Resolution 4 seeks approval of the Shareholders to ratify the issue of 250,000 Options to Ms Joanne Bergamin.

6.2 Listing Rules 7.1 and 7.4

A generic description of Listing Rules 7.1 and 7.4 is provided at Section 3.2.

The issue of 250,000 Options does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under that Listing Rule for the 12 month period following the issue of the Placement Shares to unrelated Placement Participants.

To this end, Resolution 4 seeks Shareholder approval to ratify the issue of 250,000 Options under and for the purposes of Listing Rule 7.4.

If Resolution 4 is passed, the issue of 250,000 Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue of the Options.

If Resolution 4 is not passed, the 250,000 Options will be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining Shareholder approval over the 12 month period following the issue of those Options.

6.3 Specific information required by Listing Rule 7.5

Under and for the purposes of Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Options:

- (a) a total of 250,000 Options were issued to Ms Joanne Bergamin (an employee of the Company) on 28 April 2023;
- (b) the Options are exercisable at \$0.20 on or before 1 May 2025, with the full terms and conditions set out in Schedule 2;
- (c) the Options were issued to Ms Joanne Bergamin (an employee of the Company), as part remuneration. No funds were raised from the issue of the Options;
- (d) there are no additional material terms with respect to the agreements for the issue of the Options; and
- (e) a voting exclusion statement is included in the Notice.

6.4 Board recommendation

Resolution 4 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 4

Schedule 1 - Definitions

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

\$ or A\$	means Australian Dollars.
AEST	means Eastern Standard Time, being the time in Surfers Paradise, Queensland.
ASX	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Company	means QEM Limited (ACN 167 966 770).
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Equity Security	has the same meaning as in the Listing Rules.
Listing Rules	means the listing rules of ASX.
Meeting	has the meaning given in the introductory paragraph of the Notice.
Notice	means this notice of general meeting.
Option	means an option to acquire a Share for the purposes of Resolution 4.
Participation	has the meaning given in Section 4.1.
Placement	has the meaning given in Section 3.1.
Placement Participants	means the sophisticated professional investors who participated in the Placement, to whom a disclosure document does not need to be provided under the Corporations Act, and who are otherwise existing Shareholders or clients of Viriathus Capital
Placement Shares	means up to 16,000,000 Shares to be issued at \$0.17 each to the Placement Participants under the Placement, which are the subject of Resolution 1 and Resolution 2.
Proxy Form	means the proxy form attached to the Notice.
Related Party	means Mr David Fitch for the purposes of Resolution 2.
Resolution	means a resolution referred to in the Notice.

Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company (including shares, options and/or performance rights).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Spark Plus	means Spark Plus Pte Ltd.

Schedule 2 - Terms and Conditions of Options

1. **(Entitlement)**: Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
2. **(Issue Price)**: No cash consideration is payable for the issue of the Options.
3. **(Exercise Price)**: Each Option will be exercisable at \$0.20 per Share.
4. **(Expiry Date)**: The Options expire at 5.00pm (AEST) on 1 May 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
5. **(Exercise Period)**: The Options are exercisable at any time and from time to time on or prior to the Expiry Date.
6. **(Quotation of the Options)**: The Company will not apply for quotation of the Options on ASX.
7. **(Transferability of the Options)**: The Options are not transferable, except with the prior written approval of the Company.
8. **(Notice of Exercise)**: The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and, subject to a cashless exercise (see below), payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and, in the case of cash exercise, the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

9. **(Cashless Exercise Facility)**: If a holder elects to use the Cashless Exercise Facility, the holder will only be entitled to that number of Shares (rounded down to the nearest whole number) as are equal in value to the difference between the Exercise Price payable for the Options and the market value of the Shares at the Exercise Date. The market value will be based on the 5-day VWAP of the Company's Shares prior to and excluding the Exercise Date, unless otherwise determined by the Board at its sole discretion.

Expressed as formula, the number of Shares that a holder is entitled to when using the Cashless Exercise Facility will be determined in the following manner:

Shares received = A x Number of Options Exercised, where:

- (i) A = (B - Exercise Price per Option)/B; and
 - (ii) B = VWAP of Shares on the ASX over the 5 trading days prior to and excluding the Exercise Date, unless otherwise determined by the Board.
10. **(Timing of issue of Shares on exercise)**: Within 5 Business Days after the later of the following:
 - (a) the Exercise Date; and
 - (b) where a notice that complies with section 708A(5)(e) of the Corporations Act is required, when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (c) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and, in respect of a cash exercise, for which cleared funds have been received by the Company;
 - (d) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (e) 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 Options.
11. **(Restrictions on transfer of Shares):** Shares issued on exercise of Options may not be disposed of, nor may agreements be made to dispose of shares issued on exercise of Options, within the two year period following their issue.
12. **(Shares issued on exercise):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.
13. **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.
14. **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
16. **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (b) no change will be made to the Exercise Price.
17. **(Cessation of employment):** Where the holder (or the person who is entitled to be registered as the holder) of the Options is no longer employed, or their engagement is discontinued (for whatever reason), with the Company, any unexercised Options will automatically lapse and be forfeited by the holder, unless the Board otherwise determines in its discretion.



QEM Limited | ACN 167 966 770

Proxy Voting Form

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

[HolderNumber]

Holder Number:

[HolderNumber]

Your proxy voting instruction must be received by **3:00pm (AEST) on Tuesday, 22 August 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

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

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

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

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

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

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

[illegible]

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

Resolutions		For	Against	Abstain
1.	Ratification of prior issue of Placement Shares	☐	☐	☐
2.	Approval to issue Placement Shares to Director	☐	☐	☐
3.	Ratification of prior issue of Shares	☐	☐	☐
4.	Ratification of prior issue of Options	☐	☐	☐

[illegible]

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

OEM