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## **RHYTHM BIOSCIENCES LIMITED**

**ACN 619 459 335**

### **NOTICE OF 2023 ANNUAL GENERAL MEETING**

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**TIME:** 11:00AM (AEDT)

**DATE:** Tuesday 10 October 2023

**PLACE:** The Offices of K & L Gates,  
Rialto South Tower,  
Level 25, 525 Collins Street,  
Melbourne, Victoria

**THIS NOTICE OF ANNUAL GENERAL MEETING SHOULD BE READ IN ITS ENTIRETY. IF SHAREHOLDERS ARE IN DOUBT AS TO HOW THEY SHOULD VOTE, THEY SHOULD SEEK ADVICE FROM THEIR PROFESSIONAL ADVISERS.**

**SHOULD YOU WISH TO DISCUSS THE MATTERS IN THIS NOTICE OF ANNUAL GENERAL MEETING PLEASE DO NOT HESITATE TO CONTACT ONE OF THE JOINT COMPANY SECRETARIES ON (03) 8256 2880 OR VIA EMAIL [paul.smith@rhythmbio.com](mailto:paul.smith@rhythmbio.com) or [andrea.steele@rhythmbio.com](mailto:andrea.steele@rhythmbio.com)**

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## TIME AND PLACE OF MEETING AND HOW TO VOTE

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### VENUE

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Notice is hereby given that the Annual General Meeting of the shareholders of Rhythm Biosciences Limited ACN 619 459 335 (**Company**) will be held at the Offices of K & L Gates, Rialto South Tower, Level 25, 525 Collins Street, Melbourne, Victoria at 11:00am (AEDT) on 10 October 2023 (**Annual General Meeting**).

### YOUR VOTE IS IMPORTANT

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

### VOTING BY PROXY

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Rhythm Biosciences Ltd C/- Automic Registry Services, GPO Box 5193, Sydney NSW 2001; or
- (b) facsimile to Automic Registry Services, on facsimile number +61 2 8583 3040; or
- (c) in person to Automic, Level 5, 126 Phillip Street, Sydney, NSW 2000; or
- (d) by email at [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)
- (e) online by using your computer or smartphone to appoint a proxy at: <https://investor.automic.com.au/#/loginsah>.

so that it is received not later than 11.00am (AEDT) on Sunday 8 October 2023.

### Proxy forms received later than this time will be invalid.

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

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

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

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

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

### **Transfer of Non-Chair proxy to Chair in certain circumstances**

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

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

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

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## LETTER FROM THE CHAIRMAN

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Dear Shareholder,

I am pleased to invite you to the 2023 Rhythm Biosciences Limited Annual General Meeting which will be held at the Offices of K & L Gates, Rialto South Tower, Level 25, 525 Collins Street, Melbourne, Victoria at 11:00am (AEDT) on Tuesday 10 October 2023.

Enclosed with the Notice of Annual General Meeting is your personalised proxy form. The following pages contain details of the items of business that you will be able to vote on at the Annual General Meeting.

The resolutions contained in this Notice deal with the following:

- statutory requirements for the remuneration report;
- re-election of Mr Otto Buttula as an Executive Director of the Company;
- re-election of Mr Louis Panaccio as a Director of the Company;
- election of Ms Susan MacLeman as Director of the Company;
- proposed issue of options to Ms Susan MacLeman;
- approval of 10% placement facility; and
- adoption of new Employee Incentive Omnibus Plan (EIOP).

As detailed in the Annual Report, during the year, the team has met a number of key highlights, including NZ Medsafe Mark approval, UK CA Mark approval, further expansion and development on our platform technologies, having our ColoSTAT<sup>®</sup> Poster Presentation at ASCO Annual Meeting, expansion of the RHY management team and a signed strategic partnership with LINK Medical Solutions for UK market entry access.

We look forward to developing the Company's global influence over financial and calendar year 2024, as we continue to pursue our purpose of helping patients diagnose cancers early, in a simple and more inexpensive manner as an alternative to current bowel cancer screening practices in multiple countries.

Financial and calendar 2024 is shaping up to be our most important years and we expect to deliver positive news and re-build shareholder value in the foreseeable future.

If you are unable to attend in person, please ensure that you fill and return your personalised proxy form which has been delivered by mail or electronically.

Yours sincerely,



**Mr Otto Buttula**  
**Chairman**  
**31 August 2023**

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of shareholders of the Company will be held at The Offices of K & L Gates, Rialto South Tower, Level 25, 525 Collins Street, Melbourne, Victoria **on Tuesday 10 October, commencing at 11:00am (AEDT).**

The Explanatory Memorandum to this Notice of Annual General Meeting provides information on matters to be considered at the Annual General Meeting. The Explanatory Memorandum and the proxy form are part of this Notice of Annual General Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered shareholders of the Company at 7.00pm (AEDT) on Sunday 8 October 2023.

Terms and abbreviations used in this Notice of Meeting and Explanatory Memorandum are defined in the Glossary.

### AGENDA - GENERAL BUSINESS

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#### REPORTS AND ACCOUNTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

The first item on the agenda for the Notice of Annual General Meeting deals with the presentation of the Company's Annual Financial Report for the year ended 30 June 2023 together with the Declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

Shareholders should consider this document and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item of business.

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#### RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

During this item of business, Shareholders at the meeting may comment on and ask questions about the remuneration report which appears in the Rhythm Biosciences Ltd 2023 Annual Report.

Resolution 1 is to consider and, if thought fit, to pass the following resolution as a **non-binding ordinary resolution**:

*“That, for the purpose of Section 250R (2) of the Corporations Act and for all other purposes, the Company adopts the Remuneration Report as set out in the Directors’ Report in the Annual Report for the year ended 30 June 2023”.*

#### Short Explanation:

*Section 300A of the Corporations Act requires the Directors’ Report to contain a remuneration report containing information about the Board’s policy for determining the nature and amount of the remuneration of directors and senior management. The report must also explain the relationship between the remuneration policy and the Company’s performance. Sections 250R (2) and 250R (3) of the Corporations Act provide that the vote on the adoption of the remuneration report is advisory only and does not bind the Directors or the Company.*

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

A voting exclusion statement and proxy voting prohibition for Resolution 1 is set out below.

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## RESOLUTION 2 – RE-ELECTION OF MR OTTO BUTTULA

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

*“To re-elect Mr Otto Buttula who retires by rotation in accordance with Listing Rule 14.4 and Article 59 of the Company’s Constitution and being eligible, offers himself for re-election as a Director.”*

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## RESOLUTION 3 – RE-ELECTION OF MR LOUIS PANACCIO

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

*“To re-elect Mr Louis Panaccio who retires by rotation in accordance with Listing Rule 14.4 and Article 59 of the Company’s Constitution and being eligible, offers himself for re-election as a Director.”*

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## RESOLUTION 4 – ELECTION OF MS SUSAN MACLEMAN

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

*“That Ms Susan MacLeman, having been appointed to be a Director on 31 January 2023 pursuant to the Article 57(1) of the Company’s Constitution, retires in accordance with Article 57(2) of the Company’s Constitution and being eligible for election, offers herself for election, is hereby elected as Director of the Company.”*

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## RESOLUTION 5 – APPROVAL OF ISSUE OF OPTIONS TO MS SUSAN MACLEMAN

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

*“That subject to the approval of Resolution 4, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the issue to Ms Susan MacLeman, being a Director of the Company, or her nominee of 200,000 unlisted options (each with an exercise price of \$1.80, expiring 30 November 2025 and which, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company) under the Company’s Employees Incentive Omnibus Plan in accordance with the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

A voting exclusion statement and proxy voting prohibition for Resolution 5 is set out below.

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## RESOLUTION 6 – APPROVAL OF 10% PLACEMENT FACILITY

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

*“That for the purposes of Listing Rule 7.1A, shareholders approve the Company having the capacity to issue fully paid ordinary shares in the capital of the Company up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed ASX Listing Rule 7.1A.2 and on the terms and conditions as described in the Explanatory Memorandum accompanying this Notice of Meeting.”*

**Voting Note:**

If as at the time of the Meeting, the Company:

- is included in the S&P/ASX 300 Index; and
- has a market capitalisation of greater than AU\$300 million,

then this Resolution 6 will be withdrawn.

A voting exclusion statement and proxy voting prohibition for Resolution 6 is set out below.

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**RESOLUTION 7 – ADOPTION OF NEW EMPLOYEE INCENTIVE OMNIBUS PLAN**

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

*“That, for the purposes of ASX Listing Rule 7.2 Exception 13, and for all other purposes including sections 259B and 260C of the Corporations Act 2001 (Cth), approval is given for the Company to adopt an employee incentive scheme as described in the Memorandum which accompanied and formed part of this Notice.”*

**Voting Note:**

A voting exclusion statement and proxy voting prohibition for Resolution 7 is set out below.

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**VOTING EXCLUSION STATEMENTS**

As required by the ASX Listing Rules and the Corporations Act:

**RESOLUTION 1** Voting Exclusion Statement

A vote must not be cast (in any capacity) on Resolution 1 by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration report and a Closely Related Party of those persons (each a **KMP**). However, the Company need not disregard a vote if the vote it is not cast on behalf of a KMP and:

- (a) it is cast by a KMP as proxy for a person who is entitled to vote, and is cast in accordance with the voter's directions on the proxy form; or
- (b) it is cast by a KMP being the person chairing the meeting as proxy for a person who is entitled to vote, the appointment (i) does not specify the way the proxy is to vote on the resolution, and (ii) the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

**RESOLUTION 5** Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of a person referred to Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Incentive Scheme in question or any associate of that person.

However, the Company will not disregard a vote if:

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

A vote on Resolution 5 must not be cast, and the Company will disregard any votes cast on this Resolution 5:

- (a) by or on behalf of a member of the Company's key management personnel as whose remuneration is disclosed in the Remuneration Report (Key Management Personnel), and
- (b) by or on behalf of a Closely Related Party of a member of the Key Management Personnel.

(each a **KMP**) appointed as a proxy to vote on this Resolution 5. However, the Company will not disregard a vote if:

- (c) it is cast by the Chair of the Meeting, and;
- (d) the proxy appointing the KMP authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel

## **RESOLUTION 6 - Voting Exclusion Statement**

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

- (a) if at the time the approval of Resolution 6 is sought the Company is proposing to make an issue of securities under rule 7.1A.2, any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company; or
- (b) an associate of such member.

However, this does not apply to a vote cast in favour of Resolution 6 by:

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

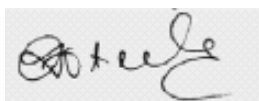


## **RESOLUTION 7 - Voting Exclusion Statement**

The Company will disregard any vote cast in favour of Resolution 7 by, or on behalf of any Director of the Company who are key management personnel whose remuneration details are included in the Remuneration report, any other key management personnel whose remuneration details are included in the Remuneration report, a person who is eligible to participate in the employee incentive scheme, or any of their closely related parties, will not be able to vote undirected proxies held by them on Resolution 7 provided however that the Chair may vote undirected proxies on Resolution 7 on behalf of persons eligible to vote where expressly authorised to do so on the proxy form.

**Dated 31 August 2023**

**BY ORDER OF THE BOARD**



**Andrea Steele**  
**Joint Company Secretary**



**Paul Smith**  
**Joint Company Secretary**

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## EXPLANATORY MEMORANDUM

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This Explanatory Memorandum has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted as the Annual General Meeting of the Company, will be held at the Offices of K & L Gates, K & L Gates, Rialto South Tower, Level 25, 525 Collins Street, Melbourne, Victoria on **Tuesday on 10 October 2023, commencing at 11:00am** (AEDT).

The purpose of this Explanatory Memorandum is to provide information that the directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Annual General Meeting.

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## REPORTS AND ACCOUNTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2023 together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <https://www.rhythmbio.com/reports/>.

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## RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

### General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the Directors' Report contained in the Annual Financial Report of the Company for a financial year. The Chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the Remuneration Report at the Annual General Meeting.

### Voting consequences

Under the Corporations Act, listed entities are required to put to the vote a resolution that the Remuneration Report section of the Directors' Report be adopted. This Remuneration Report can be found in the Company's 2023 Annual Report. It sets out a range of matters relating to the remuneration of Directors, the Joint Company Secretaries and Senior Executives of the Company.

A vote on this resolution is advisory only and does not bind the Directors or the Company. A copy of the Company's 2023 Annual Report can be found on its website at <https://www.rhythmbio.com/reports/>.

The Corporations Act provides that:

- (a) members of the Key Management Personnel whose remuneration details are included in the Remuneration Report (and any Closely Related Party of those members) are not permitted to vote on a resolution to approve the Remuneration Report, and
- (b) if the vote to approve the Remuneration Report receives a "no" vote by at least 25% of the votes cast, this will constitute a "first strike".

The Company did not receive a first strike at its 2022 Annual General Meeting.

## **Recommendation**

As set out in the Notice of Annual General Meeting, any member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, together with a Closely Related Party of those members, are excluded from casting a vote on Resolution 1.

Accordingly, the Board abstains from making a recommendation in relation to Resolution 1.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1.

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## **RESOLUTION 2 – RE-ELECTION OF MR OTTO BUTTULA**

Article 59 of the Constitution of the Company provides that at each Annual General Meeting one-third of the Directors, if their number is not a multiple of 3, then the number nearest to (but not exceeding) one-third of the Directors must retire from office, and that a director must not hold office, without re-election, for more than 3 years. ASX Listing Rule 14.4 provides that there must be an election of directors every annual general meeting. Mr Otto Buttula was last elected to the Board at the Company's Annual General Meeting held on 18 November 2020.

In accordance with Article 59 of the Constitution of the Company, Mr Buttula who retires by rotation, is eligible for re-election and has submitted himself for re-election at this Annual General Meeting.

Mr Buttula has had extensive experience and success in investment research, funds management and information technology / biotechnology and has directorships in a number of public and private companies.

Otto's executive experience includes co-founder, CEO and Managing Director of IWL Limited, a company which grew from a market capitalisation of \$48 million at listing before a takeover in 2007 by the Commonwealth Bank of Australia for \$373 million. Following this Otto served as the Non-Executive Chairman of platform and stockbroking provider Investorfirst Limited and led the acquisition of HUB24 Limited (ASX: HUB).

Otto is the current Non-Executive Chairman of both HITIQ Limited (ASX: HIQ) and OncoSil Limited (ASX: OSL) (retired 31 August 2023) and has served on the Board as a Non-Executive Director and Head of Audit & Risk at Imugene Limited (ASX: IMU).

## **Recommendation**

The Directors (in the absence of Mr Otto Buttula) strongly recommend that shareholders vote in favour of Resolution 2. Due to the interest he has in the outcome of Resolution 2, Mr Otto Buttula makes no recommendation to Shareholders in relation to Resolution 2.

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## **RESOLUTION 3 – RE-ELECTION OF MR LOUIS PANACCIO**

Article 59 of the Constitution of the Company provides that at each Annual General Meeting one-third of the Directors, if their number is not a multiple of 3, then the number nearest to (but not exceeding) one-third of the Directors must retire from office, and that a director must not hold office, without re-election, for more than 3 years. ASX Listing Rule 14.4 provides that there must be an election of directors every annual general meeting. Mr Louis (Lou) Panaccio was last elected to the Board at the Company's Annual General Meeting held on 18 November 2020.

In accordance with Article 59 of the Constitution of the Company, Mr Panaccio who retires by rotation, is eligible for re-election and has submitted himself for re-election at this Annual General Meeting.

Mr Panaccio is a chartered accountant with extensive management experience in business and healthcare services. Lou is currently on the boards of ASX listed companies Sonic Healthcare Limited, Adherium Limited and AVITA Medical Inc. Lou is also on the boards of Unison Housing Limited, NeuralDx Limited, VGI Health Technology Limited and Magellan Stem Cells Pty Ltd. Lou

has more than 25 years' experience as a board member of both public and private, for profit and not for profit companies. Previously, Lou was the CEO of Melbourne Pathology and Monash IVF, and also executive Chairman of Health Networks Australia.

### **Recommendation**

The Directors (in the absence of Mr Lou Panaccio) strongly recommend that shareholders vote in favour of Resolution 3. Due to the interest he has in the outcome of Resolution 3, Mr Lou Panaccio makes no recommendation to Shareholders in relation to Resolution 3.

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### **RESOLUTION 4 – ELECTION OF MS SUSAN MACLEMAN**

Article 57 of the Constitution of the Company provides that the Board may at any time appoint an additional Director, such additional Director to hold office until the next following general meeting of the Company and is then eligible for election.

Ms MacLeman was appointed by the Board as a Director on 31 January 2023 and therefore must stand for election at this Annual General Meeting. Being eligible, Ms MacLeman seeks shareholder approval to her appointment as a Director, effective immediately upon the passing of this Resolution.

On 4 July 2023 Ms MacLeman was appointed to the position of Independent Deputy Chair and assumed additional duties including Chair of the Company's Audit & Risk Committee and the Remuneration & Evaluation Committee.

Ms MacLeman is an experienced director and former executive having held senior leadership positions across pharmaceutical, biotechnology and medical technologies in corporate, medical, commercial and business development both domestically and overseas. Susan has also served as CEO and a Board member of several ASX, AIM and NASDAQ listed companies in the Healthtech sector and has been appointed to several academic and government advisory boards.

Susan possesses broad industry knowledge and has a strategic and commercial mindset. Her extensive commercial and technical experience is underpinned by a Bachelor of Pharmacy from the University of Queensland, a Master of Laws from Deakin University and a Master of Marketing from Melbourne Business School.

### **Recommendation**

The Directors (in the absence of Ms Susan MacLeman) strongly recommend that shareholders vote in favour of Resolution 4. Due to the interest she has in the outcome of Resolution 4, Ms Susan MacLeman makes no recommendation to Shareholders in relation to Resolution 4.

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### **RESOLUTION 5 – APPROVAL OF ISSUE OF OPTIONS TO A RELATED PARTY: MS SUSAN MACLEMAN**

Subject to Resolution 4 being approved, Resolution 5 seeks shareholder approval for the issue to a director of the Company, Ms Susan MacLeman, of 200,000 unlisted options (each with an exercise price of \$1.80, expiry date of 30 November 2025 and which, upon exercise, entitle the holder to one fully paid ordinary share in the Company) (**Related Party Options**) under the Rhythm Employee Incentive Omnibus Plan. Ms MacLeman is a related party of the Company for the purposes of the Corporations Act and the ASX Listing Rules.

The full terms of the options are set out in Annexure A to this Notice.

An Appendix 3B for the proposed issue of options to Ms MacLeman will be released to the ASX.

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

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The grant of Related Party Options constitutes giving a financial benefit and Ms MacLeman is a related party of the Company by virtue of being a Director.

The Directors (other than Ms MacLeman who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the proposed grant of the Related Party Options, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

The issue of these Related Party Options to Ms MacLeman has been aligned to the role and the additional duties she will perform as Independent Deputy Chair of the Company.

## **ASX Listing Rule 10.14**

ASX Listing Rule 10.14 requires shareholder approval to be obtained where an agrees to issue securities under a company's employee incentive scheme (such as the Company's Employee Security Ownership Plan) to a related party, or a person whose relationship with the entity or a related party is, in ASX's option, such that approval should be obtained unless an exception in ASX Listing Rule 10.16 applies.

As the grant of the Related Party Options involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.14 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.16 do not apply in the current circumstances.

Resolution 5 seeks the required shareholder approval to the Issue of Related Party Options under and for the purposes of Listing Rule 10.14.

If Resolution 5 is passed, the Company will be able to proceed with the Issue of the Related Party Options no later than 3 years after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).

If Resolution 5 is not passed, the Company will not Issue any Related Party Options.

## **Technical information required by ASX Listing Rule 10.15**

Pursuant to and in accordance with ASX Listing Rule 10.15, the following information is provided in relation to Resolution 5:

- (a) the Related Party Options are proposed to be issued to Ms MacLeman (or her associates controlled by Ms MacLeman). Ms MacLeman is a director of the Company;
- (b) the number of Related Party Options to be issued is 200,000. Ms MacLeman has not previously been issued any securities under the Plan;
- (c) the Related Party Options will be granted no later than 3 years after the date of the Meeting;
- (d) the Related Party Options will be issued for nil cash consideration; accordingly, no funds will be raised;
- (e) the terms of conditions of the Related Party Options are set out in Annexure A;

- (f) the reasons for issuing the Related Party Options are:
- is considered reasonable remuneration in the circumstances; and
  - is consistent with the issue of options to Non-executive Directors of the Company.
- (g) the Company values the Options at \$26,793.88 using the Black Scholes method of valuation.
- (h) The details of any Options issued under the Company's Plan to Ms MacLeman will be published in the Company's annual report as it relates to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.
- (i) Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of Options under the Company's Plan after the resolution is approved and who were not named in this Notice will not participate until approval is obtained under that rule.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Related Party Options as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the grant of Related Party Options to Ms MacLeman (or her controlled associates) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

### **Board Recommendation**

The Directors (other than Ms MacLeman) strongly recommends that Shareholders vote in favour of Resolution 5. Due to the interest she has in the outcome of Resolution 5 Ms MacLeman makes no recommendation to Shareholders in relation to Resolution 5.

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### **RESOLUTION 6 – APPROVAL OF 10% PLACEMENT FACILITY**

ASX Listing Rule 7.1A enables eligible entities to issue equity securities (as that term is defined in the ASX Listing Rules) up to 10% of their issued share capital through placements over a 12-month period after an AGM (**10% Placement Facility**). The 10% Placement Facility is in addition to a company's 15% placement capacity under ASX Listing Rule 7.1. An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalization of \$300 million or less.

The Company is, at the date of the Notice, an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability to issue equity securities under the 10% Placement Facility without shareholder approval. The exact number of equity securities (if any) to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer below). If Resolution 6 is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

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

The Directors of the Company believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

## **DESCRIPTION OF LISTING RULE 7.1A**

### **Shareholder approval**

The ability to issue equity securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an AGM.

### **Equity securities**

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company. The Company, as at the date of the Notice, has one class of quoted equity securities, being ordinary shares (RHY).

### **Formula for calculating 10% Placement Facility**

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an AGM may, during the 10% Placement Period (defined below), issue a number of equity securities calculated in accordance with the following formula:

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

**where:**

**A** is the number of shares on issue 12 months before the date of the issue or agreement to issue:

- (i) plus, the number of fully paid securities issued in the 12 months under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- (ii) plus, the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
  - a. *the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or*
  - b. *the issue of, or agreement to issue, the convertible securities was approved, or taken under those rules to have been approved, under ASX Listing Rule 7.1 or 7.4;*
- (iii) plus, the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 Exception 16 where:
  - a. *the agreement was entered into before the commencement of the relevant period; or*
  - b. *the agreement or issue was approved, or taken under those rules to have been approved, under ASX Listing Rule 7.1 or 7.4;*
- (iv) plus, the number of fully paid ordinary securities issued in the relevant period with approval of holders of shares under ASX Listing Rules 7.1 or 7.4;
- (v) plus, the number of partly paid ordinary securities that became fully paid in the relevant period;
- (vi) less the number of fully paid ordinary securities cancelled in the relevant period.

Note: "A" has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%

**E** is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the relevant period (being the 12-month period immediately before the date of the issue or agreement to issue) where the issue has not been subsequently approved by shareholders under ASX Listing Rules 7.4.

The actual number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer above).

### **SPECIFIC INFORMATION REQUIRED BY ASX LISTING RULE 7.3A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

#### **Minimum Issue Price**

The issue price of equity securities issued under ASX Listing Rule 7.1A must be not less than 75% of the VWAP of equity securities in the same class calculated over the 15 trading days immediately before:

- (i) the date on which the price at which the relevant equity securities are to be issued is agreed by the Company and the recipient of the relevant equity securities; or
- (ii) if the equity securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

#### **10% Placement Period**

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires (and ceases to be valid) on the earlier to occur of:

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained; or
- (ii) the time and date of the next AGM of the Company; or
- (iii) the date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

**(10% Placement Period).**

#### **Purpose of the Funds Raised**

The Company may use funds raised from any issue(s) under the 10% Placement Facility for development of its existing business and any acquired business, or funding new projects or business opportunities and/or general working capital.

#### **ASX Listing Rule 7.1A**

The effect of Resolution 6 will be to allow the Directors of the Company to issue the equity securities under ASX Listing Rule 7.1A during the 10% Placement Period separate to the Company's 15% placement capacity under ASX Listing Rule 7.1.

If Resolution 6 is approved by the Shareholders and the Company issues equity securities under the 10% Placement Facility, the existing ordinary security holders' voting power in the Company would be diluted. There is a risk that:

- (i) the market price for the Company's equity securities in that class may be significantly lower on the date of the issue of the equity securities than on the date of the Meeting approving the Listing Rule 7.1A capacity; and
- (ii) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date,

which may also have an effect on the quantum of funds raised by the issue of the equity securities.



The table below shows an example of the dilution of existing shareholders on the basis of the current market price of the Company's ordinary shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of the Notice. The table also shows:

- Two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary shares the Company has on issue as at the date of this Meeting. The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require shareholder approval (for example, a pro-rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future shareholders' meeting.
- Two examples of where the price of ordinary shares has decreased by 50% and increased by 50% as against the current market price (being \$0.37), the closing price of the Company's ordinary shares at close of trading on 30 August 2023).

Variable "A" in ASX Listing Rule 7.1A.2		Dilution		
		\$0.19 50% decrease in Issue Price	\$0.37 Issue Price	\$0.56 50% Increase in Issue Price
<b>Current Variable A</b> 220,917,589 shares	10% Voting Dilution	22,091,759 shares	22,091,759 shares	22,091,759 shares
	Funds raised	\$4,086,975	\$8,173,951	\$12,260,926
<b>50% increase in current Variable A</b> 331,376,384 shares	10% Voting Dilution	33,137,638 shares	33,137,638 shares	33,137,638 shares
	Funds raised	\$6,130,463	\$12,260,926	\$18,391,389
<b>100% increase in current Variable A</b> 441,835,178 shares	10% Voting Dilution	44,183,518 shares	44,183,518 shares	44,183,518 shares
	Funds raised	\$8,173,951	\$16,347,902	\$24,521,852

**The table above has been prepared on the following assumptions:**

- The Company issues the maximum securities available under the ASX Listing Rule 7.1A being 10% of the Company's shares on issue at the date of the Meeting.
- No options are exercised into fully paid ordinary securities before the date of the issue of securities under ASX Listing Rule 7.1A.
- The table does not demonstrate an example of dilution that may be caused to a particular Shareholder by reason of placements under ASX Listing Rule 7.1A, based on that shareholder's holding at the date of the Meeting.
- The issue of securities under the 10% Placement Facility consists only of Shares.
- The table only demonstrates the effect of issues of securities under ASX Listing Rule 7.1A. It does not consider placements made under ASX Listing Rule 7.1.

- The deemed price in the table is indicative only and does not consider the maximum 25% discount to market that the securities may be placed at under ASX Listing Rule 7.1A.

The Company may only seek to issue the equity securities for cash consideration. In such circumstances, the Company intends to use the funds raised (if any) towards developing its existing business and any acquired business, or to fund new projects or business opportunities and/or for general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 upon issue of any equity securities under the 10% Placement Facility.

### **Allocation Policy**

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

- the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- the effect of the issue of the equity securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

Due to the forward-looking nature of the approval, the allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing shareholders and/or new investors who are not related parties or associates of a related party of the Company.

Further, if the Company were to pursue an acquisition and were it to be successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments (provided that the shares were issued for cash consideration).

### **Issues under Listing Rule 7.1A in the previous 12 months**

The Company obtained shareholder approval under ASX Listing Rule 7.1A at the 2021 AGM. However, the Company did not issue any equity securities under ASX Listing Rule 7.1A in the 12-month period preceding the proposed date of the Meeting.

### **Board Recommendation**

The directors of the Company unanimously recommend shareholders vote in favour of Resolution 6.

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## **RESOLUTION 7 – ADOPTION OF NEW EMPLOYEE INCENTIVE OMNIBUS PLAN**

### **Background**

Resolution 7 seeks shareholder approval for the adoption of an employee incentive scheme, being the Employee Incentive Omnibus Plan (2023 EIOP). The approval of the 2023 EIOP will replace the 2020 ESOP which being 3 years old no longer falls within exception 13 of ASX Listing Rule 7.2.

A summary of the terms of the 2023 EIOP is set out in Annexure B.

### **ASX Listing Rules**

ASX Listing Rule 7.1 requires that shareholder approval is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.2 Exception 13 provides an exception to ASX Listing Rule 7.1 for securities issued under an employee incentive scheme within 3 years of shareholder approval of the scheme. The Company therefore seeks approval of the 2023 EIOP for the purposes of ASX Listing Rule 7.2 Exception 13 so that issues of securities under the 2023 EIOP do not impede the capacity of the Company to issue up to a further 15% of its capital without shareholder approval.

Other than the proposed issue of the 200,000 options to Ms MacLeman 5 as outlined in Resolution under the 2023 EIOP, the Company does not have any immediate plans to issue any securities under the EIOP.

As detailed above, the maximum aggregate number of securities that may be issued under the 2023 EIOP is 10% of the current RHY Shares. Any issue or agreement to issue securities under the 2023 EIOP will be announced to ASX.

### **Corporations Act**

Approval is also sought through Resolution 7 for the purposes of sections 259B and 260C of the *Corporations Act 2001* (Cth).

The 2023 EIOP provides that the Company may provide financial assistance (in the form of an interest free, limited recourse loan) to participants to fund the acquisition price of shares issued under the 2023 EIOP, further details of which are set out in summary in Annexure C. Under section 260C(4) of the Corporations Act, a company may financially assist a person to acquire shares if the financial assistance is given under an employee share scheme that is approved by shareholders at a general meeting. Resolution 7 seeks approval of the 2023 EIOP for the purposes of section 260C(4) of the Corporations Act.

The 2023 EIOP also provides for the Company to take security over shares issued under the 2023 EIOP to secure loan repayment obligations and places restrictions on transfer and voting which may constitute taking security over its own shares. Section 259B(1) of the Corporations Act provides that a company must not take security over shares in itself except as permitted by the Corporations Act. Section 259B(2) provides that the Company may take security over shares in itself under an employee share scheme that has been approved by shareholders at a general meeting.

Resolution 7 seeks approval of the 2023 EIOP for the purposes of section 259B(2) of the Corporations Act.

### **General**

An electronic copy of the 2023 EIOP can be made available to shareholders upon request to the Company.

A voting exclusion statement as set out in the Notice applies to this Resolution 7.

**Voting Note:**

This Special Resolution must be passed by 75% of votes present, including proxies.

**Board Recommendation**

The Directors of the Company unanimously recommend shareholders vote in favour of Resolution 7.

## GLOSSARY

**2023 Annual Report** means the Company's Annual Report for the year ended 30 June 2023, which can be downloaded from the Company's website at [www.rhythmbio.com](http://www.rhythmbio.com).

**AEDT** means Australian Eastern Daylight-Saving Time, as observed in Melbourne, Victoria.

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

**ASX** means ASX Limited.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of ASX.

**Board** means the Board of Directors.

**Chair** means the Chair of the Meeting.

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

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

**Company** or **Rhythm Biosciences** means Rhythm Biosciences Ltd (ABN 59 619 459 335).

**Constitution** means the constitution of the Company.

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

**Director** means a director of the Company.

**Eligible Entity** means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

**Explanatory Memorandum** means the explanatory memorandum accompanying the Notice.

**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.

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

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

**Option holder** means a holder of an Option.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means that section of the Directors' Report setting out the Directors' remuneration on in the 2023 Annual Report.

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

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

**Shareholder** means a holder of a Share.

**Variable A** means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

**VWAP** means volume weighted average price, rounded down, to four decimal places, of the Shares traded in the ordinary course of business on the ASX over a specified number of successive trading days (excluding crossings executed outside the open session state, special crossings, overseas trades and trades pursuant to exercise of options over Shares).

## Annexure A – Related Party Options

### The Terms and Conditions of Related Party Options to be issued to Ms Susan MacLeman

<b>Entitlement</b>	Each Related Party Option entitles the holder to subscribe for one fully paid ordinary share ( <b>Share</b> ) upon exercise of the Related Party Option.
<b>Exercise Price</b>	The amount payable upon exercise of each Related Party Option will be \$1.80 ( <b>Exercise Price</b> ), subject to any future reconstruction of capital.
<b>Number of Options</b>	Ms Susan MacLeman – 200,000 Options
<b>Vesting Conditions</b>	Options will vest upon the achievement of various milestone-based targets and is subject to Ms Susan MacLeman remaining as a Director of the Company over the Vesting Period.
<b>Vesting Period</b>	Options will vest over the period of 3 years from the grant date of the Options.
<b>Cessation of appointment</b>	Pro-rata vesting as to the period of service provided related to the vesting conditions which apply to the Options.
<b>Expiry Date</b>	The Related Party Options will expire, if not exercised, 3 years from grant date.
<b>Exercise Period</b>	The Related Party Options are exercisable at any time on or prior to the Expiry Date ( <b>Exercise Period</b> ) as and to the extent they have satisfied their Vesting Conditions.
<b>Notice of Exercise</b>	The Related Party Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Related Party Option certificate ( <b>Notice of Exercise</b> ) and payment of the Exercise Price for each Related Party Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
<b>Exercise Date</b>	A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Related Party Option being exercised in cleared funds ( <b>Exercise Date</b> ).
<b>Timing of issue of Shares on exercise</b>	Within 15 Business Days after the Exercise Date, the Company will: <ul style="list-style-type: none"> <li>(a) issue the number of Shares required under these terms and conditions in respect of the number of Related Party Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and</li> <li>(b) if admitted to the office list of ASX at the time, apply for official quotation of ASX of Shares issued pursuant to the exercise of the Related Party Options.</li> </ul>
<b>Shares issued on exercise</b>	Shares issued on exercise of the Options rank equally with the then issued shares of the Company (other than those Shares for which dividends may have already been declared).
<b>Change of control</b>	All Options will automatically vest, and all vesting conditions will be deemed to have been satisfied in full if a Liquidity Event occurs. A "Liquidity Event" is defined as: <ul style="list-style-type: none"> <li>(a) where a bidder under a takeover offer (as defined in the Corporations Act) has acceptances for more than 50% of the ordinary shares in the Company and there are no unsatisfied conditions (or conditions that not been waived) under the bid, or</li> </ul>

	<p>(b) on shareholder approval being obtained for a scheme of arrangement (as defined in the Corporations Act) with respect to the assets or securities of the Company; or</p> <p>(c) completion under a contract of sale with a third-party purchaser of all, or substantially all, of the assets and undertaking of the Company.</p>
<b>Reconstruction of capital</b>	If at any time the issued capital of the Company is reconstructed, all rights of a Related Party Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
<b>Participation in new issue</b>	There are no participation rights or entitlements inherent in the Related Party Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Related Party Options without first exercising the Related Party Options.
<b>Change in exercise price</b>	A Related Party Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Related Party Option can be exercised.
<b>Transferability</b>	The Related Party Options are transferrable subject to any restrictions applicable under the Vesting Conditions, any restriction or escrow arrangement imposed by ASX or under applicable Australian securities laws.
<b>Liquidation</b>	In the event of the liquidation of the Company, all unvested or unexercised Options will lapse upon the occurrence of that liquidation.
<b>No Dividends</b>	The Options do not provide any entitlement to dividends paid to ordinary shareholders.
<b>No Voting</b>	The Options do not entitle the Option Holder to vote at any meeting of shareholders
<b>ASX Listing Rules Prevail</b>	To the extent (if any) that any of these Option Terms and Conditions are inconsistent with or contrary to the ASX Listing Rules, the ASX Listing Rules provisions will prevail and these Option Terms and Conditions are deemed to incorporate the relevant ASX Listing Rules provisions as an amendment to these terms;
<b>Governing Law</b>	These Terms and Conditions are governed by the laws of Victoria. The parties submit to the non-exclusive jurisdiction of the courts of Victoria.



## **Annexure B – Summary of New Employee Incentive Omnibus Plan (2023 EIOP)**

The maximum number of securities that may be issued under the Plan (being the 2023 EIOP as defined in the Memorandum which this Annexure accompanies) is 10% of RHY Shares

Any issues of securities or agreements to issue securities under the Plan will be announced to ASX.

The Plan provides for shares, options or other securities or interests (including performance rights) to be issued to eligible persons.

The purpose of the Plan is to:

- (a) provide eligible persons with an additional incentive to work to improve the performance of the Company;
- (b) attract and retain eligible persons essential for the continued growth and development of the Company;
- (c) to promote and foster loyalty and support amongst eligible persons for the benefit of the Company; and
- (d) to enhance the relationship between the Company and eligible persons for the long-term mutual benefit of all parties.

Eligible persons are directors, officers and employees of, or consultants to, the Company or an associated body corporate and, in the case of consultants, may include bodies corporate. Participants in the Plan, the number, type and terms of any securities offered or issue, and the terms of any invitation, offer or issue are determined by the Board with the advice of the remuneration committee, if any.

Directors and related parties of the Company may only participate in the Plan if prior shareholder approval is obtained in accordance with the ASX Listing Rules.

The total number of securities which may be issued under the Plan from time to time is the number which is 10% (ten percent) of the number of Shares on issue at the time of issue of a security. Shares issued on exercise of an option or exercise or conversion of an interest issued under the Plan, and options or other interests which have been converted or cancelled or which have lapsed are not counted in determining the number of securities issued under the Plan.

The Directors may make loans to eligible persons to assist acquiring or for the purpose of acquiring securities under the Plan, subject to compliance with the Corporations Act and ASX Listing Rules.

The Board is to administer the terms of the Plan, including but not limited to determining the terms of securities issued, adoption of rules subordinate to the Plan for the administration of the Plan and the suspension or termination of the Plan.

The Plan is to be interpreted and applied in accordance with and subject to the ASX Listing Rules.

# Proxy Voting Form

If you are attending the virtual Meeting  
please retain this Proxy Voting Form  
for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **11.00am (AEDT) on Sunday, 8 October 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:

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#### 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)

