



Adam Gallagher
Company Secretary
Purifloh Limited
24 January 2025

Purifloh Limited ACN 124 426 339 (Company)

NOTICE OF MEETING

Notice is given that the General Meeting (**Meeting**) of the Shareholders (**Shareholder**) of the Company will be held as follows:

Time: 11:00am (AEDT)

Date: 28 February 2025

Place: The offices of Steinepreis Paganin Level 6, 99 William Street, Melbourne, Victoria

In accordance with section 110D of the *Corporations Act 2001* (Cth) (**Corporations Act**), the Company will not be sending hard copies of the Notice of Meeting (Notice) unless a Shareholder has elected to receive documents in hard copy in accordance with the timeframe specified in section 110E(8) of the Corporations Act.

All Shareholders will be able to access the Notice on the Company's website at: <https://purifloh.com>. The Company has also provided the meeting materials on the Company's ASX Market Announcements Platform.

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

Terms and abbreviations used in this Notice and Explanatory Statement are defined in the Glossary (section 13).

Important notice to shareholders

The deadline for resumption of trading in the Company's securities prior to its removal from the official list is **15 February 2025**. The Company will not meet this deadline, and accordingly, it intends to apply to ASX for an extension to the deadline, however, there is no certainty that an extension will be granted. The Company will update the market on receipt of ASX's decision.

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AGENDA

Ordinary Business

1. Resolution 1 – Approval of issue of Placement Shares

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

*“That, for the purpose of ASX Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue up to 8,000,000 Shares in the Company at an issue price of \$0.25 per Share (**Placement Shares**) to unrelated professional, sophisticated and other investors on the terms and conditions set out in the Explanatory Statement.”*

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

2. Resolution 2 – Participation of Director in Placement – Dr. Alex Sava

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

“That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 1,000,000 Shares in the Company at an issue price of \$0.25 per Share to Dr. Alex Sava (or his nominee(s)), being a Director of the Company, and otherwise on the terms and conditions as described in the Explanatory Statement.”

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

3. Resolution 3 – Participation of Director in Placement – Mr. Simon Lill

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

“That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 400,000 Shares in the Company at an issue price of \$0.25 per Share to Mr. Simon Lill (or his nominee(s)), being a Director of the Company, and otherwise on the terms and conditions as described in the Explanatory Statement.”

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

4. Resolution 4 – Approval to issue Shares in lieu of fees to former Executive Director – Mr. Jonathan Evans

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

“That, for the purpose of ASX Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue up to 150,000 Shares at a notional issue price of \$0.25 to former Director Mr. Jonathan Evans (or his nominee(s)) on the terms and conditions set out in the Explanatory Statement.”

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

5. **Resolution 5 – Approval to issue Shares in lieu of cash for consulting fees to Terra Australis Pty Ltd**

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

“That, for the purpose of ASX Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue up to 150,000 Shares at a notional issue price of \$0.25 per Share to Terra Australis Pty Ltd (or its nominee(s)) in consideration for consulting services on the terms and conditions set out in the Explanatory Statement.”

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

6. **Resolution 6 – Approval to issue Shares in lieu of cash for consulting fees to Famile Pty Ltd**

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

“That, for the purpose of ASX Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue up to 400,000 Shares at a notional issue price of \$0.25 per Share to Famile Pty Ltd (or its nominee(s)) in consideration for consulting services on the terms and conditions set out in the Explanatory Statement.”

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

7. **Resolution 7 – Approval to issue Shares to a Substantial Holder – Dilato Holdings Pty Ltd**

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

*“That, subject to and conditional on Resolution 1 and any of Resolutions 4, 5, 6, 8 or 9 being passed, for the purpose of ASX Listing Rule 10.11.2, 10.11.3 and for all other purposes, Shareholders grant approval for the issue of up to 11,597,456 Shares at a notional issue price of \$0.25 to Dilato Holdings Pty Ltd ACN 109 588 785 (or its nominee(s)) (**Substantial Holder Shares**) on the terms and conditions set out in the Explanatory Statement.”*

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

8. **Resolution 8 – Approval to issue Shares in lieu of fees to Director – Dr. Alex Sava**

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

“That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11, Listing Rule 7.2 (Exception 14) and for all other purposes, Shareholders approve the issue of 1,495,000 Shares in the Company at a notional issue price of \$0.25 per Share to Dr. Alex Sava (or his nominee(s)), being a Director of the Company, in lieu of cash remuneration, and otherwise on the terms and conditions as described in the Explanatory Statement.”

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

9. Resolution 9 – Approval to issue Shares in lieu of fees to Director – Mr. Simon Lill

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

“That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11, Listing Rule 7.2 (Exception 14) and for all other purposes, Shareholders approve the issue of 1,200,000 Shares in the Company at a notional issue price of \$0.25 per Share to Mr. Simon Lill (or his nominee(s)), being a Director of the Company, in lieu of cash remuneration, and otherwise on the terms and conditions as described in the Explanatory Statement.”

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

10. Resolution 10 – Approval to issue Securities under an Incentive Plan

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

“That, for the purposes of Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to issue up to maximum of 12,000,000 Securities under the employee incentive scheme titled Employee Incentive Securities Plan, on the terms and conditions set out in the Explanatory Statement.”

A voting prohibition statement and voting exclusion statement applies to this Resolution.

11. Resolution 11 – Approval to issue Options to Director, Mr. Simon Lill

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

“That, subject to the passing of Resolution 10, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.14, Listing Rule 7.2 (Exception 14) and for all other purposes, Shareholders approve the issue of 1,500,000 options to subscribe for ordinary shares under the Incentive Plan to Mr. Simon Lill, Director, (or his nominee(s)) and otherwise on the terms and conditions as described in the Explanatory Statement.”

A voting prohibition statement and voting exclusion statement applies to this Resolution.

12. Resolution 12 – Approval to issue Options to Director, Mr. Carl Le Souef

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

“That, subject to the passing of Resolution 10, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.14, Listing Rule 7.2 (Exception 14) and for all other purposes, Shareholders approve the issue of 1,500,000 options to subscribe for ordinary shares under the Company’s Employee Option Plan to Mr. Carl Le Souef, Director, (or his nominee(s)) and otherwise on the terms and conditions as described in the Explanatory Statement.”

A voting prohibition statement and voting exclusion statement applies to this Resolution.

13. **Resolution 13 – Approval to issue Options to Director, Dr. Alex Sava**

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

“That, subject to the passing of Resolution 10, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.14, Listing Rule 7.2 (Exception 14) and for all other purposes, Shareholders approve the issue of 3,000,000 options to subscribe for ordinary shares under the Company’s Employee Option Plan to Dr. Alex Sava, Director, (or his nominee(s)) and otherwise on the terms and conditions as described in the Explanatory Statement.”

A voting prohibition statement and voting exclusion statement applies to this Resolution.

Special Business

14. **Resolution 14 – Amendment to Constitution**

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

“That, for the purposes of section 136(2) and section 648G of the Corporations Act and for all other purposes, approval is given for the Company to amend its Constitution as set out in the Explanatory Statement.”

Dated: 24 January 2025

Voting Prohibition Statements

<p>Resolution 8 – Approval to issue Share in lieu of fees to Director – Dr. Alex Sava</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 8 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 8 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolution 8 Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy, even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
<p>Resolution 9 – Approval to issue Shares in lieu of fees to Director – Mr. Simon Lill</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 9 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 9 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolution 9 Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy, even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
<p>Resolution 10 – Approval to issue Securities under an Incentive Plan</p>	<p>A person who is eligible to participate in the employee incentive scheme or an associate of that person or those persons.</p>
<p>Resolution 11 – Approval to issue Options to Director, Mr. Simon Lill</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 11 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 11 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p>

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	<p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolution 11 Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy, even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
<p>Resolution 12 – Approval to issue Options to Director, Mr. Carl Le Souef</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 12 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 12 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p style="padding-left: 20px;">(i) a member of the Key Management Personnel; or</p> <p style="padding-left: 20px;">(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolution 12 Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy, even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
<p>Resolution 13 – Approval to issue Options to Director, Dr. Alex Sava</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 13 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 13 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p style="padding-left: 20px;">(i) a member of the Key Management Personnel; or</p> <p style="padding-left: 20px;">(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolution 13 Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy, even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>

Voting Exclusion Statements

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

Resolution 1 – Approval of issue of Placement Shares	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).
Resolution 2 – Participation of Director in Placement – Dr. Alex Sava	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely Alex Sava (or his nominee(s)) or an associate of that person (or those persons).
Resolution 3 – Participation of Director in Placement – Mr. Simon Lill	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely Simon Lill (or his nominee(s)) or an associate of that person (or those persons).
Resolution 4 – Approval to issue Shares in lieu of fees to former Executive Director – Mr. Jonathan Evans	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely Jonathan Evans (or his nominee(s)) or an associate of that person (or those persons).
Resolution 5 – Approval to issue Shares in lieu of cash for consulting fees to Terra Australis Pty Ltd	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely Terra Australis Pty Ltd (or its nominee(s)) or an associate of that person (or those persons).
Resolution 6 – Approval to issue Shares in lieu of cash for consulting fees to Famile Pty Ltd	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely Famile Pty Ltd (or its nominee(s)) or an associate of that person (or those persons).
Resolution 7 – Approval to issue Shares to a Substantial Holder – Dilato Holdings Pty Ltd	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely Dilato Holdings Pty Ltd (or its nominee(s)) or an associate of that person (or those persons).
Resolution 8 – Approval to issue Shares in lieu of fees to Director – Dr. Alex Sava	Dr Alex Sava (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the shares (except a benefit solely by reason of being a holder of ordinary shares in the Company) or an associate of that person or those persons.
Resolution 9 – Approval to issue Shares in lieu of fees to Director – Mr. Simon Lill	Mr Simon Lill (or his nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the shares (except a benefit solely by reason of being a holder of ordinary shares in the Company) or an associate of that person or those persons.
Resolution 10 – Approval to issue Securities under an Incentive Plan	A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if: (a) the proxy is either: (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. However, the above prohibition does not apply if: (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 11 – Approval to issue Options to Director, Mr. Simon Lill	Mr. Simon Lill (or his nominee(s)) or any other person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or an associate of that person or those persons.
Resolution 12 – Approval to issue Options to Director, Mr. Carl Le Souef	Mr. Carl Le Souef (or his nominee(s)) or any other person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or an associate of that person or those persons.
Resolution 13 – Approval to issue Options to Director, Dr. Alex Sava	Dr. Alex Sava (or his nominee(s)) or any other person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or an associate of that person or those persons.

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

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

Voting intentions of Chair

Shareholders should be aware that any undirected proxies given to the Chair of the Meeting will be cast by the Chair of the Meeting and counted in favour of Resolutions 1 to 14 subject to compliance with the Corporations Act. In exceptional circumstances, the Chair of the Meeting may change their voting intention on these Resolutions, in which case an ASX announcement will be made.

General Business

To consider any other business as may be lawfully put forward in accordance with the constitution of the Company.

Dated: 24 January 2025

BY ORDER OF THE BOARD OF PURIFLOH LIMITED



Adam Gallagher
Company Secretary

EXPLANATORY STATEMENT

1. Introduction

This Explanatory Statement has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held in person at:

Time: 11:00am (AEDT)

Date: 28 February 2025

Place: The offices of Steinepreis Paganin Level 6, 99 William Street, Melbourne, Victoria

This Explanatory Statement should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Statement is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice. A Proxy Form is located at the end of the Explanatory Statement.

2. Information for Shareholders

2.1 Eligibility to vote

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that persons eligible to vote at the Meeting are those who are registered as Shareholders at 7:00pm (AEDT) on 26 February 2025.

Each of the Resolutions will be decided by poll.

2.2 Venue and Voting Information

The Meeting of the Shareholders to which this Notice relates will be held at 11:00am (AEDT) on 28 February 2025 at the offices of Steinepreis Paganin Level 6, 99 William Street, Melbourne, Victoria.

Shareholders are also encouraged to submit questions in advance of the Meeting to the Company.

Questions submitted prior to the Meeting must be sent in writing to the Company Secretary at adam.gallagher@purifloh.com at least 2 business days before the Meeting.

Shareholders who attend the Meeting may also ask questions regarding the business of the Meeting and general questions about the Company and its business when invited by the Chair. The Chair of the Meeting will endeavour to address as many questions as possible during the Meeting.

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

2.3 Voting by proxy

To vote by proxy, please use one of the following methods:

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on "View Meetings" – "Vote". To
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	use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form.
By post	Automic, GPO Box 5193, Sydney NSW 2001
By hand	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
By email	Completing the enclosed Proxy Form and emailing it to: meetings@automicgroup.com.au

Your proxy instruction must be received not later than 48 hours before the commencement of the Meeting (**Proxy Deadline**). Proxy Forms received later than this time will be invalid.

2.4 Proxies

Shareholders who are entitled to vote at the Meeting have a right to appoint a proxy to attend the Meeting and vote on their behalf. The proxy need not be a Shareholder of the Company and may be an individual or body corporate. If a Shareholder is entitled to cast two or more votes, they may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the proxy appointments do not specify a proportion or number, each proxy may exercise half of the Shareholder's votes, in which case any fraction of votes will be disregarded.

All Shareholders are invited and encouraged to participate in the Meeting and are encouraged to lodge a directed Proxy Form to the Company in accordance with the instructions noted in the Proxy Form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting.

Even if you plan to attend, you are encouraged to submit a Proxy Form before the Meeting so that your vote can be counted if you cannot attend for any reason.

The Proxy Form must be signed by the member or the member's attorney. Proxies given by a corporation must be executed in accordance with the Corporations Act and the constitution of that corporation.

2.5 Power of attorney

If the Proxy Form is signed under a power of attorney on behalf of a Shareholder, the attorney must ensure that either the original power of attorney or a certified copy is sent with the Proxy Form, unless the power of attorney has already provided it to the Share Registry.

2.6 Corporate representatives

If a representative of a corporate Shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

Where a Shareholder is a body corporate, the Shareholder may appoint a person to act as its representative to attend the Meeting by providing that person with:

- (a) a letter or certificate authorising him or her as the corporation's representative, executed in accordance with the corporation's constitution; or
- (b) a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

2.7 Directing your proxy how to vote

You can direct your proxy how to vote on a particular Resolution by marking the appropriate box on the Proxy Form.

If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that item.

If you do not mark any particular Resolution and no direction is given, you are appointing your proxy to vote as he or she decides, subject to any voting exclusions that may apply to the proxy.

If you appoint a proxy, you may still attend the Meeting. However, your proxy's rights to speak and vote will be suspended while you are present.

2.8 Chair of the Meeting appointed proxy

A Shareholder may appoint the Chair of the Meeting as proxy. The Chair of the Meeting will be deemed to be the Shareholder's proxy if the Shareholder submits the Proxy Form but does not name a proxy or if the person appointed as proxy does not attend the Meeting or does not vote on a poll in accordance with the Shareholder's directions.

If the Shareholder provides a voting direction on a particular Resolution, the Chair of the Meeting must vote in accordance with the direction on a poll.

2.9 Voting on Resolutions

All voting on the Resolutions will be decided by way of a poll and not a show of hands. The results of the poll will be determined following the close of the Meeting and lodged with the ASX Market Announcements Platform.

3. Resolution 1 – Approval of issue of Placement Shares

3.1 Background

Prior to the Meeting, the Company intends to seek binding commitments for a placement of up to 8,000,000 Shares in the Company at a price of \$0.25 per Share (**Placement Shares**) to investors under a Prospectus that the Company intends to lodge with the ASX and ASIC in February 2025.

Funds raised from the issue of the Placement Shares (less fees and expenses) are intended to be used for research and development activities and general working capital.

Resolution 1 is an ordinary resolution and seeks Shareholder approval for the purpose of Listing Rule 7.1 for the issue of the Placement Shares.

3.2 Listing Rule 7.1

Under Listing Rule 7.1, the Company is generally not permitted to issue more than 15% of its issued share capital in any 12-month period unless the issue is approved by the Company's shareholders or an exemption applies (**15% Capacity**).

The proposed issue of the Placement Shares does not fall within any of the exceptions to Listing Rule 7.1 and exceeds the Company's 15% Capacity. Accordingly, the Company is seeking approval from Shareholders for the issue of the Placement Shares under Resolution 1.

3.3 Effect of Shareholder approval

If Resolution 1 is passed, the Company will be entitled to issue the Placement Shares, and the Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rules 7.1.

If Resolution 1 is not passed, the Company will not be entitled to issue all the Placement Shares, and the Company will consider whether it is able to issue any Placement Shares within its available LR 7.1 15% placement capacity at that time.

3.4 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 1:

Name of the persons receiving the securities 7.3.1	<p>The Placement Shares the subject of Resolution 1 will be issued and allotted to eligible investors under a Prospectus to be lodged with the ASX and ASIC in February 2025.</p> <p>The Company confirms that, aside from the proposed issues to directors set out in resolutions 2 and 3 in this Notice, no Material Persons will be issued more than 1% of the issued capital of the Company.</p>
Number and class of securities 7.3.2	<p>The maximum number of securities to be issued under the Placement to eligible investors will be 8,000,000 ordinary class shares.</p>
If not fully paid ordinary securities, a summary of material terms 7.3.3	<p>The Placement Shares will be issued on terms identical to the Company's existing ordinary class shares.</p>
Date of issue 7.3.4	<p>The Placement Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).</p>
Issue Price 7.3.5	<p>The Placement Shares will be issued at a price of \$0.25 per Share.</p>
The purpose of the issue 7.3.6	<p>The purpose of the issue is to raise capital, and funds raised from the issue of the Placement Shares (less fees and expenses) are intended to be used for research and development activities and general working capital.</p>
Summary of material terms of the relevant agreement 7.3.7	<p>The Placement Shares will be issued pursuant to customary placement documentation.</p>
Reverse Takeover 7.3.8	<p>The Placement Shares are not being issued under, or to fund, a reverse takeover.</p>
Voting exclusion statement 7.3.9	<p>A voting exclusion statement is included in the Notice.</p>

3.5 Directors' Recommendation

All of the Directors unanimously recommend for the reasons given above, that Shareholders **vote in favour** of Resolution 1.

4. Resolutions 2 and 3 – Participation of Related Parties in Placement

4.1 General

Resolutions 2 and 3 seek shareholder approval for the participation of related parties in the Placement, which is the subject of Resolution 1.

Dr. Alex Sava has committed to subscribe for up to \$250,000 worth of shares, while Mr. Simon Lill has committed to subscribe for up to \$100,000 worth of shares (together, the **Related Party Participants**). These commitments are subject to shareholder approval under Chapter 2E of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, as the Related Party Participants are considered related parties of the Company under section 228 of the Corporations Act due to their positions as Directors.

The Board has determined that, in making allocations under the Placement, priority will be given to existing shareholders. Consequently, the actual amounts subscribed for by the Related Party Participants may be less than the maximum amounts committed or, potentially, zero. This approach ensures fairness and promotes equitable treatment of shareholders while balancing the Company's objective to raise capital effectively.

4.2 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 issue constitutes giving a financial benefit and each of the proposed recipients are related parties of the Company by virtue of being Directors.

As Securities are proposed to be issued to all of the Directors other than Mr Carl Le Souef, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue. Accordingly, Shareholder approval for the issue is sought in accordance with Chapter 2E of the Corporations Act.

4.3 Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

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:

- 10.11.1 a related party
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+ holder) in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder 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;

10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

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

unless it obtains the approval of its shareholders.

The issue of Shares to the Related Party Participants falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

4.4 Effect of Shareholder approval

If any or all of Resolutions 2 and 3 are passed, the Company will be able to proceed with the issue of the Shares to the Related Party Participants in respect of whom the relevant Resolution(s) is passed within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and the Related Party Participants will be able to participate in the Placement. As it is an exception from Listing Rule 7.1 pursuant to Listing Rule 7.2 Exception 14 if approval for an issue of equity securities is obtained under Listing Rule 10.11, the issue of the Shares will not use up any of the Company's Placement Capacity under that rule.

If any or all of Resolutions 2 and 3 are not passed, the Related Party Participant(s) in respect of whom the Resolution(s) is not passed will not be able to participate in the Placement.

4.5 Prescribed information pursuant to Listing Rule 10.11 and section 219 of the Corporations Act

The following information is provided for the purposes of the shareholder approval sought under Chapter 2E of the Corporations Act and Listing Rule 10.11, and in accordance with the requirements of section 219 of the Corporations Act and Listing Rule 10.13 in respect of the proposed issue of shares:

Name of the persons receiving the securities <i>10.13.1</i>	The Shares will be issued to the following persons: <ul style="list-style-type: none"> • Dr. Alex Sava (or his nominee(s)) pursuant to Resolution 2; and • Mr. Simon Lill (or his nominee(s)) pursuant to Resolution 3
Category under Listing Rule 10.11 <i>10.13.2</i>	The Related Party Participants fall within the category set out in Listing Rule 10.11.1 by virtue of being Directors. Any nominee(s) of the proposed recipients who receive Securities may constitute 'associates' for the purposes of Listing Rule 10.11.4.
Number and class of securities <i>10.13.3</i>	The maximum number of Shares to be issued to the Related Party Participants is 1,400,000 comprising: <ul style="list-style-type: none"> • 1,000,000 Shares to Dr. Alex Sava (or his nominee(s)) pursuant to Resolution 2; and • 400,000 Shares to Mr. Simon Lill (or his nominee(s)) pursuant to Resolution 3.
If not fully paid ordinary securities, a summary of	The Shares 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.

material terms 10.13.4																			
Date of Issue 10.13.5	If Resolutions 2 to 3 are approved, the Company will issue the Shares in a single tranche immediately following the Meeting and, in any event, not later than 1 month of the Meeting (or such later date as permitted by ASX).																		
Issue Price 10.13.6	The Shares will be issued at \$0.25 per Share, being the same price as all other Shares in the Placement																		
Purpose 10.13.7	The purpose of the issue of the Shares is to enable the Related Party Participants to continue to support the Company through the participation in the Placement and the funds raised will be used in the same manner as the remaining funds raised by the Placement as described in section 3.4.																		
Whether the issue is intended to remunerate or incentivise 10.13.8	The Shares are not being issued to the Related Party Participants in connection with remuneration or as an incentive.																		
Summary of material terms of agreement 10.13.9	The Shares are not being issued under any agreement.																		
Voting exclusion statement 10.13.10	A voting exclusion statement is included in the Notice.																		
Consideration of type and quantum of Security to be issued	<p>The recipients are seeking to participate in the capital raising on the same terms as other eligible investors who will take part in the capital raising.</p> <p>It is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Securities on the terms proposed.</p>																		
Valuation	<p>The value of the Shares proposed to be issued is set out in the table below, based on a valuation of \$0.25 per Share.</p> <table border="1"> <thead> <tr> <th>Recipient</th> <th>Shares</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Alex Sava</td> <td>1,000,000</td> <td>\$250,000</td> </tr> <tr> <td>Simon Lill</td> <td>400,000</td> <td>\$100,000</td> </tr> </tbody> </table>	Recipient	Shares	Value	Alex Sava	1,000,000	\$250,000	Simon Lill	400,000	\$100,000									
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Simon Lill	400,000	\$100,000																	
Interest in Shares	<p>The relevant interests of the proposed recipients in Shares as at the date of this Notice and following completion of the issue are set out below:</p> <p>As at the date of this Notice</p> <table border="1"> <thead> <tr> <th>Recipient</th> <th>Shares¹</th> <th>Undiluted</th> <th>Fully Diluted</th> </tr> </thead> <tbody> <tr> <td>Alex Sava</td> <td>103,950</td> <td>0.32%</td> <td>0.32%</td> </tr> <tr> <td>Simon Lill</td> <td>288,720</td> <td>0.90%</td> <td>0.90%</td> </tr> </tbody> </table> <p>Post issue</p> <table border="1"> <thead> <tr> <th>Recipient</th> <th>Shares¹</th> </tr> </thead> <tbody> <tr> <td>Alex Sava</td> <td>1,103,950</td> </tr> <tr> <td>Simon Lill</td> <td>688,720</td> </tr> </tbody> </table>	Recipient	Shares ¹	Undiluted	Fully Diluted	Alex Sava	103,950	0.32%	0.32%	Simon Lill	288,720	0.90%	0.90%	Recipient	Shares ¹	Alex Sava	1,103,950	Simon Lill	688,720
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	Notes: 1 Fully paid ordinary shares in the capital of the Company (ASX: PO3). 2 Assumes that no additional Shares are issued, other than the Shares which may be issued pursuant to Resolutions 2 and 3.
Dilution	If the Shares the subject of these Resolutions are issued, a total of 1,400,000 Shares would be issued. This will increase the number of Shares on issue from 32,173,498 (being the total number of Shares on issue as at the date of this Notice) to 33,573,498 (assuming that no other Shares are issued and no other convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 4.17%, comprising 2.98% by Alex Sava and 1.19% by Simon Lill.
Trading history	The Company's Shares have been suspended from quotation on ASX since 15 February 2023, and therefore there is no trading history for Shares on ASX in the 12 months before the date of this Notice. The last trading price of Shares on ASX prior to the Company's suspension from quotation was \$0.22 on 14 February 2023.
Other information	The Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass these Resolutions.

4.6 Directors' Recommendation

As two of the three Directors have committed to participate in the Placement, subject to receiving Shareholder approval, and each has a material personal interest in the Resolutions to approve the issue of Shares to themselves, a quorum cannot be formed to consider a recommendation as to whether Shareholders should vote in favour of Resolutions 2 and 3. For this reason, the Directors do not believe that it is appropriate to make a recommendation on these Resolutions.

5. Resolution 4 – Approval to issue Shares in lieu of fees to former Executive Director – Mr. Jonathan Evans or his nominee

5.1 Background

Mr. Jonathan Evans, a former Executive Director, resigned from the Company on 10 July 2023. Mr. Evans' is no longer considered a Related Party under ASX LR 10.11.1 or the Corporations Act as the time elapsed between his resignation and the date of this Notice of Meeting and Explanatory Statement is greater than 6 months.

On 10 July 2023, the Company announced that it had agreed to issue Mr. Evans 150,000 Shares in the Company in lieu of any outstanding fees owing to Mr. Evans.

5.2 Listing Rule 7.1

Under Listing Rule 7.1, the Company is generally not permitted to issue more than 15% of its issued share capital in any 12-month period unless the issue is approved by the Company's Shareholders, or an exemption applies (**15% Capacity**).

The proposed issue of the Shares to Mr. Evans does not fall within any of the exceptions to Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Equity Securities issued with Shareholder approval under Listing Rule 7.1 will not count towards the Company's 15% Capacity.

Accordingly, the Company is seeking Shareholder approval under Resolution 4 to issue the Shares to Mr. Evans in accordance with Listing Rule 7.1 so that the Shares issued do not reduce the Company's available capacity under Listing Rule 7.1.

5.3 Effect of Shareholder approval

If Resolution 4 is passed, the issue of the Shares to Mr. Evans will be excluded in calculating the Company's utilisation of its 15% Capacity under Listing Rule 7.1, which will provide the Company flexibility to issue Equity Securities in the future without obtaining Shareholder approval, if required.

If Resolution 4 is not passed, the Shares issued to Mr. Evans will be included in calculating the Company's utilisation of its 15% Capacity under Listing Rule 7.1, which will impact the Company's flexibility for future capital raisings.

5.4 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 4:

Name of the persons receiving the securities 7.3.1	The Shares will be issued to former Executive Director, Mr. Jonathan Evans or his nominee.
Number and class of securities 7.3.2	The maximum number of Shares to be issued is 150,000.
If not fully paid ordinary securities, a summary of material terms 7.3.3	The Shares will be issued on terms identical to the Company's existing ordinary class shares.
Date of issue 7.3.4	The Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
Issue Price 7.3.5	The Shares will be issued for nil cash consideration. No funds will be raised from the issue of the Shares. The notional issue price is \$0.25 per share.
The purpose of the issue 7.3.6	The Shares will be issued to former Executive Director, Mr. Evans, in lieu of cash payment for all outstanding fees owing to Mr. Evans.
Summary of material terms of the securities 7.3.7	The Shares are not being issued under any agreement.
Reverse Takeover 7.3.8	The Shares will not be issued under, or to fund, a reverse takeover.
Voting exclusion statement 7.3.9	A voting exclusion statement is included in the Notice.

5.5 Directors' Recommendation

All of the Directors unanimously recommend for the reasons given above, that Shareholders **vote in favour** of Resolution 4.

6. Resolution 5 – Approval to issue Shares in lieu of cash for consulting fees to Terra Australis Pty Ltd (or its nominee)

6.1 Background

Terra Australis Pty Ltd (**Terra Australis**) has provided \$35,750 worth of consulting services to the Company. The consulting services involved assisting the Company with expert technical advice for its research and development activities. On 19 June 2024, the Directors resolved to convert the \$35,750 owing to Terra Australis into Shares to conserve the Company's cash reserves. For the purposes of Listing Rule 10.11, the Company confirms that Terra Australis is not a Related Party. Terra Australis has agreed to accept 150,000 Shares in settlement of all amounts owed by the Company.

6.2 Listing Rule 7.1

Under Listing Rule 7.1, the Company is generally not permitted to issue more than 15% of its issued share capital in any 12-month period unless the issue is approved by the Company's Shareholders, or an exemption applies (**15% Capacity**).

The proposed issue of the Shares to Terra Australis does not fall within any of the exceptions to Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Equity Securities issued with Shareholder approval under Listing Rule 7.1 will not count towards the Company's 15% Capacity.

Accordingly, the Company is seeking Shareholder approval under Resolution 5 to issue the Shares to Terra Australis in accordance with Listing Rule 7.1 so that the Shares issued do not reduce the Company's available capacity under Listing Rule 7.1.

6.3 Effect of Shareholder approval

If Resolution 5 is passed, the issue of the Shares to Terra Australis will be excluded in calculating the Company's utilisation of its 15% Capacity under Listing Rule 7.1, which will provide the Company flexibility to issue Equity Securities in the future without obtaining Shareholder approval, if required.

If Resolution 5 is not passed, the Shares issued to Terra Australis will be included in calculating the Company's utilisation of its 15% Capacity under Listing Rule 7.1, which will impact the Company's flexibility for future capital raisings.

6.4 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 5:

Name of the persons receiving the securities 7.3.1	The Shares will be issued to Terra Australis or its nominee(s).
Number and class of securities	The maximum number of Shares to be issued is 150,000.

7.3.2	
If not fully paid ordinary securities, a summary of material terms 7.3.3	The Shares will be issued on terms identical to the Company's existing ordinary class shares.
Date of issue 7.3.4	The Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
Issue Price 7.3.5	The Shares will be issued for nil cash consideration. No funds will be raised from the issue of the Shares. The notional issue price is \$0.25 per share.
The purpose of the issue 7.3.6	The Shares will be issued in lieu of cash payment for outstanding fees owing in relation to consulting services provided by Terra Australis.
Summary of material terms of the securities 7.3.7	The Shares are not being issued under any agreement.
Reverse Takeover 7.3.8	The Shares will not be issued under, or to fund, a reverse takeover.
Voting exclusion statement 7.3.9	A voting exclusion statement is included in the Notice.

6.5 Directors' Recommendation

All of the Directors unanimously recommend for the reasons given above, that Shareholders **vote in favour** of Resolution 5.

7. Resolution 6 – Approval to issue Shares in lieu of cash for consulting fees to Famile Pty Ltd (or its nominee)

7.1 Background

Adam Gallagher was appointed as Company Secretary on 14 March 2024 to assist the Company in completing and lodging its outstanding disclosures, remaining compliant thereafter and working towards the reinstatement of its listed securities. Famile Pty Ltd ACN 129 639 151 (Famile) is the entity through which Mr Gallagher contracts his services. By the date of the Meeting, Famile may be owed up to \$100,000 in unpaid fees for which it has agreed to convert to shares at an issue price of \$0.25 per share. The Directors have resolved to convert up to \$100,000 of the amounts owing to Famile into up to 400,000 Shares to conserve the Company's cash reserves.

7.2 Listing Rule 7.1

Under Listing Rule 7.1, the Company is generally not permitted to issue more than 15% of its issued share capital in any 12-month period unless the issue is approved by the Company's Shareholders, or an exemption applies (**15% Capacity**).

The proposed issue of the Shares to Famile does not fall within any of the exceptions to Listing Rule 7.1.

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

Equity Securities issued with Shareholder approval under Listing Rule 7.1 will not count towards the Company's 15% Capacity.

Accordingly, the Company is seeking Shareholder approval under Resolution 6 to issue the Shares to Famile in accordance with Listing Rule 7.1 so that the Shares issued do not reduce the Company's available capacity under Listing Rule 7.1.

7.3 Effect of Shareholder approval

If Resolution 6 is passed, the issue of the Shares to Famile will be excluded in calculating the Company's utilisation of its 15% Capacity under Listing Rule 7.1, which will provide the Company flexibility to issue Equity Securities in the future without obtaining Shareholder approval, if required.

If Resolution 6 is not passed, the Shares issued to Famile will be included in calculating the Company's utilisation of its 15% Capacity under Listing Rule 7.1, which will impact on the Company's flexibility for future capital raisings.

7.4 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 6:

Name of the persons receiving the securities 7.3.1	The Shares will be issued to Famile Pty Ltd or its nominee(s).
Number and class of securities 7.3.2	The maximum number of Shares to be issued is 400,000.
If not fully paid ordinary securities, a summary of material terms 7.3.3	The Shares will be issued on terms identical to the Company's existing ordinary class shares.
Date of issue 7.3.4	The Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
Issue Price 7.3.5	The Shares will be issued for nil cash consideration. No funds will be raised from the issue of the Shares. The notional issue price is \$0.25 per share.
The purpose of the issue 7.3.6	The Shares will be issued in lieu of cash payment for outstanding fees owing in relation to consulting services provided by Famile Pty Ltd.
Summary of material terms of the securities 7.3.7	The Shares are not being issued under any agreement.
Reverse Takeover 7.3.8	The Shares will not be issued under, or to fund, a reverse takeover.
Voting exclusion statement 7.3.9	A voting exclusion statement is included in the Notice.

7.5 Directors' Recommendation

All of the Directors unanimously recommend for the reasons given above, that Shareholders **vote in favour** of Resolution 6.

8. Resolution 7 – Approval to issue Shares to a Substantial Holder – Dilato Holdings Pty Ltd (or its nominee)

8.1 Background

Dilato Holdings Pty Ltd ACN 109 588 785 (**Dilato**), has provided a finance facility to the Group for a total of \$3,000,000 (**Facility**). The total amount drawn as at the date of this Notice of Meeting and Explanatory Statement is \$1,422,934. Of this facility, \$1,577,066 remains undrawn. The facility is unsecured, has an interest rate of 10% per annum and a current maturity date of 31 December 2025.

Subject to shareholder approval, Dilato has agreed to accept up to 11,597,456 Shares (**Debt Conversion Shares**) at a price of \$0.25 in satisfaction of the current amounts owing and further amounts which may become owing under the Facility, up to an aggregate amount of \$2,899,364.

As at the date of this Notice, Dilato has a relevant interest in 57.22% of the Shares of the Company (based on 18,409,194 Shares held by Dilato. Dilato has also nominated Carl Le Souef as a Director of the Company, arising from the restructuring of PuriflOH (previously known as Water Resources Group Limited) during the 2014 financial year, which saw Dilato Holdings emerge as the major shareholder of PuriflOH. As Dilato is a 30%+ holder in the Company (**Substantial Holder**), and has nominated a Director to the Company, the proposed issue of Shares falls within both Listing Rules 10.11.2 and 10.11.13.

Resolution 7 seeks Shareholder approval under Listing Rule 10.11 for the issue of up to 11,597,456 Shares to Dilato, a Substantial Holder, to settle the amounts drawn from the Facility.

For the avoidance of doubt, Resolution 7 concerns the amounts owed under the Facility and does not impact the future availability of the Facility. The impact of Resolution 7 is to reduce the amounts owed by the Company to Dilato under the Facility. The Company will continue to have access to the Facility. The current limit of the Facility is \$3m, and the expiry date is 31 December 2025. Dilato has previously extended the expiry date of the Facility and has indicated that it will continue to do so for as long as the Directors wish it to remain in place.

Resolution 7 is conditional on Shareholders approving Resolution 1 and any of Resolution 4,5,6,8 or 9 being passed at this Meeting. If either:

- Resolution 1 is not approved by Shareholders; or
- Resolution 1 is approved by Shareholders and none of Resolution 4,5,6,8 or 9 are approved by Shareholders,

Resolution 7 will fail and the issue of the Debt Conversion Shares to Dilato will not occur.

8.2 Listing Rule 10.11

Under Listing Rule 10.11 unless an exception in Listing Rule 10.12 applies, the Company must obtain Shareholder approval to issue or agree to issue equity securities to a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company (10.11.2) 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 (10.11.3).

It is the view of the Company that the issue falls within Listing Rule 10.11.2 and 10.11.3 and the exceptions set out in Listing Rule 10.12 do not apply to the current circumstances. Accordingly, Shareholder approval is sought for the issue of Shares pursuant to Listing Rule 10.11.

Subject to the approval of Resolution 1 and any of Resolution 4,5,6,8 or 9, If Resolution 7 is approved, the Company will be able to proceed with the issue to Dilato of up to 11,597,456 shares on the terms set out below.

If Resolution 7 is not approved by Shareholders, the Company will not be able to issue Shares to Dilato for settlement of amounts drawn from the Facility. The Company will need to draw on its cash reserves for repayment, which may include raising additional funds from investors through the issue of new Shares.

Resolution 7 is conditional on Shareholders approving Resolution 1 and any of Resolution 4,5,6,8 or 9 being passed at this Meeting. Therefore, if either Resolution 1 is not approved by Shareholders, or Resolution 1 is approved by Shareholders and none of Resolution 4,5,6,8 or 9 are approved by Shareholders, the Company will not be able to proceed with the issue of the Debt Conversion Shares to Dilato.

8.3 Sections 606 and 611 of the Corporations Act

Pursuant to section 606(1) of the Corporations Act, a person must not acquire a “relevant interest” in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person’s or someone else’s voting power in the company increases:

- (a) from 20% or below to more than 20%; or
- (b) from a starting point above 20% and below 90%.

The voting power of a person in a body corporate is determined in accordance with Section 610 of the Corporations Act. The calculation of a person’s voting power in a company involves determining the voting shares in the company in which the person and the person’s associates have a relevant interest.

Section 611 of the Corporations Act provides that certain acquisitions of relevant interests in a company’s voting shares are exempt from the prohibition in Section 606(1), including acquisitions by a person, which as a result of the acquisition, that person would have voting power in the company more than 3 percentage points (3%) higher than they had 6 months before the acquisition (this exemption is known as the “3% creep” exemption and is found in of item 9 of section 611 of the Corporations Act).

The Company notes that:

- (a) Dilato’s voting power in the Company has been 57.22% (ie, in excess of 20%) since 28 October 2022;
- (b) Resolution 7 is conditional on Resolutions 1 and any of Resolution 4,5,6,8 or 9 being passed;
- (c) Dilato’s voting power in the Company is expected to increase to a maximum of 57.79% on issue of the maximum number of Shares the subject of Resolution 7 (i.e the increase will be less than 3%), assuming the Shares the subject of Resolution 1 and any of Resolution 4,5,6,8 or 9 are issued prior or simultaneously with the issue of the Debt Conversion Shares;
- (d) Dilato’s voting power in the Company is expected to decrease to 54.39% on issue of the maximum number of Shares the subject of Resolution 7, assuming all Shares the

subject of Resolutions 1, 4,5,6,8 and 9 are issued prior to or simultaneously with the issue of the Debt Conversion Shares; and

Accordingly, in the event only Resolution 1 and any of Resolution 4,5,6,8 or 9 are passed at this Meeting and the Shares the subject of these Resolutions are issued, the Debt Conversion Shares may be issued to Dilato in reliance on the 3% creep exemption, so that the prohibition under section 606(1) of the Corporations Act does not apply to the issue of the Debt Conversion Shares.

In the event that all Resolutions seeking approval for the issue of Shares (being Resolutions 1,4,5,6,8 and 9) are passed at this Meeting, and the Shares the subject of these Resolutions are issued, the Debt Conversion Shares may be issued to Dilato without breaching the prohibition under section 606(1) of the Corporations Act and without reliance on the 3% creep exemption.

8.4 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 4.2 above.

The issue constitutes giving a financial benefit and Dilato is a related party of the Company by virtue of being an entity controlled by Carl Le Souef, a Director.

The Directors (other than Carl Le Souef) 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 issue of the Debt Conversion Shares because the Debt Conversion Shares to be issued to Dilato will be done so on an arm's length basis on the same terms as the debt conversion Shares proposed to be issued to non-related parties under Resolutions 5 and 6, and therefore falls within the exception contained in section 210 of the Corporations Act.

8.5 Prescribed information pursuant to Listing Rule 10.11

The following information is provided for the purposes of the shareholder approval sought under Listing Rule 10.11, and in accordance with the requirements of Listing Rule 10.13 in respect of the proposed issue of shares:

Name of the persons receiving the securities <i>10.13.1</i>	The Shares will be issued to Dilato Holdings Pty Ltd ACN 109 588 785 (or its nominee(s)).
Category under Listing Rule 10.11 <i>10.13.2</i>	Dilato falls within the category set out in Listing Rules 10.11.2 and 10.11.3 by virtue of it being a substantial (10%+) holder in the Company who has nominated Carl Le Souef as a Director and owning more than 30% of the outstanding Shares on issue. Any nominee(s) of Dilato who receive Shares may constitute 'associates' for the purposes of Listing Rule 10.11.4.
Number and class of securities <i>10.13.3</i>	The maximum number of Shares to be issued to Dilato is 11,597,456.
If not fully paid ordinary securities, a summary of material terms <i>10.13.4</i>	The Shares 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.
Date of Issue <i>10.13.5</i>	If Resolution 7 is approved, the Company will issue the Shares in a single tranche immediately following the Meeting and, in any event, not later than 1 month of the Meeting (or such later date as permitted by ASX).
Issue Price <i>10.13.6</i>	The Shares will be issued at a notional issue price of \$0.25 per Share, in satisfaction of amounts owed by the Company to Dilato under the Facility.

Purpose 10.13.7	The Shares issued to Dilato will settle amounts owed under the Facility.
Whether the issue is intended to remunerate or incentivise 10.13.8	The Shares are not being issued to Dilato in connection with remuneration or as an incentive.
Summary of material terms of agreement 10.13.9	The Shares are issued as payment in lieu of cash for amounts owed under the Facility. The Facility has a limit of \$3m, an interest rate of 10% per annum and a current expiry date of 31 December 2025. The Facility is available to pay for general Company expenses.
Voting exclusion statement 10.13.10	A voting exclusion statement is included in the Notice.

8.6 Directors' Recommendation

Mr. Carl Le Souef is a Director of both the Company and Dilato. Given his role in Dilato, Mr. Carl Le Souef has chosen to abstain from making a recommendation regarding Resolution 7.

Each of the Directors, aside from Mr. Carl Le Souef who abstains, recommends for the reasons given above, that Shareholders vote **in favour** of this Ordinary Resolution 7.

9. Resolutions 8 and 9 – Approval of the issue of Shares to Directors

9.1 Background

The Company has agreed, subject to Shareholder approval, to issue Shares (**Remuneration Shares**) to Dr. Alex Sava and Mr. Simon Lill (or their nominee(s)) (**Relevant Persons**) as remuneration for their service as Directors of the Company, in lieu of cash, for the period from 1 July 2021 to 31 December 2024 in the case of Dr. Alex Sava and 1 July 2020 to 31 December 2024 in the case of Mr. Simon Lill (**Relevant Period**).

RECIPIENT	RESOLUTION	DIRECTOR'S FEE/SALARY		SHARES
		\$	ACCRUAL PERIOD (FY ending)	
Alex Sava	8	\$103,750	30 June 2022	415,000
		\$110,000	30 June 2023	440,000
		\$100,000	30 June 2024	400,000
		\$60,000	31 December 2024 (HY FY25)	240,000
Sub-total		\$373,750		1,495,000
Simon Lill	9	\$48,000	30 June 2021	192,000
		\$72,000	30 June 2022	288,000
		\$72,000	30 June 2023	288,000
		\$72,000	30 June 2024	288,000
		\$36,000	31 December 2024 (HY FY25)	144,000
Sub-total		\$300,000		1,200,000

RECIPIENT	RESOLUTION	DIRECTOR'S FEE/SALARY		SHARES
		\$	ACCRUAL PERIOD (FY ending)	
TOTAL		\$673,750		2,695,000

The Remuneration Shares, if approved, will be issued in accordance with Rule 15.7 of the Constitution, which provides that Directors may elect to receive their fees in Shares rather than cash. The percentage mix of Shares and cash is at the election of the Director. The Board believes that this approach offers flexibility for the Directors and inter alia presents a mechanism to align the interests of the Directors with the interests of the Company's Shareholders, while also preserving the Company's cash reserves.

Accordingly, Shareholder approval is being sought under Resolutions 8 and 9 for the Company to issue Remuneration Shares to the Relevant Persons, who have elected to receive their fees, or part thereof, in Shares in payment of their remuneration. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

9.2 Listing Rule 10.11 and 7.1

Listing Rule 10.11 provides that, subject to certain exceptions set out in Listing Rule 10.12, a listed company must not issue, or agree to issue, equity securities to, inter alia, a related party, without shareholder approval.

As the Relevant Persons are Directors of the Company, the proposed issue of shares fall within Listing Rule 10.11.1. It is the view of the Company that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of Remuneration Shares pursuant to Listing Rule 10.11.

Further, as a separate shareholder approval under Listing Rule 7.1 is not required for issues of securities that have received shareholder approval under Listing Rule 10.11, the issue of Remuneration Shares to the Relevant Persons will not be included in the calculation of the Company's 15% placement capacity for the purposes of Listing Rule 7.1, provided that the issue is completed within one month of the date of the Meeting.

If Resolutions 8 and 9 are approved, the Company will be able to proceed with the issue of Remuneration Shares to the Relevant Persons (or their nominees) without impacting the Company's 15% Capacity Limit under Listing Rule 7.1.

Subject to Shareholder approval for Resolutions 8 and 9 being received, the Board has determined, and the Relevant Persons have agreed, that the Company will issue the Remuneration Shares in lieu of cash remuneration for the Relevant Period (being 1 July 2021 to 31 December 2024 in the case of Dr. Alex Sava and 1 July 2020 to 31 December 2024 in the case of Mr. Simon Lill) on the basis set out in Table B below.

However, Shareholders should note that the approval of Resolutions 8 and 9 is only a 'one time' approval. If the Company wishes to issue Shares in lieu of remuneration to Directors or other related parties in the future, it will need to seek Shareholder approval for any such future issues.

If Resolutions 8 and 9 are not approved by Shareholders, the Company will pay the Total Remuneration (or that portion of the Total Remuneration which has not been approved to be paid by the issue of Remuneration Shares) to the Relevant Persons in cash.

9.3 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:

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

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

The issue constitutes giving a financial benefit and each of the proposed recipients are related parties of the Company by virtue of being Directors.

As Shares are proposed to be issued to all of the Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue. Accordingly, Shareholder approval for the issue is sought in accordance with Chapter 2E of the Corporations Act.

9.4 Prescribed Information pursuant to Listing Rule 10.11 and section 219 of the Corporations Act

The following information is provided for the purposes of the shareholder approval sought under Listing Rule 10.11, and in accordance with the requirements of Listing Rule 10.13 and section 219 of the Corporations Act in respect of the proposed issue of Remuneration Shares:

Name of the persons receiving the securities <i>10.13.1</i>	The Relevant Persons are Dr. Alex Sava and Mr. Simon Lill (or their nominee(s)).
Category under Listing Rule 10.11 <i>10.13.2</i>	The Relevant Persons are related parties of the Company under Listing Rule 10.11.1, by virtue of being directors of the Company. Any nominee(s) of the proposed recipients who receive Shares may constitute 'associates' for the purposes of Listing Rule 10.11.4.
Number and class of securities <i>10.13.3</i>	The maximum number of Shares to be issued (being the nature of the financial benefit proposed to be given) and the allocation between the recipients is set out in Table B below.
If not fully paid ordinary securities, a summary of material terms <i>10.13.4</i>	The Shares 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.
Date of Issue <i>10.13.5</i>	If Resolutions 8 and 9 are approved, the Company will issue the Remuneration Shares in a single tranche immediately following the Meeting and, in any event, not later than 1 month from the date of the Meeting (or such later date as permitted by ASX).
Issue Price <i>10.13.6</i>	The Remuneration Shares will be issued for nil cash consideration as they will be issued in lieu of the Relevant Persons' outstanding directors' fees/salary, and therefore no funds will be raised from the issue of Remuneration Shares. The Company proposes to issue the Remuneration Shares at a deemed issue price of \$0.25.
Purpose <i>10.13.7</i>	The purpose of the issue the Remuneration Shares is to satisfy accrued directors' fees/salary during the Relevant Period.

Whether the issue is intended to remunerate or incentivise 10.13.8	Yes. Details of the current (as at the date of this Notice unless otherwise stated) total annual remuneration packages of the Relevant Persons are set out in Table B below.																		
Summary of material terms of agreement 10.13.9	The Remuneration Shares will not be issued under an agreement.																		
Voting exclusion statement 10.13.10	A voting exclusion statement is set out under Resolutions 8 and 9 of this Notice.																		
Voting prohibition statements	Voting prohibition statements apply to these Resolutions.																		
Consideration of type and quantum of Security to be issued	The issue price of the Remuneration Shares was determined based on the issue price of the Placement Shares. It is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Remuneration Shares on the terms proposed.																		
Interest in Shares	<p>The relevant interests of the proposed recipients in Shares as at the date of this Notice and following completion of the issue are set out below:</p> <p>As at the date of this Notice</p> <table border="1" data-bbox="644 958 1385 1122"> <thead> <tr> <th>Recipient</th> <th>Shares¹</th> <th>Undiluted</th> <th>Fully Diluted</th> </tr> </thead> <tbody> <tr> <td>Alex Sava</td> <td>103,950</td> <td>0.32%</td> <td>0.32%</td> </tr> <tr> <td>Simon Lill</td> <td>288,720</td> <td>0.90%</td> <td>0.90%</td> </tr> </tbody> </table> <p>Post issue</p> <table border="1" data-bbox="644 1167 1385 1339"> <thead> <tr> <th>Recipient</th> <th>Shares¹</th> </tr> </thead> <tbody> <tr> <td>Alex Sava</td> <td>1,598,950</td> </tr> <tr> <td>Simon Lill</td> <td>1,488,720</td> </tr> </tbody> </table> <p>Notes:</p> <ol style="list-style-type: none"> Fully paid ordinary shares in the capital of the Company (ASX: PO3). Assumes that no additional Shares are issued, other than the Shares which may be issued pursuant to Resolutions 8 and 9. 	Recipient	Shares ¹	Undiluted	Fully Diluted	Alex Sava	103,950	0.32%	0.32%	Simon Lill	288,720	0.90%	0.90%	Recipient	Shares ¹	Alex Sava	1,598,950	Simon Lill	1,488,720
Recipient	Shares ¹	Undiluted	Fully Diluted																
Alex Sava	103,950	0.32%	0.32%																
Simon Lill	288,720	0.90%	0.90%																
Recipient	Shares ¹																		
Alex Sava	1,598,950																		
Simon Lill	1,488,720																		
Dilution	If the Shares the subject of these Resolutions are issued, this will increase the number of Shares on issue from 32,173,498 (being the total number of Shares on issue as at the date of this Notice) to 34,868,498 (assuming that no other Shares are issued and no other convertible shares vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 7.73%, comprising 4.29% by Alex Sava and 3.44% by Simon Lill.																		
Trading history	The Company's Shares have been suspended from quotation on ASX since 15 February 2023, and therefore there is no trading history for Shares on ASX in the 12 months before the date of this Notice. The last trading price of Shares on ASX prior to the Company's suspension from quotation was \$0.22 on 14 February 2023.																		

Other information	The Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass these Resolutions.
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9.5 Remuneration payable to the Relevant Persons for the Relevant Period

The total remuneration payable to the Relevant Person for the performance of director services for the Relevant Period (**Total Remuneration Fees**) is set out in the table below:

Table A*:

Relevant Person	Total Remuneration Fees
Dr. Alex Sava	\$373,750
Mr. Simon Lill	\$300,000

**All amounts are shown in AUD.*

9.6 The number of Remuneration Shares to be issued

The Company proposes to issue the Remuneration Shares at a deemed issue price of \$0.25.

The total number of Remuneration Shares to be issued pursuant to Resolutions 8 and 9 is 2,695,000 (**Total Remuneration Shares**). This figure is calculated by dividing the Total Remuneration Fees owing to the Relevant Persons by the Issue Price (being \$0.25) as set out below:

Table B:

Relevant Person	Total Remuneration Fees (AUD)	Percentage that the Director has elected to be paid in Shares	Sum of Remuneration fees to be paid in Shares	Number of Shares to be issued based on deemed issue price of \$0.25
Dr. Alex Sava	\$373,750	100%	\$373,750	1,495,000
Mr. Simon Lill	\$300,000	100%	\$300,000	1,200,000

9.7 Directors' Recommendation

As two of the three Directors may be issued Shares in lieu of fees under these Resolutions, subject to receiving Shareholder approval, and each has a material personal interest in the Resolutions to approve the issue of Shares to themselves, a quorum cannot be formed to consider a recommendation as to whether Shareholders should vote in favour of these Resolutions. For this reason, the Directors do not believe that it is appropriate to make a recommendation on these Resolutions.

10. Resolution 10 – Approval to issue Securities under an Incentive Plan

10.1 General

This Resolution seeks Shareholder approval for purposes of Listing Rule 7.2 (Exception 13(b)) for the issue of a maximum of 12,000,000 Securities under the employee incentive scheme titled "Employee Incentive Securities Plan" (**Plan**).

The objective of the Plan is to attract, motivate and retain key employees, contractors and other persons who provide services to the Company, and the Company considers that the adoption of the Plan and the future issue of Securities under the Plan will provide these parties with the opportunity to participate in the future growth of the Company.

A summary of Listing Rule 7.1 is set out in Section 3.2 above.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

10.2 *Technical Information required by Listing Rule 14.1A*

If this Resolution is passed, the Company will be able to issue Securities under the Plan to eligible participants over a period of 3 years. The issue of any Securities to eligible participants under the Plan (up to the maximum number of Securities stated in Section 10.3 below) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of Securities under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

If this Resolution is not passed, the Company will be able to proceed with the issue of Securities under the Plan to eligible participants, but any issues of Securities will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the issue of the Securities.

10.3 *Technical information required by Listing Rule 7.2 (Exception 13)*

REQUIRED INFORMATION	DETAILS
Terms of the Plan	A summary of the material terms and conditions of the Plan is set out in Schedule 1.
Number of Securities previously issued under the Plan	The Company has not issued any Securities under the Plan as this is the first time that Shareholder approval is being sought for the adoption of the Plan.
Maximum number of Securities proposed to be issued under the Plan	The maximum number of Securities proposed to be issued under the Plan in reliance on to Listing Rule 7.2 (Exception 13), following Shareholder approval, is 12,000,000 Securities. It is not envisaged that the maximum number of Securities for which approval is sought will be issued immediately. The Company may also seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of Securities under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

REQUIRED INFORMATION	DETAILS
Voting exclusion statement	A voting exclusion statement applies to this Resolution.
Voting prohibition statement	A voting prohibition statement applies to this Resolution.

11. Resolutions 11 to 13 (inclusive) – Approval to issue Options to Directors

11.1 Background

Resolutions 11 to 13 (inclusive) seeks Shareholder approval, pursuant to ASX Listing Rule 10.14 and Chapter 2E of the Corporations Act, for the issue of Options (**Director Options**) to each of the following related parties (together, the **Proposed Optionholders**) under the Company's proposed Incentive Plan to incentivise their performance and align their personal interests with the interests of the Company's Shareholders.

The issue of the Director Options is subject to the adoption of the proposed Incentive Plan under Resolution 10.

Proposed Optionholders	Tranche	Details of Related Party Options			
		No. of Options	Exercise Price	Expiry Date	Vesting date and condition
Simon Lill	2	500,000	\$0.30	31 January 2028	Continuously remaining in office to 31 December 2026
	3	1,000,000	\$0.50	31 January 2028	Continuously remaining in office to 31 December 2026
Carl Le Souef	2	500,000	\$0.30	31 January 2028	Continuously remaining in office to 31 December 2026
	3	1,000,000	\$0.50	31 January 2028	Continuously remaining in office to 31 December 2026
Alex Sava	1	500,000	\$0.25	31 January 2028	Continuously remaining in office to 31 December 2026
	2	500,000	\$0.30	31 January 2028	Continuously remaining in office to 31 December 2026
	3	2,000,000	\$0.50	31 January 2028	Continuously remaining in office to 31 December 2026

11.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 9.4 above.

The issue constitutes giving a financial benefit and each of the proposed recipients is a related party of the Company by virtue of being a Director.

As Securities are proposed to be issued to all of the Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the

Corporations Act applies to the issue. Accordingly, Shareholder approval for the issue is sought in accordance with Chapter 2E of the Corporations Act.

11.3 Listing Rule 10.14

Listing Rule 10.14 provides that a listed company must not permit a director (or certain other persons) to acquire Equity Securities under an employee incentive scheme unless it obtains the approval of its shareholders. Since the Proposed Optionholders are Directors of the Company, the issue of the Director Options falls within Listing Rule 10.14.1 and therefore requires the approval of the Company's Shareholders under Listing Rule 10.14.

Listing Rule 10.11 also provides that the Company must not issue Equity Securities to a Related Party or an associate of a Related Party without shareholder approval. However, Listing Rule 10.12 (Exception 8) provides that approval under Listing Rule 10.11 is not required for an issue of Equity Securities under an employee incentive scheme made, or taken to have been made, with the approval of the issuing entity's shareholders under Listing Rule 10.14.

Further, Listing Rule 7.2 (Exception 14) provides that where an issue of securities is approved by shareholders for the purposes of Listing Rule 10.11 or Listing Rule 10.14, then it will be excluded from the calculation of the Company's placement capacity under Listing Rule 7.1 (discussed above in item 6.5).

Accordingly, since Resolutions 11 to 13 (inclusive) are seeking Shareholder approval pursuant to Listing Rule 10.14, the Board is not seeking Shareholder approval for the issue of the Director Options under Listing Rule 10.11 (pursuant to Exception 8 in Listing Rule 10.12) or under Listing Rule 7.1 (pursuant to Exception 14 under Listing Rule 7.2).

11.4 Technical information required by Listing Rule 14.1A

If these Resolutions are passed, the Company will be able to proceed with the issue within 15 months after the date of the Meeting. As approval pursuant to Listing Rule 7.1 is not required for the issue (because approval is being obtained under Listing Rule 10.14), the issue will not use up any of the Company's 15% annual placement capacity.

If these Resolution are not passed, the Company will not be able to proceed with the issue and would need to consider alternatives to the Proposed Optionholders remuneration to incentivise the Proposed Optionholders, which may involve cash arrangements.

11.5 Information required under Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to the proposed issue of Related Party Options:

<p>Name of the persons receiving the securities 10.15.1</p>	<p>The following individuals are collectively the Proposed Optionholders:</p> <ol style="list-style-type: none"> 1. Simon Lill; 2. Carl Le Souef; and 3. Alex Sava.
<p>Category under Listing Rule 10.14 10.15.2</p>	<p>The Proposed Optionholders are current directors of the Company and therefore fall within the category in Listing Rule 10.14.1.</p>
<p>Number and class of securities 10.15.3</p>	<p>The maximum number and class of securities proposed to be issued are 6,000,000 options to subscribe for fully paid ordinary class shares (Options) (being the nature of the financial benefit proposed to be given) which will be allocated as follows:</p> <ol style="list-style-type: none"> 1. Simon Lill: 1,500,000 Options; 2. Carl Le Souef: 1,500,000 Options; and

	3. Alex Sava: 3,000,000 Options.
Remuneration package 10.15.4	The current remuneration packages of the Proposed Optionholders are: 1. Simon Lill: \$72,000; 2. Carl Le Souef: nil and 3. Alex Sava: \$120,000. Carl Le Souef does not receive any director fees.
Securities previously issued to the person under the Equity Incentive Plan and the average acquisition price paid (if any) 10.15.5	As this is the first time that the Shareholder approval is being sought for the adoption of the Plan, no Securities have been previously issued under the Plan.
Details of the securities (if not fully paid ordinary shares) 10.15.6	<p><i>Summary of the material terms:</i> the Options will be issued on the terms and conditions set out in Schedule 2 of this Notice of Meeting.</p> <p><i>Explanation as to why Options are being used:</i> the Director Options are being issued in lieu of additional cash remuneration to incentivise the Proposed Optionholders, who are Directors of the Company, and align their personal interests with those of the Company's Shareholders.</p> <p>Value attributed to the Director Options and basis for valuation:</p> <p>Given the Director Options are not currently listed and have no publicly available price, an external valuation was commissioned and is summarised below (and provided in full at Annexure A).</p> <ul style="list-style-type: none"> • The indicative value of each Director Option is approximately: <ul style="list-style-type: none"> ○ \$0.1288 for Tranche 1 ○ \$0.1171 for Tranche 2 ○ \$0.0847 for Tranche 3 • On this basis, the total value of Director Options proposed to be granted to each Proposed Optionholder is: <ul style="list-style-type: none"> ○ \$64,400 for Tranche 1 (500,000 options) ○ \$175,650 for Tranche 2 (1,500,000 options) ○ \$338,800 for Tranche 3 (4,000,000 options) <p>These values cover the period from the estimated grant date (24 January 2025, upon approval by Shareholders) until the vesting condition is met on 31 December 2026 (approximately two years).</p> • This valuation was calculated by 22 Corporate Advisory Pty Ltd using the Black-Scholes Option Pricing Model and takes into consideration the material terms of the Director Options. • Key underlying assumptions of the valuation include: <ul style="list-style-type: none"> ○ The Company's share price being \$0.25 (adopted based on recent proposed transactions and aligned with the last market-traded price of \$0.22 in February 2023). ○ The term of 3.02 years, from the estimated grant date (24 January 2025) to the expiry date (31 January 2028). ○ A risk-free rate of 3.842%, based on the yield-to-maturity of an Australian government bond on the

	<p>valuation date.</p> <ul style="list-style-type: none"> ○ An estimated future volatility rate of 75.0%, determined based on a comparison with similar companies and the Company's historical volatility prior to suspension. ○ The assumption that the likelihood of meeting the vesting conditions (continuously remaining in office until the vesting date on 31 December 2026) is 100%.
Consideration of type of security to be issued	<p>The Company has agreed to issue the Options for the following reasons:</p> <ul style="list-style-type: none"> (a) the issue of Options has no immediate dilutionary impact on Shareholders; (b) the issue to the Proposed Optionholders will align the interests of the recipient with those of Shareholders; (c) the issue is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Proposed Optionholders; (d) the deferred taxation benefit which is available to the recipient in respect of an issue of Options is also beneficial to the Company as it means the recipient is not required to immediately sell the Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and (e) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options on the terms proposed.
Consideration of quantum of Securities to be issued	<p>The number of Securities to be issued has been determined based upon a consideration of:</p> <ul style="list-style-type: none"> (a) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company; (b) the remuneration of the proposed recipients; and (c) incentives to attract and ensure continuity of service of the proposed recipients who have appropriate knowledge and expertise, while maintaining the Company's cash reserves. <p>The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options upon the terms proposed.</p>
Date of issue 10.15.7	<p>If the issue of the Director Options is approved, the Company will issue the Director Options within 1 month of this Meeting (or such later date as permitted by ASX). In any event, the Company will not issue any Securities later than 15 months after the date of the Meeting.</p>
Issue Price 10.15.8	<p>The Director Options will be issued for nil cash consideration as part of the remuneration package of each of the Proposed Optionholders.</p> <p>Accordingly, no funds will be raised from the issue of Director Options. However, if all of the Director Options are exercised prior</p>

	to the expiry date, the Company will raise \$2,575,000 from payment of the exercise prices of those Director Options.																																
Summary of material terms of the Plan 10.15.9	A summary of the material terms of the Company's Employee Option Plan is set out in Schedule 1 to this Explanatory Statement.																																
Summary of material terms of any loan made in relation to the issue 10.15.10	The Director Options will be issued for nil consideration. Further, the Company will not provide a loan to any of the Proposed Optionholders in relation to the acquisition of the Shares issued pursuant to the exercise of the Director Options.																																
Interest in Securities	<p>The relevant interests of the proposed recipients in Securities as at the date of this Notice and following completion of the issue are set out below:</p> <p>As at the date of this Notice</p> <table border="1"> <thead> <tr> <th>Recipient</th> <th>Shares¹</th> <th>Options</th> <th>Undiluted</th> <th>Fully Diluted</th> </tr> </thead> <tbody> <tr> <td>Alex Sava</td> <td>103,950</td> <td>Nil</td> <td>0.32%</td> <td>0.32%</td> </tr> <tr> <td>Simon Lill</td> <td>288,720</td> <td>Nil</td> <td>0.90%</td> <td>0.90%</td> </tr> <tr> <td>Carl Le Souef</td> <td>18,409,194</td> <td>Nil</td> <td>57.23%</td> <td>57.23%</td> </tr> </tbody> </table> <p>Post issue</p> <table border="1"> <thead> <tr> <th>Recipient</th> <th>Shares¹</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>Alex Sava</td> <td>103,950</td> <td>3,000,000</td> </tr> <tr> <td>Simon Lill</td> <td>288,720</td> <td>1,500,000</td> </tr> <tr> <td>Carl Le Souef</td> <td>18,409,194</td> <td>1,500,000</td> </tr> </tbody> </table> <p>Notes:</p> <ol style="list-style-type: none"> Fully paid ordinary shares in the capital of the Company (ASX: PO3). Assumes no additional Securities are issued, other than the Options which may be issued pursuant to Resolutions 11 to 13. 	Recipient	Shares ¹	Options	Undiluted	Fully Diluted	Alex Sava	103,950	Nil	0.32%	0.32%	Simon Lill	288,720	Nil	0.90%	0.90%	Carl Le Souef	18,409,194	Nil	57.23%	57.23%	Recipient	Shares ¹	Options	Alex Sava	103,950	3,000,000	Simon Lill	288,720	1,500,000	Carl Le Souef	18,409,194	1,500,000
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Dilution	If the Options issued under these Resolutions are exercised, a total of 6,000,000 Shares would be issued. This will increase the number of Shares on issue from 32,173,498 (being the total number of Shares on issue as at the date of this Notice) to 38,173,498 (assuming that no other Shares are issued and no other convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 15.72%, comprising 7.85% by Alex Sava, 3.93% by Simon Lill and 3.93% by Carl Le Souef.																																
Market price	The market price for Shares during the term of the Options would normally determine whether or not the Options are exercised. If, at any time any of the Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Options, there may be a perceived cost to the Company																																
Trading history	The Company's Shares have been suspended from quotation on ASX since 15 February 2023, and therefore there is no trading history for Shares on ASX in the 12 months before the date of this Notice. The last trading price of Shares on ASX prior to the Company's suspension from quotation was \$0.22 on 14 February 2023.																																
10.15.11 Statement	Details of any securities issued under the Plan will be published in the Company's annual report relating to the period in which they																																

10.15.11	were issued, together with a statement that approval for the issue of the securities was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after these Resolutions are approved, and who are not named in this Notice of Meeting, will not participate until approval is obtained under that rule.
Other information	The Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass these Resolutions.
Voting prohibition statement	Voting prohibition statements apply to these Resolutions.
Voting exclusion statement 10.15.12	Voting exclusion statements apply to these Resolutions.

11.6 Directors' Recommendation

Each Director has a material personal interest in the outcome of these Resolutions on the basis that all of the Directors (or their nominee(s)) are to be issued Securities should these Resolutions be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on these Resolutions.

12. Resolution 14 – Amendment to Constitution

12.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of shareholders.

This Resolution is a special resolution which will enable the Company to amend its existing Constitution (**Amended Constitution**) as set out in the table below.

A copy of the Amended Constitution can be sent to Shareholders upon request to the Company Secretary on adam.gallagher@purifloh.com. Shareholders are invited to contact the Company if they have any queries or concerns.

12.2 Summary of material proposed changes

Employee incentive securities plan (Clause 2.4)	Under the new Division 1A of Part 7.12 of the Corporations Act, which came into effect on 1 October 2022, offers under an employee incentive plan that do not require a monetary payment (e.g., zero exercise price options or performance rights) can be issued without an issue cap. However, offers requiring a monetary payment (whether upon grant or upon exercise/vesting of the awards and issue of the underlying shares) must be accompanied by an 'ESS offer document' and must comply with an issue cap. The cap is set at 5% under the Corporations Act unless raised by a company's constitution. A company may include a higher issue cap in its constitution to allow for more than 5% of securities to be issued under the plan. The Amended Constitution has set the issue cap at 20%.
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Insertion of partial (proportional) takeover provisions

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, an entity may include a provision in its constitution whereby a proportional takeover bid for shares may only proceed after the bid has been approved by a meeting of shareholders held in accordance with the terms set out in the Corporations Act.

In accordance with section 648G(1) of the Corporations Act, such clause will cease to apply at the end of three years from the incorporation of the Company, insertion of the clause or renewal of the clause (as appropriate) unless otherwise specified. When this clause ceases to apply, the constitution will be modified by omitting the clause.

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

This Resolution will enable the Company to modify its Constitution by re-inserting proportional takeover provisions into the Amended Constitution in the form of clause 37.

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a Resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

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

Knowledge of any acquisition proposals

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

Potential advantages and disadvantages of proportional takeover provisions

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

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

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;

	<p>(c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and</p> <p>(d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.</p> <p>The potential disadvantages of the proportional takeover provisions for Shareholders include:</p> <p>(a) proportional takeover bids may be discouraged;</p> <p>(b) lost opportunity to sell a portion of their Shares at a premium; and</p> <p>(c) the likelihood of a proportional takeover bid succeeding may be reduced.</p> <p>Recommendation of the Board</p> <p>The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Amended Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of this Resolution.</p>
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13. Glossary

Term	Meaning
\$	Australian dollars.
AEDT	Australian Eastern Daylight Time.
General Meeting, GM or Meeting	means the General Meeting of the Company to be held on 28 February 2025.
Associate	has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the ASX Listing Rules and on the basis that the Company is the “designated body” for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.
ASX	ASX Limited ACN 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX.
ASX Listing Rules or Listing Rules	the listing rules of ASX, as amended from time to time.
Automic	the Company’s Share Registry provider Automic Pty Ltd.
Board	the board of Directors of the Company.
Chair	the person appointed to chair the Meeting convened by this Notice.
Closely Related Party	“Closely Related Party” of a member of the Key Management Personnel of the Group has the meaning ascribed to it in the Corporations Act, and the expression includes, for example, certain Key Management Personnel’s family members, dependents and companies they control.
Company	Purifloh Limited ACN 124 426 339.
Constitution	the constitution of the Company as at the date of this Explanatory Statement.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Dilato	means Dilato Holdings Pty Ltd ACN 109 588 785.
Director	a director of the Company, namely Mr. Carl Le Souef, Dr. Alex Sava and Mr. Simon Lill.
Equity Security	has the same meaning as set out in Chapter 19 of the ASX Listing Rules and Equity Securities has a corresponding meaning.
Explanatory Statement	means the explanatory statement accompanying the Notice.
Facility	means the \$3,000,000 facility provided to the Company by Dilato Holdings Pty Ltd ACN 109 588 785.
Group	means the Company and each of its subsidiaries comprising the consolidated entity referred to in the Company’s 2024 Annual Report.
Key Management Personnel or KMP	has the definition given in <i>Accounting Standards AASB 124 Related Party Disclosure</i> as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

Term	Meaning
Listing Rule	means a listing rule of the ASX.
Material Person	means a related party of the Company, member of the Key Management Personnel, substantial holder of the Company, adviser of the Company or associate of any of these parties
Market Price	has the meaning given to that term in the Listing Rules.
Meeting	has the meaning in the introductory paragraph of the Notice.
Notice	the notice of meeting attached to this Explanatory Statement.
Ordinary Resolution	means a resolution passed by more than 50% of the votes cast by members entitled to vote on the Resolution.
Proxy Deadline	has the meaning in section 2.3 of the Explanatory Statement.
Proxy Form	the proxy form attached to this Notice.
Remuneration Shares	means the proposed issue of Shares as remuneration for the Relevant Person's services as a Director of the Company in lieu of cash for the Relevant Period.
Related Party	has the meaning set out in the ASX Listing Rule 10.11.
Resolution	a resolution set out in the Notice.
Relevant Period	means the period from 1 July 2021 to 31 December 2024 in the case of Dr. Alex Sava and the period from 1 July 2020 to 31 December 2024 in the case of Mr. Simon Lill.
Relevant Person	means each of Dr. Alex Sava and Mr. Simon Lill.
Share	being a fully paid ordinary share in the Company.
Securities	Has the meaning given in Schedule 1.
Share Registry	being Automic Pty Ltd.
Shareholders	means the shareholders of the Company.
Special Resolution	means a resolution: <ul style="list-style-type: none"> (a) of which notice has been given as set out in paragraph 249L(1)(c) of the Corporations Act; and (b) passed by at least 75% of the votes cast by members entitled to vote on the Resolution.
Substantial Holder	means a holder in the Company's Shares with at least 30% of the total issued Shares in the Company for the purposes of ASX Listing Rule 10.11.2.
Substantial Holder Shares	means the 11,597,456 Shares to be issued to Dilato Holdings Pty Ltd ACN 109 588 785 (or its nominee) for which Shareholder approval is sought under Resolution 5.
Total Remuneration Shares	means the 2,695,000 Remuneration Shares to be issued pursuant to Resolutions 8 to 9.
Trading Day	means a day determined by ASX to be a trading day in accordance with the ASX Listing Rules.
VWAP	means the volume weighted average market price of Shares.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to the Company Secretary by email to adam.gallagher@purifloh.com.

SCHEDULE 1 - TERMS AND CONDITIONS OF INCENTIVE PLAN

A summary of the material terms of the Company's Employee Securities Incentive Plan (**Plan**) is set out below.

Eligible Participant	Eligible Participant means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time.
Purpose	The purpose of the Plan is to: <ul style="list-style-type: none"> (a) assist in the reward, retention and motivation of Eligible Participants; (b) link the reward of Eligible Participants to Shareholder value creation; and (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of a security in the capital of the Company, including Share, Option, Performance Right or other Convertible Security (Securities).
Maximum number of Convertible Securities	The Company will not make an invitation under the Plan which involves monetary consideration if the number of Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b) – refer to Resolution 14 and Section 12.2). The Constitution specifies a threshold of 20% of the issue cap.
Plan administration	The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.
Eligibility, invitation and application	The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination of) the Securities provided under the Plan on such terms and conditions as the Board decides. On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
Grant of Securities	The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
Rights attaching to Convertible Securities	A Convertible Security represents a right to acquire one or more Plan Shares in accordance with the Plan (for example, an Option or a Performance Right). Prior to a Convertible Security being exercised, the holder: <ul style="list-style-type: none"> (a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than as expressly set out in the Plan;

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	<p>(b) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company;</p> <p>(c) is not entitled to receive any dividends declared by the Company; and</p> <p>(d) is not entitled to participate in any new issue of Shares (see Adjustment of Convertible Securities section below).</p>
Restrictions on dealing with Convertible Securities	<p>Convertible Securities issued under the Plan cannot be sold, assigned, transferred, have a security interest granted over or otherwise dealt with unless in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the holder) with the consent of the Board in which case the Convertible Securities may be exercisable on terms determined by the Board.</p> <p>A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.</p>
Vesting of Convertible Securities	<p>Any vesting conditions applicable to the Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that security will lapse.</p>
Forfeiture of Convertible Securities	<p>Convertible Securities will be forfeited in the following circumstances:</p> <p>(a) in the case of unvested Convertible only, where a Participant acts fraudulently, dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group;</p> <p>(b) where there is a failure to satisfy the vesting conditions in accordance with the Plan;</p> <p>(c) on the date the Participant becomes insolvent; or</p> <p>(d) on the Expiry Date,</p> <p>subject to the discretion of the Board.</p>
Listing of Convertible Securities	<p>Convertible Securities granted under the Plan will not be quoted on the ASX or any other recognised exchange. The Board reserves the right in its absolute discretion to apply for quotation of Convertible Securities granted under the Plan on the ASX or any other recognised exchange.</p>
Exercise of Convertible Securities and cashless exercise	<p>To exercise a security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise (see next paragraph below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Securities (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.</p> <p>An invitation to apply for Convertible Securities may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.</p> <p>Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.</p> <p>Convertible Securities may not be exercised unless and until that security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.</p>
Timing of issue of Shares and quotation of Shares on exercise	<p>Within five business days after the issue of a valid notice of exercise by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.</p>

Restriction periods and restrictions on transfer of Shares on exercise	<p>If the invitation provides that any Shares issued upon the valid exercise of a Convertible Security are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.</p> <p>Additionally, Shares issued on exercise of the Convertible Securities are subject to the following restrictions:</p> <p>(a) if the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Convertible Securities may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act;</p> <p>(b) all Shares issued on exercise of the Convertible Securities are subject to restrictions imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available; and</p> <p>(c) all Shares issued on exercise of the Convertible Securities are subject to the terms of the Company's Securities Trading Policy.</p>
Rights attaching to Shares on exercise	<p>All Shares issued upon exercise of Convertible Securities will rank equally in all respects with the then Shares of the Company.</p>
Change of control	<p>If a change of control event occurs (being an event which results in any person (either alone or together with associates) owning more than 50% of the Company's issued capital), unvested Convertible Securities will vest unless the Board determines in its discretion otherwise. The Board's discretion in determining the treatment of any unvested Convertible Securities on a change of control event is limited to vesting or varying any vesting conditions in respect to the Convertible Securities and does not include a discretion to lapse or forfeit unvested Convertible Securities for less than fair value.</p>
Participation in entitlements and bonus issues	<p>Subject always to the rights under the following two paragraphs, Participants will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.</p>
Adjustment for bonus issue	<p>If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the Participant is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.</p>
Reorganisation	<p>If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.</p>
Employee Share Trust	<p>The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Convertible Securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Convertible Securities.</p>
Amendment of Plan	<p>Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.</p> <p>No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.</p>

Plan duration	<p>The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.</p> <p>If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.</p>
Income Tax Assessment Act	<p>The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.</p>
Withholding	<p>Subject to applicable law, if the Company reasonably believes that it may have an obligation to account for any tax, or any superannuation amounts (or equivalent social security contributions, if applicable) in respect of a holder of Options, it is entitled to withhold that amount.</p>

SCHEDULE 2 - TERMS AND CONDITIONS OF DIRECTOR OPTIONS

1.	Entitlement	Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
2.	Plan	The Options are granted under the Company's Employee Incentive Securities Plan (Plan). In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.
3.	Exercise Price	Subject to paragraph 16, the amount payable upon exercise of each Option will be as set out in the table at Section 11.1 in respect to each class of Option (Exercise Price).
4.	Expiry Date	Each Option whether vested or unvested will expire on the earlier to occur of: (a) 5:00 pm (AEST) on the date specified in the table at Section 11.1 in respect to each class of Option; or (b) the Option lapsing and being forfeited under the Plan, (Expiry Date) . For the avoidance of doubt, any unexercised Options will automatically lapse on the Expiry Date.
5.	Vesting Conditions	The Options are exercisable at any time on and from the satisfaction of the following vesting conditions and prior to the Expiry Date: (a) the vesting conditions set out in the table at Section 11.1 in respect to each class of Option; and (b) the issue of Options not contravening any applicable law, rule or regulation (including Chapter 6D of the Corporations Act 2001, the Plan rules or the Company's constitution), (Vesting Conditions) . An Option will vest when a vesting notice is given to the holder.
6.	Cessation of Employment	Other than where the holder's employment is ceased for fraudulent or dishonest actions or breach of duties to the Company, on the termination or cessation of the holder's employment, any unvested Options will remain on foot and vest in the ordinary course, subject to the Board's overriding discretion to determine an alternate treatment.
7.	Exercise Period	The Options are exercisable at any time on and from the satisfaction of the Vesting Conditions the Expiry Date (Exercise Period).
8.	Exercise Notice	The Options may be exercised during the Exercise Period by: (a) written Exercise Notice of Options specifying the number of Options being exercised (Exercise Notice); and (a) payment by electronic funds transfer for the Exercise Price for the number of Options being exercised; or (b) if at the time of exercise, the holder elects to not be required to provide payment of the Exercise Price for the number of Options specified in the Exercise Notice, subject to approval by the Board at their sole and absolute discretion, the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise (being, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding the date of exercise) and the Exercise Price (with the number of Shares rounded down to the nearest whole Share) (Cashless Exercise).
9.	Exercise Date	An Exercise Notice is only effective on and from the later of the date of receipt of the Exercise Notice and, subject to the holder electing for

		Cashless Exercise, the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds.
10.	Timing of issue of Shares on exercise	Subject to applicable law, within five Business Days after the valid exercise of Options by the holder, the Company will: <ul style="list-style-type: none"> (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled; (b) if required, issue a substitute certificate for any remaining unexercised Options held by the holder; and (c) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the ASX Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the ASX Listing Rules.
11.	Restrictions on transfer of Shares on exercise	Shares issued on exercise of the Options are subject to the following restrictions: <ul style="list-style-type: none"> (a) if the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Act; (b) all Shares issued on exercise of the Options are subject to restrictions imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available; and (c) all Shares issued on exercise of the Options are subject to the terms of the Company's Securities Trading Policy.
12.	Shares issued on exercise	Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
13.	Change of Control	If a Change of Control Event occurs (being an event which results in any person (either alone or together with associates) owning more than 50% of the Company's issued capital), unvested Options will vest unless the Board determines in its discretion otherwise. The Board's discretion in determining the treatment of any unvested Options on a Change of Control Event is limited to vesting or varying the Vesting Conditions in respect to the Options and does not include a discretion to lapse or forfeit unvested Options for less than fair value.
14.	Participation in new issues	Subject always to the rights under paragraphs 15 and 16, holders of Options will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues without first exercising the Options.
15.	Adjustment for bonus issue of Shares	If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Options is entitled, upon exercise of the Options, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Options are exercised.
16.	Reorganisation	If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of the holder will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.
17.	Change in exercise price	An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

18.	Transferability	The Options cannot be sold, assigned, transferred, have a security interest granted over or otherwise dealt with unless in accordance with the Plan.
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13 December 2024

PuriflOH Limited
 Level 3
 2-4 Ross Place
 South Melbourne, VIC 3205
Attention: Adam Gallagher

RE: Valuation of PuriflOH Limited stock options

Dear Adam,

1. Introduction

You have requested that we determine the fair market value of three tranches of stock options (the **Options**) in accordance with AASB 2 – Share Based Payment (the **Engagement**). The Options are proposed to be granted by PuriflOH Limited (the **Company**) to directors of the Company following shareholder approval at the Company’s next General Meeting. As a result, we undertook the valuation as at 12 December 2024 (**Valuation Date**), being the most recently concluded market day prior to the date of this report.

2. Summary of the Options

The tranches comprising the Options are summarised below and further detailed in Annexure 1.

Tranche	Recipient(s)	Summary of terms / vesting conditions
Tranche 1	Directors	Exercise Price = \$0.250; Expiry Date of 31 January 2028; Remaining in office until Vesting Date of 31 December 2026
Tranche 2	Directors	Exercise Price = \$0.300; Expiry Date of 31 January 2028; Remaining in office until Vesting Date of 31 December 2026
Tranche 3	Directors	Exercise Price = \$0.500; Expiry Date of 31 January 2028; Remaining in office until Vesting Date of 31 December 2026

3. Valuation Methodologies

We have used the Black-Scholes Option Pricing (**BSOP**) methodology, which utilises the Black-Scholes-Merton model, to estimate the fair value of the Options. Our valuation of the Options takes into consideration:

- (1) The material terms of the Options Annexure 1
- (2) Methodology and key inputs of the BSOP Annexure 2
- (3) Other considerations Annexure 3
- (4) Key relevant accounting standards Annexure 4

4. Valuation Conclusion

Based on the inputs and assumptions discussed in this letter (including annexures), the resulting fair value for the Options is summarised in Table 1 below.

Table 1: Valuation Conclusion				
Tranche	# of equity instruments	Probability of achievement ¹	Value per Option	Concluded value
	(a)	(b)	(c)	(d) = (a)*(b)*(c)
Tranche 1	500,000	100.0%	\$0.1288	\$64,400
Tranche 2	1,500,000	100.0%	\$0.1171	\$175,650
Tranche 3	4,000,000	100.0%	\$0.0847	\$338,800
Total	6,000,000			\$578,850

Note 1: the Company must apply their estimated probability of achievement of each tranche's non-market-based vesting conditions and service condition to the number of equity instruments in each tranche (see Annexure 3 for further discussion).

Should you have any questions regarding anything contained in this letter please do not hesitate to contact me. Yours faithfully



Oliver Schweizer, CFA
Director

VALUERS' CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this letter are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, unbiased professional analyses, opinion, and conclusion.
- Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- No one provided significant professional assistance to the persons signing this certification other than other employees of 22 Corporate Advisory Pty Ltd.

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STATEMENT OF LIMITING CONDITIONS

In accordance with professional ethics, our fees for this service are not contingent upon the opinions expressed herein. Information provided by management or its representatives in the course of this investigation has been accepted, without further verification, as correctly reflecting PuriflOH Limited's business conditions and operating results.

Financial and statistical information is from sources we deem reliable. We make no representation as to our sources' accuracy or completeness and have accepted their information without further verification.

The conclusions are based upon the assumption that present management will continue to maintain the character and integrity of PuriflOH Limited through any sale, reorganisation, or diminution of the owners' participation.

Our opinions expressed herein are valid only for the stated purpose and date of the appraisal. Though some similarities exist between the value as set forth for this purpose and others, it would be incorrect to use the opinions as determined herein for any other purpose due to specific timing, performance, and marketability issues. Accordingly, any such use of the conclusions as determined herein for other purposes would be inaccurate and possibly misleading.

Future services regarding the subject matter contained herein, including, but not limited to, testimony or attendance in court shall not be required of 22 Corporate Advisory Pty Ltd unless previous arrangements have been made in writing.

Neither all nor any part of the contents contained herein shall be conveyed to the public through advertising, public relations, news, sales, mail, direct transmittal, or other media without the prior written consent and approval of 22 Corporate Advisory Pty Ltd.

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Annexure 1

Summary of the Options

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Annexure 1 – Summary of the Options

- Table A1-1 below summarises the key terms of the Options:

Table A1-1: Summary of the Options

Tranche	# of Options	Estimated Grant Date	Expiry Date	Term	Exercise Price	Vesting Period Start	Vesting Period End
Tranche 1	500,000	24-Jan-25	31-Jan-28	3.02 yrs	\$0.250	24-Jan-25	31-Dec-26
Tranche 2	1,500,000	24-Jan-25	31-Jan-28	3.02 yrs	\$0.300	24-Jan-25	31-Dec-26
Tranche 3	4,000,000	24-Jan-25	31-Jan-28	3.02 yrs	\$0.500	24-Jan-25	31-Dec-26

- The grant of the Options is subject to shareholder approval at the Company's next General Meeting. As a result, we undertook the valuation as at 12 December 2024, being the most recently concluded market day prior to the date of this report, and used 24 January 2025 as the proposed date of the General Meeting and estimated Grant Date for the Options.
- Each individual Option entitles the grantee to subscribe for one ordinary share in the Company on the vesting of the Option, and is exercisable at the exercise prices listed in Table A1-1 above.
- The Options are subject to the following vesting conditions:

Non-market-based vesting criteria

Tranche 1	Continuously remaining in office to 31 December 2026
Tranche 2	Continuously remaining in office to 31 December 2026
Tranche 3	Continuously remaining in office to 31 December 2026

Market-based vesting criteria

Tranche 1	no market-based vesting conditions
Tranche 2	no market-based vesting conditions
Tranche 3	no market-based vesting conditions

- Subject to continuously remaining in office, the Options vest and become eligible for exercise on 31 December 2026 (**Vesting Date**).
- We understand the Options are subject to a service condition, whereby the grantee must remain an employee, director, or engaged by the Company until exercise.
- The Options are exercisable from the Vesting Date (subject to the exercise price and satisfaction of the Vesting Criteria) until expiry.
- The Options expire 31 January 2028, being 3.02 years after the Estimated Grant Date following shareholder approval and following which the Options lapse.
- We understand that the Options do not carry any entitlement to dividends (if any) prior to exercise.
- We understand that there are no restrictions on disposal of shares after exercise of the Options, and that there are no other market-based or non-market-based vesting conditions, or any other conditions that impact on the value of the Options.
- Table A1-2 below shows the number of Options to be issued to each Grantee:

Table A1-2: Number of Options by Grantee

Grantee	Tranche 1	Tranche 2	Tranche 3	Total
Simon Lill (or nominee)	0	500,000	1,000,000	1,500,000
Carl Le Souef (or nominee)	0	500,000	1,000,000	1,500,000
Alex Sava (or nominee)	500,000	500,000	2,000,000	3,000,000
Total	500,000	1,500,000	4,000,000	9,500,000

Annexure 2

Methodology and Key Inputs of the BSOP

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Annexure 2 – Methodology and Key Inputs of the BSOP

In determining the fair value of the Options we used the Black-Scholes Option Pricing (BSOP) methodology, which utilises the Black-Scholes-Merton model,

Table A2-1 below summarises the key inputs used in the BSOP methodology, and is followed by an explanation of each of the six key inputs and how they were determined.

Table A2-1: BSOP Inputs

Input	Values at Valuation Date		
	Tranche 1	Tranche 2	Tranche 3
i. Underlying share price	\$0.250	\$0.250	\$0.250
ii. Exercise price	\$0.250	\$0.300	\$0.500
iii. Term	3.02 yrs	3.02 yrs	3.02 yrs
iv. Risk-free rate	3.842%	3.842%	3.842%
v. Dividend yield	Nil	Nil	Nil
vi. Volatility (rounded)	75.0%	75.0%	75.0%

i. Underlying share price

As the Company has been suspended from trading on the ASX since February 2023, a readily available market price of the Company's shares was not available as at the Valuation Date. Consequently, we examined proposed transactions in the share capital of the Company, which are subject to shareholder approval at the same General Meeting that approval for the subject Options is being sought. Namely, approval is being sought for shares to be issued as a result of: (i) a share placement; (ii) in lieu of fees to a former and current directors; (iii) in lieu of consultant fees; and (iv) satisfaction of an outstanding debt obligation. All of the preceding issuances are proposed/being conducted at a price of \$0.25/share, which we note is not dissimilar from the last market traded price of \$0.22 back in February 2023. As a result, we have adopted \$0.25/share as accurately reflecting the market price of the Company's shares as at the Valuation Date.

ii. Exercise price

We have been provided with the exercise price of the Options as listed in Table A2-1 above.

iii. Term

Being the period from the Estimated Grant Date (24 January 2025 – Date of General Meeting) to the Expiry Date.

iv. Risk-free rate

The risk-free rate was determined to be the yield-to-maturity of an Australian government bond on the Valuation Date and with a term of equal duration to each tranche. The government bond interest rates were taken from data provider S&P Capital IQ for the government bonds quoted on the Australian Office of Financial Management website (<https://www.aofm.gov.au/securities/treasury-bonds>). As the term of the Options did not match the any term-to-maturity for the Australian government bonds as at the Valuation Date, linear interpolation was used to determine the risk-free rate.

v. Dividends

The dividend yield was assumed to be nil as no dividend has been recently paid by the Company and it was assumed that this trend would continue over the term of the Options.

vi. Volatility

As the shares of the Company were not publicly traded at the Valuation Date, having been suspended from quotation on the ASX in February 2023, and we understand there to be no liquid private market, the volatility of the Company's shares was estimated from: (1) the volatility of companies whose shares are publicly traded and who are operationally similar to the Company; and (2) the volatility of the Company's shares prior to suspension.

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We examined a number of comparable companies with similar operations and key drivers of value, primarily related to air purification, water treatment and surface sterilisation. The comparable companies are listed on the following page. We determined the volatility for each of the comparable companies and examined the average and median value of the group as an estimate of the Company's volatility. The volatility for each of the comparable companies was calculated in accordance with AASB 2 paragraph B22, being the annualised standard deviation of the continuously compounded change in price of the companies' shares. The volatility was calculated using the daily, weekly, and monthly share prices for a period prior to the Valuation Date and of equal duration to the term of each tranche. We also examined the volatility over different calculation periods (i.e. 1-year, 2-year volatility etc.).

Next, we sought to examine the Company's volatility at the time prior to suspension from quotation in February 2023. In accordance with AASB 2 paragraph B22, the volatility was determined to be the annualised standard deviation of the continuously compounded change in price of the Company's shares. The volatility was calculated using the daily, weekly, and monthly share prices for a period prior to suspension and of equal duration to the term of each tranche. We also considered the volatility over difference calculation periods (from 6-months to 48-months).

Based on the aforementioned method, volatility was determined to be 75.0% (rounded) and was considered to be reflective of the Company's expected volatility moving forward. A summary of our volatility calculations is set out on the following page.

Based on the foregoing methodology and inputs, and before any other considerations discussed in the next section, we determined the value of the Options to be:

Tranche 1	-	\$0.1288	per Option
Tranche 2	-	\$0.1171	per Option
Tranche 3	-	\$0.0847	per Option

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The following tables lists the Comparable Companies used in the volatility calculation.

Table A2-2: Comparable Companies

Company name	Industry	Market Cap 12-Dec-24	Date Listed	Yrs Listed
Clean TeQ Water Limited (ASX:CNQ)	Environmental and Facilities Services	\$22.0m	2/07/2021	3.4 yrs
Fluence Corporation Limited (ASX:FLC)	Water Utilities	\$87.6m	19/12/2015	9.0 yrs
SciDev Limited (ASX:SDV)	Commodity Chemicals	\$112.0m	2/05/2002	22.6 yrs
The Environmental Group Limited (ASX:EGL)	Industrial Machinery and Supplies and Components	\$106.5m	2/01/1992	32.9 yrs
Aeris Environmental Ltd (ASX:AEI)	Environmental and Facilities Services	\$20.9m	25/07/2002	22.4 yrs
Parkway Corporate Limited (ASX:PWN)	Fertilizers and Agricultural Chemicals	\$33.2m	13/05/2011	13.6 yrs
De.mem Limited (ASX:DEM)	Water Utilities	\$35.1m	7/04/2017	7.7 yrs
Calix Limited (ASX:CXL)	Commodity Chemicals	\$137.6m	20/07/2018	6.4 yrs
Carbonxt Group Limited (ASX:CG1)	Commodity Chemicals	\$21.2m	23/01/2018	6.89 yrs
CleanSpace Holdings Limited (ASX:CSX)	Health Care Equipment	\$26.9m	23/10/2020	4.14 yrs

Table A2-3: Comparable Companies - Descriptions

Company	Description
1) Clean TeQ Water Limited ASX:CNQ Environmental and Facilities Services	Clean TeQ Water Limited provides metals recovery and water treatment solutions for governments and companies in Australia. The company offers ammonia removal, arsenic and antimony, boron removal, COD and BOD removal, hardness removal, high recovery desalination, low carbon water treatment, metal recovery, nitrate removal, phosphate removal and recycling, sulphate and uranium removal, and zero liquid discharge solutions. It also provides graphene membranes; ion exchange plant solutions; and membranes and filtrations. In addition, the company undertakes turnkey projects, such as metals recovery and water treatment plants. It serves agriculture and aquaculture water, food and beverage, ground water/well water, green hydrogen, industrial and mine water, municipal reuse, oil and gas water, power plant water, remote community, and surface water markets. The company was incorporated in 2021 and is headquartered in Notting Hill, Australia.
2) Fluence Corporation Limited ASX:FLC Water Utilities	Fluence Corporation Limited, together with its subsidiaries, provides water and wastewater treatment solutions for the municipal, commercial, and industrial markets worldwide. The company offers water products, such as decentralized water treatment, NIROBOX desalination building blocks, NIROFLEX smart packaged plants, ultrafiltration, and reverse osmosis systems. It also provides wastewater treatment products, including decentralized wastewater treatment, dissolved air floatation, MABR and SUBRE wastewater treatment, anaerobic digestion, nitro shortcut nitrogen removal, Smart packaged Asprial and EcoBox, and Tipton series extended aeration WWTPS. In addition, the company offers food and beverage processing and recovery solutions, reuse, desalination, and waste-to-energy solutions. Further, the company provides project finance, Smart Operations data analytics software, and after-sale support services. Fluence Corporation Limited was incorporated in 2007 and is headquartered in Golden Valley, Minnesota.

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Table A2-3: Comparable Companies - Descriptions

Company	Description
3) SciDev Limited ASX:SDV Commodity Chemicals	SciDev Limited provides environmental solutions focused on water intensive industries in Australia, the United States, Asia, and internationally. It operates in two segments, Chemical Services and Water Technologies. The company develops, manufactures, and supplies proprietary chemicals, including natural and synthetic polymers for flocculation, filtration, sludge dewatering, friction reduction, shale inhibition, rheology control, and pipe-on-pipe lubrication applications; flocculants and coagulants; and provides services, such as design and engineering, process optimization, specialty chemical fluid formulations, and application equipment, as well as project management services. It also offers water treatment technologies comprising water treatment for mobile, temporary, and permanent treatment systems; PFAS treatment solutions; onsite liquid waste treatment services; and water quality monitoring systems. The company serves its products to mining and minerals processing, wastewater treatment, construction and infrastructure, oil and gas, and remediation markets. The company was formerly known as Intec Limited and changed its name to SciDev Limited in March 2017. SciDev Limited was incorporated in 1973 and is based in Kings Park, Australia.
4) The Environmental Group Limited ASX:EGL Industrial Machinery and Supplies and Components	The Environmental Group Limited engages in the design, application, and servicing of gas, vapor, and dust emission control systems, and inlet and exhaust systems for gas turbines in Australia and internationally. Its products include gas turbine inlet filtration systems (filter houses), inlet cooling/fogging systems, acoustical components, expansion joints, and complete exhaust systems with guillotine and diverter dampers; and a range of air pollution control equipment and services for the removal of pollutants. The company also provides engineering and water treatment services to various industries; and design, installation, commissioning, service, and maintenance of steam boilers, inert gas generators, hot water boilers, valves, thermal oil heaters, and burners. In addition, it offers waste management and recycling solutions. The company was incorporated in 1923 and is based in Mount Waverley, Australia.
5) Aeris Environmental Ltd ASX:AEI Environmental and Facilities Services	Aeris Environmental Ltd, together with its subsidiaries, engages in the research, development, and commercialization of proprietary technologies in Australia and internationally. The company offers heating, ventilation, air-conditioning, and refrigeration (HVAC/R) hygiene and remediation technology, indoor air quality, and corrosion protection services, as well as distributes HVAC/R hygiene, anti-corrosion, and disinfectant products. It also provides building/industrial, corporate/retail, air purification, corrosion protection, flood remediation, government/education, health/aged care, home/residential, HVAC and R, manufacturing/equipment, mould and odour control, specialty, surface cleaning and disinfection, and surface and skin hygiene products, as well as accessories. In addition, the company offers indoor air quality assessments, mould investigations and sampling, ATP residue testing, in-house nonviable microscopy analysis, mould remediation management, post remediation verification and occupational clearance, building water ingress assessments and rectification, duct cleaning and AHU servicing management, and infection control and containment services. It provides its solutions to manufacturing and equipment, building and industrial, health and aged care, government and education, corporate and retail, and home and residential customers. Aeris Environmental Ltd was incorporated in 2000 and is based in Rosebery, Australia.

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Table A2-3: Comparable Companies - Descriptions

Company	Description
6) Parkway Corporate Limited ASX:PWN Fertilizers and Agricultural Chemicals	Parkway Corporate Limited, a cleantech company, provides water treatment products and solutions in Australia. It also offers analytical instruments for measuring water treatment related parameters; laboratory equipment; laboratory consumables, such as transfer pipettes, centrifuge tubes, syringes, test tubes, measuring jugs, cylinders, and flasks; water treatment systems; and pumps comprising specialty chemical dosing pumps, diaphragm pumps, HVAC pumps, submersible pumps, and high-pressure and high-capacity pumps, as well as related parts and accessories. In addition, the company provides instrumentation and controllers to measure, monitor, and automate water treatment operations; pipe, hose, and fittings products; valves and solenoids; filters, membranes, and related process equipment; and tanks for high-value industrial water treatment and process related applications. Further, it offers various water treatment chemicals; disinfection products that consist of chemical disinfection, chlorination equipment, electro-chlorination, nanobubble disinfection, ozone disinfection, and UV disinfection products, as well as related parts and accessories. Additionally, the company supplies heavy duty steel pallets for storage and transport of goods. Furthermore, it provides analytical testing, project evaluation, process development, project engineering, installation and project management, and operation and maintenance services. The company offers process development, project engineering, workshop fabrication, and other installation services. Parkway Corporate Limited holds 40% interest in the Karinga Lakes potash project located in the northern territory of Australia, as well as owns a portfolio of industrial wastewater treatment technologies. The company was formerly known as Parkway Minerals NL and changed its name to Parkway Corporate Limited in September 2021. Parkway Corporate Limited was incorporated in 2010 and is headquartered in Sunshine North, Australia.
7) De.mem Limited ASX:DEM Water Utilities	De.mem Limited designs, builds, owns, and operates modern water treatment systems for industrial, municipal, and residential sector in Australia, Singapore, and Germany. The company provides specialty chemicals, such as anti-scalants, corrosion inhibitors, deand antifoamers, membrane cleaners or flocculants, and coagulants; membrane-based water or wastewater treatment systems; and build, own, operate, and transfer services. It serves mining, infrastructure, chemicals, food and beverages, agriculture, oil and gas, and heavy industrial sectors. The company was founded in 2013 and is headquartered in Melbourne, Australia.
8) Calix Limited ASX:CXL Commodity Chemicals	Calix Limited, an environmental technology company, provides industrial solutions to address global decarbonisation and sustainability challenges in Australia, Europe, the United States, and Southeast Asia. Its solutions include ACTI-Mag, a wastewater solution; AQUA-Cal+, a water conditioner for aquaculture farming; BOOSTER-Mag, an agricultural solution for increased yield, fertilizer usage, insect/pest management, and fungal control; and low emissions intensity lime and cement to mitigate carbon dioxide emissions. The company provides electric calcination for electric age; marine coatings for marine-fouling and corrosion control; and advanced batteries. It serves cement and lime, iron and steel, lithium and critical minerals, alumina, direct air capture, batteries, water, and agriculture industries. Calix Limited, was incorporated in 2005 and is headquartered in Sydney, Australia.
9) Carbonxt Group Limited ASX:CG1 Commodity Chemicals	Carbonxt Group Limited, a cleantech company, develops and sells specialized activated carbon products for the removal of pollutants and toxins in industrial processes in the United States. The company offers powdered activated carbon and AC pellets. Its products are used for industrial air purification, wastewater treatment, and other liquid and gas phase markets for the capture of mercury and sulphur to reduce harmful emissions into the atmosphere. It serves its products to coal-fired power plants, cement plants, industrial boiler and incinerators, portable water, and VOC and hydrogen sulfide removal industries. Carbonxt Group Limited was incorporated in 2001 and is headquartered in Sydney, Australia.

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Table A2-3: Comparable Companies - Descriptions

Company	Description
10) CleanSpace Holdings Limited ASX:CSX Health Care Equipment	CleanSpace Holdings Limited engages in the design, manufacture, and sale of respiratory protection products and services for healthcare and industrial markets worldwide. It offers CleanSpace HALO, an elevated level of respiratory protection in healthcare environment; CleanSpace CST PRO, a technology that keeps protected and connected; CleanSpace CST ULTRA, a powered air purifying respirator (PAPR) that provides protection reporting for enhanced safety compliance; CleanSpace EX, an PAPR for explosive atmospheres; and CleanSpace Work, an industrial PAPR for high dust environments. The company also provides accessories and consumable products comprising masks, filters, and docking stations. CleanSpace Holdings Limited was founded in 2009 and is based in St Leonards, Australia.

Source: S&P Capital IQ

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Table A2-4 shows the volatility of the comparable companies at the Valuation Date and over various calculation periods using daily, weekly, and monthly changes in share price. In conjunction with an analysis of the Company’s volatility prior to suspension (February 2023) on the next page, which indicates the Company is at the higher end of the range, a chosen volatility of 75% was selected for the Company.

Table A2-4: Comparable Companies Volatility Summary

	(using weekly changes in share price)				(using daily changes in share price)				(using monthly changes in share price)			
	12/12/2024	12/12/2024	12/12/2024	12/12/2024	11/03/2023	11/03/2023	11/03/2023	11/03/2023	26/10/2022	26/10/2022	26/10/2022	26/10/2022
End date (Valuation Date)	12/12/2024	12/12/2024	12/12/2024	12/12/2024	11/03/2023	11/03/2023	11/03/2023	11/03/2023	26/10/2022	26/10/2022	26/10/2022	26/10/2022
Period (days)	365	730	1,095	1,461	731	1,096	1,461	1,827	365	365	365	365
Period (months)	12.00 mths	24.00 mths	36.00 mths	48.00 mths	24.00 mths	36.00 mths	48.00 mths	60.00 mths	12.00 mths	12.00 mths	12.00 mths	12.00 mths
Period (yrs)	1.00 yrs	2.00 yrs	3.00 yrs	4.00 yrs	2.00 yrs	3.00 yrs	4.00 yrs	5.00 yrs	1.00 yrs	1.00 yrs	1.00 yrs	1.00 yrs
Start date	13/12/2023	13/12/2022	13/12/2021	12/12/2020	10/03/2021	10/03/2020	11/03/2019	10/03/2018	26/10/2021	26/10/2021	26/10/2021	26/10/2021
Comparable Companies	Volatilities of Comparable Companies											
Clean TeQ Water Limited	79.0%	70.0%	64.0%	72.0%	87.0%	82.0%	79.0%	82.0%	55.0%	54.0%	56.0%	56.0%
Fluence Corporation Limited	74.0%	68.0%	65.0%	60.0%	79.0%	75.0%	74.0%	72.0%	62.0%	69.0%	65.0%	59.0%
SciDev Limited	66.0%	58.0%	66.0%	63.0%	63.0%	60.0%	71.0%	66.0%	61.0%	56.0%	70.0%	63.0%
The Environmental Group Limited	44.0%	44.0%	50.0%	57.0%	45.0%	48.0%	61.0%	70.0%	44.0%	40.0%	46.0%	57.0%
Aeris Environmental Ltd	66.0%	68.0%	70.0%	66.0%	61.0%	67.0%	70.0%	69.0%	51.0%	65.0%	73.0%	69.0%
Parkway Corporate Limited	64.0%	62.0%	65.0%	81.0%	102.0%	99.0%	98.0%	103.0%	44.0%	41.0%	46.0%	57.0%
De.mem Limited	54.0%	50.0%	52.0%	52.0%	71.0%	73.0%	70.0%	67.0%	36.0%	42.0%	38.0%	40.0%
Calix Limited	76.0%	65.0%	66.0%	67.0%	79.0%	66.0%	65.0%	68.0%	85.0%	72.0%	71.0%	74.0%
Carbonxt Group Limited	85.0%	87.0%	83.0%	80.0%	80.0%	84.0%	85.0%	85.0%	56.0%	75.0%	70.0%	71.0%
CleanSpace Holdings Limited	120.0%	111.0%	97.0%	97.0%	112.0%	113.0%	99.0%	98.0%	71.0%	71.0%	66.0%	80.0%
Average	72.8%	68.3%	67.8%	69.5%	77.9%	76.7%	77.2%	78.0%	56.5%	58.5%	60.1%	62.6%
Median	70.0%	66.5%	65.5%	66.5%	79.0%	74.0%	72.5%	71.0%	55.5%	60.5%	65.5%	61.0%

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Below in Table A2-5 is a summary of the Company’s volatility over various calculation periods prior to its suspension from the ASX in February 2023. In conjunction with the volatility analysis of the comparable companies in Table A2-4, a chosen volatility of 75% was selected for the Company going forward.

Table A2-5: Company Volatility Summary – various calculation periods

Calculation date:		06-Feb-23	06-Feb-23	06-Feb-23
Calculation Period	Weight	Change in share price		
		Daily	Weekly	Monthly
6 mnths	0.0	123.6%	118.1%	125.7%
12 mnths	0.0	111.3%	104.0%	114.8%
15 mnths	0.0	103.5%	95.5%	103.5%
18 mnths	0.0	104.8%	96.6%	102.5%
21 mnths	0.0	104.7%	94.5%	96.3%
24 mnths	0.0	100.3%	90.0%	92.7%
30 mnths	0.0	97.8%	85.9%	86.3%
36 mnths	1.0	97.6%	88.4%	84.2%
42 mnths	0.0	97.6%	88.4%	82.8%
48 mnths	0.0	95.2%	85.5%	80.5%
Average		103.6%	94.7%	96.9%
Median		101.9%	92.3%	94.5%
Average entire series		98.4%		
Median entire series		97.1%		
Weighted average		97.6%	88.4%	84.2%
Weighted median		97.6%	88.4%	84.2%
Weighted average (Daily, Weekly, Monthly)		90.1%		
Weighted median (Daily, Weekly, Monthly)		88.4%		

Chosen Volatility: 75.0%

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Annexure 3

Other Considerations

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Annexure 3 – Other Considerations

Non-market based vesting conditions

Per paragraph 19 and 20 of AASB 2, any non-market based vesting conditions are taken into account in the valuation of the Options by adjusting the number of equity instruments included in the measurement. The Company must estimate the probability of achievement of any non-market-based vesting condition (expressed as a % probability) and apply that percentage to the total number of instruments comprising the Options, to determine the number of equity instruments expected to vest as at the Valuation Date.

Given the non-market-based vesting conditions and employment condition described in Annexure 1 of this report, the Company should estimate the probability of achievement of these conditions for each tranche and apply that percentage to the total number of Options comprising each tranche. For the purposes of this valuation, it was assumed that the likelihood of meeting the vesting and employment conditions was 100%.

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Annexure 4

Summary of AASB 2 Share-based Payment

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Table A4-1 below sets out the pertinent clauses of AASB 2 – Share-based Payment as they relate to the Options.

Table A4-1: AASB 2 – Share Based Payment

AASB Paragraph	Comment
<p>2 (a) <i>Applicable paragraph</i></p>	<p>An entity shall apply this Standard in accounting for all share-based payment transactions, whether or not the entity can identify specifically some or all of the goods or services received, including:</p> <ul style="list-style-type: none"> (a) equity-settled share-based payment transactions; (b) cash-settled share-based payment transactions; and (c) transactions in which the entity receives or acquires goods or services and the terms of the arrangement provide either the entity or the supplier of those goods or services with a choice of whether the entity settles the transaction in cash (or other assets) or by issuing equity instruments, <p>except as noted in paragraphs 3A-6. In the absence of specifically identifiable goods or services, other circumstances may indicate that goods or services have been (or will be) received, in which case this Standard applies.</p>
<p><i>22 Corporate Advisory comment</i></p>	<p>The Options are equity-settled share-based payment transactions, in which the entity (PurifLOH Limited) receives goods or services (employment services of the grantee) as consideration for equity instruments of the entity (including shares or share options).</p>
<p>10 & 11</p>	<p>For equity-settled share-based payment transactions, the entity shall measure the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless the fair value cannot be estimated reliably. If the entity cannot estimate reliably the fair value of the goods or services received, the entity shall measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.</p> <p>To apply the requirements of paragraph 10 to transactions with employees and others providing similar services, the entity shall measure the fair value of the services received by reference to the fair value of the equity instruments granted, because typically it is not possible to estimate reliably the fair value of the services received, as explained in paragraph 12. The fair value of those equity instruments shall be measured at grant date.</p> <p>We believe that the entity cannot reliably measure the goods or services received along with the corresponding increase in equity. Accordingly, per clause 10, we have defaulted to measuring the goods or services received and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.</p> <p>Given that the Options essentially allow the holder to receive a fully-paid ordinary share in the Company (whose value can be reliably estimated), subject to certain vesting criteria, we are of the view that the fair value of the equity instruments granted can be reliably estimated causing AASB 2 clauses 24 – 25 to be irrelevant.</p>
<p>14, 15</p>	<p>If the equity instruments granted vest immediately, the counterparty is not required to complete a specified period of service before becoming unconditionally entitled to those equity instruments. In the absence of evidence to the contrary, the entity shall presume that services rendered by the counterparty as consideration for the equity instruments have been received. In this case, on grant date the entity shall recognise the services received in full, with a corresponding increase in equity.</p>

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Table A4-1: AASB 2 – Share Based Payment

AASB

Paragraph Comment

If the equity instruments granted do not vest until the counterparty completes a specified period of service, the entity shall presume that the services to be rendered by the counterparty as consideration for those equity instruments will be received in the future, during the vesting period. The entity shall account for those services as they are rendered by the counterparty during the vesting period, with a corresponding increase in equity. For example:

(a) If an employee is granted share options conditional upon completing three years' service, then the entity shall presume that the services to be rendered by the employee as consideration for the share options will be received in the future, over that three-year vesting period.

(b) If an employee is granted share options conditional upon the achievement of a performance condition and remaining in the entity's employ until that performance condition is satisfied, and the length of the vesting period varies depending on when that performance condition is satisfied, the entity shall presume that the services to be rendered by the employee as consideration for the share options will be received in the future, over the expected vesting period. The entity shall estimate the length of the expected vesting period at the grant date, based on the most likely outcome of the performance condition. If the performance condition is a *market condition*, the estimate of the length of the expected vesting period shall be consistent with the assumption used in estimating the fair value of the options granted, and shall not be subsequently revised. If the performance condition is *not a market condition*, the entity shall revise its estimate of the length of the vesting period, if necessary, if subsequent information indicates that the length of the vesting period differs from previous estimates.

We understand the Options to have a service condition (i.e. holder must remain employed by the Company until the Vesting Date). As such, we consider the Company should account for the services rendered by the holder of the Options over the expected vesting period of the Options, with a corresponding increase in equity. The Company should estimate the length of the expected vesting period as at the grant date, based on the most likely outcome of the performance condition.

- ▶ For instruments with only a service condition, or that vest at completion of the service condition, the vesting period should be equal to the period of required service.
- ▶ For instruments with market-based vesting criteria, the length of the expected vesting criteria should be consistent with the assumptions used in estimating their fair value and should not be subsequently revised.
- ▶ For instruments with non-market-based vesting criteria, the Company should revise its estimate, if necessary, if subsequent information indicates that the length of the vesting period differs from previous estimates.

We note that these accounting treatments should be confirmed with the Company's auditors.

16	For transactions measured by reference to the fair value of the equity instruments granted, an entity shall measure the fair value of equity instruments granted at the measurement date, based on market prices if available, taking into account the terms and conditions upon which those equity instruments were granted (subject to the requirements of paragraphs 19-22).
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Table A4-1: AASB 2 – Share Based Payment

AASB

Paragraph Comment

As the shares in the Company are unlisted, a readily available market price was not available as at the Valuation Date. As a result, the share price was estimated based on a proposed capital raise and other share issuances, where approval is being sought by Shareholders at the same General Meeting as the subject Options. Namely, approval is being sought for shares to be issued as a result of: (i) a share placement; (ii) in lieu of fees to a former and current directors; (iii) in lieu of consultant fees; and (iv) satisfaction of an outstanding debt obligation. All of the preceding issuances are proposed/being conducted at a price of \$0.25/share, which we note is not dissimilar from the last market traded price of \$0.22 back in February 2023. As a result, we have adopted \$0.25/share as accurately reflecting the market price of the Company's shares as at the Valuation Date.

19

A grant of equity instruments might be conditional upon satisfying specified *vesting conditions*. For example, a grant of shares or share options to an employee is typically conditional on the employee remaining in the entity's employ for a specified period of time. There might be performance conditions that must be satisfied, such as the entity achieving a specified growth in profit or a specified increase in the entity's share price. Vesting conditions, other than market conditions, shall not be taken into account when estimating the fair value of the shares or share options at the measurement date. Instead, vesting conditions shall be taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognised for goods or services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. Hence, on a cumulative basis, no amount is recognised for goods or services received if the equity instruments granted do not vest because of failure to satisfy a vesting condition, for example, the counterparty fails to complete a specified service period, or a performance condition is not satisfied, subject to the requirements of paragraph 21.

The granting of shares from exercise of the Options is conditional upon achievement of share price appreciation above the exercise price, which will be taken into account when determining the fair value of the Options.

Any non-market-based vesting conditions will be taken into account by estimating their probability of achievement and adjusting the number of equity instruments included in the measurement of the transaction.

Any market-based vesting conditions will be taken into account when determining the fair value of the Options.

20

To apply the requirements of paragraph 19, the entity shall recognise an amount for the goods or services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and shall revise that estimate, if necessary, if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates. On vesting date, the entity shall revise the estimate to equal the number of equity instruments that ultimately vested, subject to the requirements of paragraph 21.

The Company must estimate the probability of achievement of each non-market-based vesting condition (expressed as a % probability) and apply that percentage to the total number of instruments comprising the Options, to determine the number of equity instruments expected to vest as at the Valuation Date.

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Table A4-1: AASB 2 – Share Based Payment

AASB

Paragraph Comment

21 Market conditions, such as a target share price upon which vesting (or exercisability) is conditioned, shall be taken into account when estimating the fair value of the equity instruments granted. Therefore, for grants of equity instruments with market conditions, the entity shall recognise the goods or services received from a counterparty who satisfies all other vesting conditions (e.g. services received from an employee who remains in service for the specified period of service), irrespective of whether that market condition is satisfied.

We have determined that exercisability of the Options is subject to market conditions (share price appreciation above the exercise price) and therefore these market conditions must be taken into account when estimating the fair value of the Options.

Based on information provided, there are no other market conditions upon which vesting is conditioned.

AG B4 For share options granted to employees, in many cases market prices are not available, because the options granted are subject to terms and conditions that do not apply to traded options. If traded options with similar terms and conditions do not exist, the fair value of the options granted shall be estimated by applying an option pricing model.

We have used the Black-Scholes Option Pricing (BSOP) methodology, which utilises the Black-Scholes-Merton model, to estimate the fair value of the Options. The valuation under the BSOP methodology is discussed in Annexure 2.

AG B5 The entity shall consider factors that knowledgeable, willing market participants would consider in selecting the option pricing model to apply. For example, many employee options have long lives, are usually exercisable during the period between vesting date and the end of the options' life, and are often exercised early. These factors should be considered when estimating the grant date fair value of the options. For many entities, this might preclude the use of the Black-Scholes-Merton formula, which does not allow for the possibility of exercise before the end of the option's life and may not adequately reflect the effects of expected early exercise. It also does not allow for the possibility that expected volatility and other model inputs might vary over the option's life. However, for share options with relatively short contractual lives, or that must be exercised within a short period of time after vesting date, the factors identified above may not apply. In these instances, the Black-Scholes-Merton formula may produce a value that is substantially the same as a more flexible option pricing model.

There is substantial empirical evidence (including a paper¹ by the author of the Black-Scholes-Merton model) showing that the value a European call option (one that can be exercised only on expiry) and an American call option (one that can be exercised prior to expiry) are the same. A difference in values between an American and European option arise only in certain circumstances, such as the presence of significant financial frictions, or prior to a significant dividend payment. Therefore, we consider the effect of early exercise on the value of the Options to be immaterial.

Further, we consider the Options to be sufficiently simple enough for the BSOP methodology to be an appropriate pricing model to use in their valuation.

(1) "Theory of Rational Option Price" (Robert Merton, published 1973) showed that an American call option (one that can be exercised before expiry) on a non-dividend paying stock should not be exercised prematurely.

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Table A4-1: AASB 2 – Share Based Payment

AASB Paragraph	Comment
AG B6	<p>All option pricing models take into account, as a minimum, the following factors:</p> <ul style="list-style-type: none"> (a) the exercise price of the option; (b) the life of the option; (c) the current price of the underlying shares; (d) the expected volatility of the share price; (e) the dividends expected on the shares (if appropriate); and (f) the risk-free interest rate for the life of the option. <p>The above factors are taken into account in the valuation of the Options (See Annexure 2).</p>
AG B7	<p>Other factors that knowledgeable, willing market participants would consider in setting the price shall also be taken into account (except for vesting conditions and reload features that are excluded from the measurement of fair value in accordance with paragraphs 19-22).</p> <p>Based on our instructions, there are no other factors a knowledgeable, willing market participant would consider in setting the price of the Options.</p> <p><u>Expected volatility – Unlisted Entities</u></p>
AG B27 – B29	<p>An unlisted entity will not have historical information to consider when estimating expected volatility. Some factors to consider instead are set out below.</p> <p>In some cases, an unlisted entity that regularly issues options or shares to employees (or other parties) might have set up an internal market for its shares. The volatility of those share prices could be considered when estimating expected volatility.</p> <p>Alternatively, the entity could consider the historical or implied volatility of similar listed entities, for which share price or option price information is available, to use when estimating expected volatility. This would be appropriate if the entity has based the value of its shares on the share prices of similar listed entities.</p> <p>As the Company is currently suspended from trading on the ASX and we understand there to be no liquid private market, the volatility of the Company’s shares was estimated from the volatility of companies whose shares are publicly traded and who are operationally similar to the Company. We examined a number of comparable companies with similar operations and key drivers of value, which are listed in in Annexure 2. Further, we also examined the Company’s volatility prior to its suspension in February 2023.</p>
AG B34 & B35	<p>Conversely, if the employees are not entitled to dividends or dividend equivalents during the vesting period (or before exercise, in the case of an option), the grant date valuation of the rights to shares or options should take expected dividends into account. That is to say, when the fair value of an option grant is estimated, expected dividends should be included in the application of an option pricing model. When the fair value of a share grant is estimated, that valuation should be reduced by the present value of dividends expected to be paid during the vesting period.</p> <p>Option pricing models generally call for expected dividend yield. However, the models may be modified to use an expected dividend amount rather than a yield. An entity may use either its expected yield or its expected payments. If the entity uses the latter, it should consider its historical pattern of increases in dividends. For example, if an entity’s policy</p>

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Table A4-1: AASB 2 – Share Based Payment

AASB

Paragraph Comment

has generally been to increase dividends by approximately 3 per cent per year, its estimated option value should not assume a fixed dividend amount throughout the option’s life unless there is evidence that supports that assumption.

The Company has not paid any dividends recently and is assumed to continue this trend for the term of the Options. As such, this clause is not applicable to the valuation of the Options.

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Your proxy voting instruction must be received by **11.00am (AEDT) on Wednesday, 26 February 2025**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
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IN PERSON:

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Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

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All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au>

PHONE:

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



Purifloh Limited | ABN 11 124 426 339

Proxy Voting Form

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

Your proxy voting instruction must be received by **11.00am (AEDT) on Tuesday, 25 February 2025**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

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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.

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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.

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



BY MAIL:

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1300 288 664 (Within Australia)
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STEP 1 - How to vote

APPOINT A PROXY:
 I/We being a Shareholder entitled to attend and vote at the General Meeting of Purifloh Limited, to be held at **11.00am (AEDT) on Thursday, 27 February 2025 at The offices of Steinepreis Paganin Level 6, 99 William Street, Melbourne, Victoria** hereby:

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.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.
 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.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS
 Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 8, 9, 10, 11, 12 and 13 (except where I/we have indicated a different voting intention below) even though Resolutions 8, 9, 10, 11, 12 and 13 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2 - Your voting direction

Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain
1 Approval of issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Approval to issue Shares in lieu of fees to Director – Dr. Alex Sava	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Participation of Director in Placement – Dr. Alex Sava	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval to issue Shares in lieu of fees to Director – Mr. Simon Lill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Participation of Director in Placement – Mr. Simon Lill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval to issue Securities under an Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to issue Shares in lieu of fees to former Executive Director – Mr. Jonathan Evans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Approval to issue Options to Director, Mr. Simon Lill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval to issue Shares in lieu of cash for consulting fees to Terra Australis Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Approval to issue Options to Director, Mr. Carl Le Souef	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval to issue Shares in lieu of cash for consulting fees to Famile Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Approval to issue Options to Director, Dr. Alex Sava	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval to issue Shares to a Substantial Holder – Dilato Holdings Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14 Amendment to Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
Email Address:		
Contact Daytime Telephone	Date (DD/MM/YY)	
	<input style="width: 20px; height: 20px;" type="text"/> / <input style="width: 20px; height: 20px;" type="text"/> / <input style="width: 20px; height: 20px;" type="text"/>	

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

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