
HITIQ LIMITED
ACN 609 543 213
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.00am (AEDT)

DATE: Friday, 6 February 2026

PLACE: The meeting is a **hybrid meeting** which will be held at:

Online:

https://us02web.zoom.us/webinar/register/WN_Ob5SY-uOTU6RepuTRvKM1A

In Person:

Unit 4/38-42 White Street
SOUTH MELBOURNE VIC 3205

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00pm (AEDT) on 4 February 2026.

An Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd commissioned by the Company is annexed to this Notice. Shareholders are encouraged to read the Independent Expert's Report.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – APPROVAL TO ISSUE SHARES TO HARMIL ON CONVERSION OF CONVERTIBLE NOTES

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

"That, for the purposes of section 611 (Item 7) of the Corporations Act and for all other purposes, approval is given for the Company to issue up to 470,206,482 Shares upon the exercise of Convertible Notes (and satisfaction of accrued interest on the Convertible Notes) held by the Harmil Group on the terms and conditions set out in the Explanatory Statement, which in addition to the 67,607,036 Shares already held, will result in the Harmil Group's voting power in the Company potentially increasing from 12.80% to up to 53.86%."

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

Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under section 611 Item 7 of the Corporations Act. The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of this Resolution to the non-associated Shareholders in the Company.

2. RESOLUTION 2 – GRANT OF GENERAL SECURITY TO NO BULL HEALTH PTY LTD

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

"That, for the purposes of Listing Rule 10.1 and for all other purposes, Shareholders approve the grant of the General Security by the Company in favour of No Bull Health Pty Ltd, an Associate of Harmil Angel Investments Pty Ltd, a substantial Shareholder of the Company, on the terms and conditions set out in the Explanatory Memorandum."

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

Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under Listing Rule 10.1. The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of this Resolution to the non-associated Shareholders in the Company.

3. RESOLUTION 3 – GRANT OF SPECIFIC SECURITY TO NO BULL HEALTH PTY LTD

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

"That, for the purposes of Listing Rule 10.1 and for all other purposes, Shareholders approve the grant of the Specific Security by the Company in favour of No Bull Health Pty Ltd, an Associate of Harmil Angel Investments Pty Ltd, a substantial Shareholder of the Company, on the terms and conditions set out in the Explanatory Memorandum."

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

Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under Listing Rule 10.1. The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of this Resolution to the non-associated Shareholders in the Company.

4. RESOLUTION 4 – RATIFICATION OF PLACEMENT SECURITIES

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 40,909,092 Shares at \$0.022 per Share and 20,454,544 free-attaching Options 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 PLACEMENT SECURITIES TO DIRECTOR JAMES BARRIE

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 454,545 Shares at \$0.022 per Share and 227,272 free-attaching Options to Director James Barrie 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 PLACEMENT SECURITIES TO DIRECTOR TONY TOOHEY

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 681,818 Shares at \$0.022 per Share and 340,909 free-attaching Options to Director Tony Toohey 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 OPTIONS TO LEAD MANAGER

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 8,409,091 Options to SP Corporate Advisory Pty Ltd 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 - ISSUE OF SECURITIES TO A DIRECTOR IN LIEU OF DIRECTOR FEES – PHIL CARULLI

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

"That, for the purposes of Listing Rule 10.11, section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue 318,812 Shares in lieu of Directors' Fees to Phil Carulli (or his nominee), on the terms and conditions set out in the Explanatory Statement."

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

9. RESOLUTION 9 - ISSUE OF SECURITIES TO A DIRECTOR IN LIEU OF DIRECTOR FEES – MATTHEW CLAYWORTH

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

"That, for the purposes of Listing Rule 10.11, section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue 477,273 Shares and 477,273 Performance Rights in lieu of Directors' Fees to Matthew Clayworth (or his nominee), on the terms and conditions set out in the Explanatory Statement."

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

10. RESOLUTION 10 - ISSUE OF SECURITIES TO A DIRECTOR IN LIEU OF DIRECTOR FEES – JAMES BARRIE

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

"That, for the purposes of Listing Rule 10.11, section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue

477,273 Shares and 477,273 Performance Rights in lieu of Directors' Fees to James Barrie (or his nominee), on the terms and conditions set out in the Explanatory Statement."

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

11. RESOLUTION 11 – ISSUE OF SECURITIES TO A DIRECTOR IN LIEU OF DIRECTOR FEES – JENNIFER TUCKER

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

"That, for the purposes of Listing Rule 10.11, section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue 875,000 Shares and 477,273 Performance Rights to Jennifer Tucker (or her nominee), on the terms and conditions set out in the Explanatory Statement."

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

12. RESOLUTION 12 – ISSUE OF SECURITIES TO A DIRECTOR IN LIEU OF DIRECTOR FEES – TONY TOOHEY

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

"That, for the purposes of Listing Rule 10.11, section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue up to 159,091 Shares and 477,273 Performance Rights to Tony Toohey (or his nominee) on the terms and conditions set out in the Explanatory Statement."

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

Dated: 7 January 2026

Voting Prohibition Statements

Resolution 8 – Issue of Securities to a Director in lieu of Director Fees – Phil Carulli	<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> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (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. <p>Provided the Chair is not a Resolution 8 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (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 9 – Issue of Securities to a Director in lieu of Director Fees – Matthew Clayworth	<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> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (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. <p>Provided the Chair is not a Resolution 9 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (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 10 – Issue of Securities to a Director in lieu of Director Fees – James Barrie	<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 10 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 10 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> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (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. <p>Provided the Chair is not a Resolution 10 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (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 – Issue of Securities to a Director in lieu of Director Fees – Jennifer Tucker	<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> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and

	<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 – Issue of Securities to a Director in lieu of Director Fees – Tony Toohey</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>(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 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>

Voting Exclusion Statements

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

<p>Resolution 1 – Approval to Issue Shares to Harmil in Conversion of Convertible Notes</p>	<p>No votes may be cast in favour of this Resolution by:</p> <p>(a) the person proposing to make the acquisition and their associates; or</p> <p>(b) the persons (if any) from whom the acquisition is to be made and their associates.</p> <p>Accordingly, the Company will disregard any votes cast on this Resolution by Harmil and any of its associates.</p>
<p>Resolution 2 and 3 – Approval to Grant General Security and Specific Security to No Bull</p>	<p>No Bull and any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of No Bull.</p> <p>(a)</p>
<p>Resolution 4 – Ratification of Placement Securities</p>	<p>The Placement Participants (or their nominee(s)) and any other person who participated in the issue or is a counterparty to the agreement being approved or an associate of the Placement Participants of those persons .</p>
<p>Resolution 5 – Approval to issue Placement Securities to Director James Barrie</p>	<p>James Barrie (or their nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (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.</p>
<p>Resolution 6 – Approval to issue Placement Securities to Director Tony Toohey</p>	<p>Tony Toohey (or their nominee(s)) and any other person who will obtain a material benefit as a result of the issue of the securities (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.</p>
<p>Resolution 7 – Approval to issue Options to Lead Manager</p>	<p>SP Corporate Advisory Pty Ltd or any other 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).</p>
<p>Resolution 8 – Issue of Securities to a Director in lieu of Director Fees – Phil Carulli</p>	<p>Phil Carulli (or their 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.</p>
<p>Resolution 9 – Issue of Securities to a Director in lieu of Director Fees – Matthew Clayworth</p>	<p>Matthew Clayworth (or their 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.</p>
<p>Resolution 10 – Issue of Securities to a Director in lieu of Director Fees – James Barrie</p>	<p>James Barrie (or their 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.</p>

Resolution 11 – Issue of Securities to a Director in lieu of Director Fees – Jennifer Tucker	Jennifer Tucker (or their 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 12 – Issue of Securities to a Director in lieu of Director Fees – Tony Toohey	Tony Toohey (or their 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.

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 by proxy

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

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

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

Shareholders and their proxies should be aware that:

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

Voting in person and online

To vote in person, attend the Meeting at the time, date and place set out above.

The company is pleased to also provide shareholders with the opportunity to attend and participate in the Meeting through an online meeting platform, where shareholders will be able to watch, listen, ask questions and vote online.

To access the virtual meeting:

1. Open your internet browser and go to:
https://us02web.zoom.us/webinar/register/WN_Ob5SY-uOTU6RepuTRvKM1A
2. Enter your registered holding name, HIN/SRN and postcode and click "**register**".
3. Shareholders are encouraged to register prior to the day of the meeting to ensure there is no delay in attending the meeting.
4. Once your details are verified, you will receive a separate email with details of how to logon on the day of the meeting.
5. Click on the URL you will be sent to join the webcast where you can view and listen to the hybrid meeting, as well as ask questions in relation to the business of the meeting.
6. Once the Chair of the Meeting has declared the poll open for voting, select "For", "Against" or "Abstain" for each resolution.

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary on hello@hitiq.com.

EXPLANATORY STATEMENT

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

1. BACKGROUND TO RESOLUTIONS 1 AND 2

1.1 Background to Convertible Notes

At the Company's annual general meeting held on 27 November 2024 (**2024 AGM**), the Company received Shareholder approval pursuant to Listing Rule 7.1 to issue 4,600,000 Convertible Notes to No Bull Health Pty Ltd (ACN 600 332 689) (**No Bull**) pursuant to a convertible note deed dated 17 May 2024, which was amended by deeds of amendment and restatement dated 15 October 2024 and 14 November 2025 (**Convertible Note Deed**). A summary of the Convertible Note Deed is set out in Schedule 1.

Pursuant to the Convertible Note Deed, No Bull provided the Company with a loan of \$4,600,000 (the **Loan**) in exchange for 4,600,000 Convertible Notes, which may be converted into Shares based on the formula set out in the Convertible Note Deed.

No Bull's nominee, Harmil Angel Investments Pty Ltd (ACN 667 679 432) (**Harmil**) holds the Convertible Notes. As at the date of this Notice, Harmil and its Associates, Mr Matthew Clayworth and No Bull (together, the **Harmil Group**) currently hold 67,607,036 Shares, which equates to 12.80% of the Shares on issue. No Bull and Harmil are related companies, each being 100% owned by the same shareholders and Matthew Clayworth is Harmil's representative on the Board. While Harmil acts as the nominee and registered holder of the Convertible Notes, No Bull retains the underlying legal and beneficial interest in those Convertible Notes. Accordingly, the actions of Harmil in relation to the Convertible Notes, including conversion and shareholding matters, are undertaken on behalf of No Bull and are to be treated as such for all relevant purposes.

(a) **Tranche 1 Conversion**

As at the date of this Notice, No Bull (through its nominee, Harmil) has provided a conversion notice to the Company to convert 1,600,000 Convertible Notes (and associated interest repayments of \$349,499.24 to 15 December 2025) into Shares and is entitled to receive 97,474,962 Shares, based on a deemed conversion price of \$0.02 per Share (being the amount agreed to by the parties to the Convertible Note Deed) (the **Tranche 1 Conversion**). The Company will satisfy any interest repayments falling due after 15 December 2025 in cash. For further information, refer to the Company's ASX announcement titled '*Noteholder to Convert \$1.6m of Notes and Issue of Shares to Advisers for Services Provided*' released on 31 January 2025.

The Company intends to issue the Shares the subject of the Tranche 1 Conversion following Shareholder approval of Resolution 1 at this Meeting.

(b) **Tranche 2 Conversion**

The conversion of the remaining \$3,100,000 (plus accrued interest) of the Loan (the **Tranche 2 Conversion**), could increase the Harmil Group's Shareholding in the Company up to a maximum of 537,813,518 Shares, which could equate to 53.86% of the Shares on issue depending on the price at which those Convertible Notes will convert into Shares and the number of Shares on issue at the time of conversion.

As the conversion price formula under the Convertible Note Deed is based off 90% of the 7-day volume weighted average price (**VWAP**) prior to conversion of the Convertible Notes, the exact amount of Shares to be issued to Harmil under the Tranche 2 Conversion is currently unknown. The Company has therefore set out various circumstances, which contemplate a \$0.017 conversion price (being 90% of the 7-day VWAP to 17 December 2025 of \$0.019) and a \$0.01 conversion price. For further details on the potential voting power of the Harmil Group based on these conversion prices, refer to Section 2.4(b) and Schedule 2 of this Notice.

Pursuant to the Convertible Note Deed, the Tranche 2 Conversion will take place on or before 15 December 2026.

The Convertible Note Deed, as approved by Shareholders at the 2024 AGM, contemplated the issue and conversion of 4,600,000 Convertible Notes, however No Bull subsequently agreed to provide the Company with a further \$100,000 in funding. This additional advance, representing 100,000 Convertible Notes, was made outside the scope of the Convertible Note Deed but on substantially the same commercial terms.

Whilst Shareholders approved the issue of the Convertible Notes at the 2024 AGM under Listing Rule 7.1, the Company now seeks approval for the Harmil Group to acquire a holding of greater than 20% in the capital of the Company. Resolution 1 therefore seeks approval for the Harmil Group to increase its voting power in the Company from 12.80% up to 53.86% (based on a number of assumptions) pursuant to section 611 (item 7) of the Corporations Act.

Resolution 1 does not contemplate the impact of the issue of Securities under Resolutions 5 to 12 of this Notice as the issues of those Securities are subject to Shareholder approval which may or may not be received at this Meeting. The issue of those Securities (other than the Securities in Resolution 9) will have a dilutive effect on the voting power of the Harmil Group.

1.2 Background to General Security

As noted in Schedule 1, the Company's obligation to repay the remainder of the Loan (being \$3,100,000 plus any accrued interest) is being secured by way of a general security over all of the assets of the Company (**General Security**). The Company and No Bull previously entered into a general security deed to document the terms of this General Security (**General Security Deed**), subject to receiving Shareholder approval pursuant to Listing Rule 10.1 at this Meeting. Shareholder approval for the granting of the General Security is sought pursuant to Resolution 2. Shareholder approval was not sought previously for various commercial reasons. However, the parties have now agreed to seek approval at this meeting.

Approval pursuant to Listing Rule 10.1 is required because No Bull is a substantial holder of the Company.

1.3 Approvals sought

The Company is seeking Shareholder approval under Resolutions 1 and 2 for the purposes of:

- (a) item 7 of section 611 of the Corporations Act to allow Harmil and its Associates' voting power to increase from 12.80% to up to 53.86%; and
- (b) Listing Rule 10.1 to enable the Company to grant the General Security in favour of No Bull.

1.4 Regulatory Guide 74

ASIC Regulatory Guide 74: *Acquisitions approved by members*, states that shareholders are entitled to approve an acquisition of securities that would otherwise contravene the prohibitions in s 606 of the Corporations Act.

As Shareholder's have not yet approved Harmil's acquisition of a voting power above 20% in the Company, Shareholder approval under item 7 of section 611 of the Corporations Act is being sought by the Company.

1.5 About the Harmil Group

The Harmil Group is the Company's largest Shareholder. As at the date of this Notice, the Harmil Group has a voting power of 12.80% in the Company. Harmil is the private investment entity of former National Rugby League player Adam McDougall. Adam MacDougall is a highly successful sportsman and entrepreneur with a wealth of experience in consumer products businesses of which the Company is focusing upon, including its Smart Mouthguard.

Mr Matthew Clayworth is a Director of the Company and was elected to the Board as a representative of Harmil. The Company considers that Mr Clayworth is an Associate of Harmil, therefore when calculating the Harmil Group's maximum voting power, Mr Clayworth's Shareholding was included.

No Bull and Harmil are related companies, each being 100% owned by the same shareholders.

1.6 Independent Expert's Report

Listing Rule 10.5.10 requires a notice of meeting containing a resolution seeking shareholder approval under Listing Rule 10.1 to include a report on the transaction from an independent expert opining as to whether the transaction is fair and reasonable to shareholders.

ASIC Regulatory Guide 74 outlines ASIC's expectation that a notice of meeting containing a resolution seeking shareholder approval under item 7 of section 611 of the Corporations Act include a report on the transaction from an independent expert.

The Company has therefore engaged RSM Corporate Australia Pty Ltd (ABN 82 050 508 024) (**RSM** or the **Independent Expert**) to opine on the fairness and reasonableness of the Tranche 1 and Tranche 2 Conversion and the granting of the General Security.

2. RESOLUTION 1 – APPROVAL TO ISSUE SHARES TO HARMIL IN CONVERSION OF CONVERTIBLE NOTES

2.1 General

Resolution 1 seeks Shareholder approval for the purpose of Item 7 of section 611 of the Corporations Act to allow the Harmil Group to increase its voting power in the Company from 12.80% up to a maximum potential amount of 53.86% (based on a number of assumptions).

The maximum potential voting power that the Harmil Group may acquire assumes the entirety of the Convertible Notes (and associated interest payments) are converted into Shares, however the Company notes that at the date of this Notice, Harmil only intends to exercise \$1,600,000 worth of Convertible Notes (plus \$349,499.24 in interest) into 97,474,962 Shares (based on an agreed conversion price of \$0.02 per Share).

2.2 Item 7 of Section 611 of the Corporations Act

(a) Section 606 of the Corporations Act – Statutory Prohibition

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:

- (i) from 20% or below to more than 20%; or
- (ii) from a starting point that is above 20% and below 90%,

(Prohibition).

(b) Voting Power

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.

(c) Existing holdings in the Company

The Harmil Group currently hold the following Shares, Options and Convertible Notes in the Company:

ENTITY	SHARES ¹	OPTIONS	CONVERTIBLE NOTES ³	VOTING POWER
Harmil Angel Investments Pty Ltd	63,653,642	-	4,700,000	12.05%
Matthew Clayworth	3,953,394	928,573 ²	-	0.75%
No Bull Health Pty Ltd	-	-	-	-
Total	67,607,036	928,573	4,700,000	12.80%

Notes:

1. Fully paid ordinary shares in the capital of the Company (ASX: HIQ).
2. Listed Options exercisable at \$0.022 on or before 31 December 2028.
3. Convertible Notes issued in accordance with the Convertible Note Deed, the terms of which are set out in Schedule 1.

(d) Capital Structure

Below is a table showing the Company's current capital structure as at the date of this Notice.

SHARES	OPTIONS	PERFORMANCE RIGHTS	CONVERTIBLE NOTES
528,291,555	55,359,573	17,490,000	4,700,000

(e) Associates

For the purposes of determining voting power under the Corporations Act, a person (**second person**) is an "associate" of the other person (**first person**) if:

- (i) (pursuant to section 12(2) of the Corporations Act) the first person is a body corporate and the second person is:
 - (A) a body corporate the first person controls;
 - (B) a body corporate that controls the first person; or
 - (C) a body corporate that is controlled by an entity that controls the person;
- (ii) the second person has entered or proposes to enter into a relevant agreement with the first person for the purpose of controlling or influencing the composition of the company's board or the conduct of the company's affairs; or
- (iii) the second person is a person with whom the first person is acting or proposes to act, in concert in relation to the company's affairs.

Associates are, therefore, determined as a matter of fact. For example, where a person controls or influences the board or the conduct of a company's business affairs or acts in concert with a person in relation to the entity's business affairs.

(f) Relevant Interests

Section 608(1) of the Corporations Act provides that a person has a relevant interest in securities if they:

- (i) are the holder of the securities;
- (ii) have the power to exercise, or control the exercise of, a right to vote attached to the securities; or
- (iii) have power to dispose of or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

In addition, section 608(3) of the Corporations Act provides that a person has a relevant interest in securities that any of the following has:

- (i) a body corporate in which the person's voting power is above 20%;
- (ii) a body corporate that the person controls.

(g) Associates of Harmil

The Company considers Mr Matthew Clayworth and No Bull each as Associates of Harmil. Mr Clayworth has a relevant interest in 3,953,394 Shares and 928,573 Options in the Company. The Harmil Group's voting power therefore includes the voting power of Mr Clayworth.

2.3 Reason Section 611 Approval is Required

Item 7 of section 611 of the Corporations Act provides an exception to the Prohibition, whereby a person may acquire a relevant interest in a company's voting shares with shareholder approval.

The potential shareholding and voting power of the Harmil Group is dependent on the conversion price of the Convertible Notes that are the subject of the Tranche 2 Conversion and the Shares on issue at the time of the Tranche 2 Conversion. Section 2.4(b) below and Schedule 2 summarises the maximum potential voting power of the Harmil Group based on three potential conversion events, comprising where:

- (a) 1,600,000 Convertible Notes (and \$349,499.24 in interest) are converted at \$0.02 and the remaining 3,100,000 Convertible Notes (and \$627,315.20 in interest to 15 December 2026) are not converted;
- (b) 1,600,000 Convertible Notes (and \$349,499.24 in interest) are converted at \$0.02 and the remaining 3,100,000 Convertible Notes (and \$627,315.20 in interest to 15 December 2026) are converted at \$0.01; and
- (c) 1,600,000 Convertible Notes (and \$349,499.24 in interest) are converted at \$0.02 and the remaining 3,100,000 Convertible Notes (and \$627,315.20 in interest to 15 December 2026) are converted at \$0.017, being 90% of the 7-day volume weighted average price up to and including 17 December 2025.

Accordingly, Resolution 1 seeks Shareholder approval for the purpose of item 7 of section 611 of the Corporations Act and all other purposes to enable the Company to issue the Shares.

2.4 Specific Information required by section 611 Item 7 of the Corporations Act and ASIC Regulatory Guide 74

The following information is required to be provided to Shareholders under the Corporations Act and ASIC Regulatory Guide 74 in respect of obtaining approval for Item 7 of section 611 of the Corporations Act. Shareholders are also referred to the Independent Expert's Report prepared by RSM annexed to this Explanatory Statement.

(a) Identity of the Acquirer and its Associates

Harmil is an Australian proprietary limited company and investment entity owned by former National Rugby League player, Adam MacDougall. It is proposed that Harmil will be issued the Shares in accordance with the terms of the Convertible Note Deed as set out in Section 1 of this Explanatory Statement.

As summarised in Section 1.5 and 2.2(g) above, Mr Matthew Clayworth and No Bull are Associates of Harmil. Mr Clayworth was nominated by Harmil to join the Board of the Company.

(b) Relevant Interest and Voting Power

(i) Relevant Interest

The relevant interests and potential voting power of the Harmil Group in voting Shares in the Company are set out in the tables in Schedule 2. Each of those tables assume that:

- (A) the Company has 528,291,555 Shares on issue as at the date of this Notice;
- (B) no further Shares are issued nor any other Securities currently on issue are exercised into Shares; and
- (C) other than through the conversion of the Convertible Notes, the Harmil Group does not acquire any additional Shares in the Company.

Further details on the voting power of the Harmil Group are set out in the Independent Expert's Report in Annexure A.

(ii) **Summary of increases**

- (A) If the Tranche 1 Conversion converts at \$0.02 and the Tranche 2 Conversion does not convert, the Harmil Group will have a maximum voting power of 26.38%.
- (B) If the Tranche 1 Conversion converts at \$0.02 and the Tranche 2 Conversion converts at \$0.01, the Harmil Group will have a maximum voting power of 53.86%.
- (C) If the Tranche 1 Conversion converts at \$0.02 and the Tranche 2 Conversion converts at \$0.017, being 90% of the 7 day volume weighted average price of Shares up to and including 17 December 2025, the Harmil Group will have a maximum voting power of 45.48%.

The maximum shareholding of the Harmil Group after conversion of all Convertible Notes (including all current accrued interest on the Tranche 1 Conversion of \$349,499.24 to 15 December 2025 and the Tranche 2 Conversion of \$627,315.20 to 15 December 2026) could be 537,813,518 Shares, and the maximum voting power that the Harmil Group could hold is 53.86%.

This represents a maximum increase in voting power of 41.06% (being the difference between 12.80% and 53.86%).

The Company notes that the figures summarised above set out the **maximum possible voting power** that the Harmil Group may reach based on the formulas set out above and in Schedule 2. In practice the actual voting power of the Harmil Group may be less.

(c) **Reasons for the proposed issue of securities**

As previously disclosed by the Company, the funds raised by the Company under the Convertible Note Deed were used to:

- (i) build out production and manufacturing capability and purchase inventory to meet expected demand;
- (ii) increase sales and marketing capabilities, including public relations;
- (iii) accelerate global commercialisation efforts and capitalise on its current technology position; and
- (iv) improving the Company's working capital position.

(d) **Date of proposed issue of Securities**

The Shares that are the subject of the Tranche 1 Conversion will be issued as soon as practicable after this Meeting. The Shares that are the subject of the Tranche 2 Conversion will be issued on or before 15 December 2026, subject to receiving a conversion notice.

(e) **Material terms of proposed issue of Securities**

All Shares issued as a result of the Tranche 1 and Tranche 2 Conversion or as a result of accrued interest will rank *pari passu* with the other Shares of the Company.

(f) **Harmil's Intentions**

Other than as disclosed elsewhere in this Explanatory Statement, the Company understands that Harmil:

- (i) has no present intention of making any significant changes to the business of the Company;
- (ii) has no present intention to inject further capital into the Company;
- (iii) has no present intention of making changes regarding the future employment of the present employees of the Company;
- (iv) has no present intention to redeploy any fixed assets of the Company;
- (v) has no present intention to transfer any property between the Company and Harmil;
- (vi) has no intention to change the Company's existing policies in relation to financial matters or dividends; and
- (vii) has no intention to further change the Board.

These intentions are based on information concerning the Company, its business and the business environment which is known to Harmil at the date of this document.

These present intentions may change as new information becomes available, as circumstances change or in the light of all material information, facts and circumstances necessary to assess the operational, commercial, taxation and financial implications of those decisions at the relevant time.

(g) **Interests and Recommendations of Directors**

- (i) None of the current Board members (other than Mr Matthew Clayworth) have a material personal interest in the outcome of Resolution 1.
- (ii) After carefully considering all aspects of the Independent Expert's Report, the Directors (other than Mr Clayworth) unanimously recommend that Shareholders vote in favour of Resolution 1. The Directors' recommendations are based on the reasons outlined in Section 2.5 below.
- (iii) The Directors (other than Mr Clayworth) are not aware of any other information other than as set out in this Notice that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 1.

2.5 Advantages of the conversion of the entirety Convertible Notes

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on Resolution 1:

- (a) the initial loan provided the Company with an amount of \$1,600,000 and a further drawdown of the remaining loan provided the Company with additional funds of \$3,100,000;
- (b) these funds have been utilised by the Company towards the purposes set out in Section 2.4(c);
- (c) the Company is not required to utilise its cash reserves to pay back the Loan and instead is able to convert the Loan into Shares to satisfy repayment;

- (d) Harmil is a strong institutional Shareholder partner who will continue to add value to the Company's strategic goals; and
- (e) In addition, the Independent Expert has noted the following advantages:
 - (i) the transaction contemplated in Resolution 1 will result in an immediate reduction in the debt repayment obligations of the Company with the potential to further reduce debt repayment requirements; and
 - (ii) the avoidance of default on the Convertible Note Deed and triggering of a default interest rate.

2.6 Disadvantages of the Issue

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on proposed Resolution 1:

- (a) the issue of the Shares to Harmil will increase the voting power of the Harmil Group from 12.80% to 53.86%, reducing the voting power of non-associated Shareholders in aggregate from 87.20% to 46.14%; and
- (b) the increased shareholding of Harmil may reduce the liquidity of the Company's Shares and impact the ability for a Shareholder to liquidate their investment;
- (c) increasing the Harmil Group's voting power to a point above 50% gives the Harmil Group effective control of the Company, reducing the ability of minority Shareholders to influence the Company's decisions;
- (d) with over 50% voting power, the Harmil Group can independently pass ordinary resolutions, including appointing or removing Directors (unless excluded or prohibited from voting on those resolutions);
- (e) special resolutions (requiring above 75% Shareholder approval) can no longer pass without the Harmil Group's support, giving them veto power over major corporate actions such as amending the Constitution or selling significant assets;
- (f) if Shareholder approval for the conversion of the Convertible Notes into Shares is not obtained, the Company will be required to repay the Loan in full by 15 December 2026. The Company does not currently have sufficient funds to meet this repayment obligation, which may have a material adverse impact on its financial position and ability to continue as a going concern;
- (g) there is no guarantee that the Company's Shares will not fall in value as a result of the Tranche 1 or Tranche 2 Conversion; and
- (h) in addition, the Independent Expert has specifically noted the following disadvantages:
 - (i) the transaction contemplated in Resolution 1 is not fair, as set out in the Independent Expert's Report;
 - (ii) the dilution of non-associated Shareholders' voting power in the Company and potential control implications of the increase in the Harmil Group's voting power; and
 - (iii) potential reduction in liquidity of the Company's Shares due to the presence of a single significant Shareholder.

2.7 Independent Expert's Report

The Independent Expert's Report prepared by the Independent Expert (a copy of which is attached as Annexure A to this Explanatory Statement) assesses whether the transactions contemplated by Resolution 1 are fair and reasonable to the non-associated Shareholders of the Company.

The Independent Expert's Report concludes that the transaction contemplated by Resolution 1 is not fair but reasonable to the non-associated Shareholders of the Company.

Shareholders are urged to carefully read the Independent Expert's Report to understand the scope of the report, the methodology of the valuation and the sources of information and assumptions made.

2.8 ASX Listing Rule 7.1 and ASX Listing Rule 10.11

Approval under ASX Listing Rule 7.1 is not required for the issue of Shares as approval is being obtained for the purposes of item 7 of section 611 of the Corporations Act, which is an exception to ASX Listing Rule 7.1. Accordingly, the issue of the Shares to Harmil will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

Approval under ASX Listing Rule 10.11 is not required for the issue of Shares as approval is being obtained for the purposes of item 7 of section 611 of the Corporations Act, which is an exception to ASX Listing Rule 10.11.

3. RESOLUTION 2 – GRANT OF GENERAL SECURITY TO NO BULL

3.1 Background

As summarised in Section 1.2, the Company intends, subject to Shareholder approval, to grant the General Security to No Bull in accordance with the General Security Deed.

Entry into the General Security Deed is a condition subsequent to the Convertible Note Deed, therefore if the Company does not receive Shareholder approval pursuant to this Resolution and is unable to enter into the General Security Deed, it will either be:

- (a) required to renegotiate the terms of the Convertible Note Deed; or
- (b) in default of the Convertible Note Deed and No Bull will be entitled to immediate recovery of the principal amount of the outstanding Loan and any other outstanding amounts payable under the Convertible Note Deed.

Harmil is a substantial Shareholder of the Company and No Bull is an Associate of Harmil and is included in the Harmil Group. As at the date of this Notice, No Bull itself holds no Shares in the Company, however the Harmil Group has a voting power of 12.80%. Accordingly, Shareholder approval is sought for the purposes of Listing Rule 10.1 to grant the General Security to No Bull (the subject of this Resolution).

3.2 Information required by Listing Rule 10.1

This Resolution seeks Shareholder approval for the purposes of Listing Rule 10.1 and for all other purposes for the grant of the General Security to No Bull. Listing Rule 10.1 provides that the Company and its subsidiaries must not acquire or agree to acquire a substantial asset from, or dispose of or agree to dispose of a substantial asset to:

- (a) a related party of the Company (Listing Rule 10.1.1);
- (b) a subsidiary of the Company (Listing Rule 10.1.2);
- (c) a person who is, or who was at any time in the 6 months before the transaction or agreement, a substantial (10%+) holder in the company (Listing Rule 10.1.3);
- (d) an associate of a person referred to in Listing Rules 10.1.1 to 10.1.3 (Listing Rule 10.1.4); or
- (e) a person whose relationship with the Company or a person referred to in Listing Rules 10.1.1 to 10.1.4 is such that, in ASX's opinion, the transaction should be approved by Shareholders (Listing Rule 10.1.5),

unless it obtains the approval of its Shareholders.

As the General Security is over all or substantially all of the assets of the Company, the value of the assets the subject of the General Security exceeds 5% of the Company's "equity interests" (as defined in the Listing Rules) by reference to its last financial

accounts lodged with ASX and therefore constitutes a "substantial asset" for the purposes of Listing Rule 10.2.

Harmil is a Listing Rule 10.1.3 party, as it has voting power of 12.80% in the Company. No Bull is an Associate of Harmil. Accordingly, pursuant to Listing Rule 10.1.4, Shareholder approval is sought for the purposes of Listing Rule 10.1.

3.3 Information required by Listing Rule 10.5

The following further information is provided to Shareholders for the purposes of Listing Rule 10.5:

- (a) the General Security will be granted by the Company in favour of No Bull;
- (b) Harmil is a Listing Rule 10.1.3 party as it is a substantial holder of the Company and holds 12.80% of the issued Share capital in the Company. No Bull is an Associate of Harmil, therefore is a Listing Rule 10.1.4 party;
- (c) the General Security will be a first ranking security over all or substantially all of the Company's assets to secure repayment of the Tranche 2 Conversion in favour of No Bull;
- (d) the General Security is being granted to secure the Tranche 2 Conversion;
- (e) the funds raised from the issue of the Convertible Notes have been used for the purposes noted above in Section 2.4(c);
- (f) the Company and No Bull intend to enter into the General Security Deed, subject to receiving Shareholder approval pursuant to Listing Rule 10.1 at this Meeting. Should Shareholder's approve the Company's entry into the General Security Deed, the Company intends to enter into the General Security Deed as soon as practicable after the Meeting;
- (g) if Shareholders do not approve the Company's entry into the General Security Deed, the Company will be required to either renegotiate the terms of the Convertible Note Deed, or will be in default of the Convertible Note Deed and may be required to immediately repay the principal amount and all outstanding Loan amounts payable under the Convertible Note Deed;
- (h) the General Security Deed will be on terms considered standard for an agreement of its nature, a summary of which is included in Schedule 3; and
- (i) the Independent Expert's Report in relation to the grant of the General Security is attached as Annexure A to this Notice.

3.4 Rationale for the General Security

The Directors of the Company (other than Mr Matthew Clayworth, who is a nominee of Harmil on the Board) (collectively, the **Non-Conflicted Directors**) consider the grant of the General Security to be in the best interests of the Company because:

- (a) it is not unusual for companies to grant security over their assets when raising debt finance;
- (b) the granting of the General Security is a condition subsequent to the Convertible Note Deed. If the Company does not receive approval to enter into the General Security Deed, it will be required to repay all amounts owing under the Tranche 2 Conversion (including associated interest);
- (c) without the agreement to grant the General Security, the Company is highly unlikely to be able to secure sufficient funds to meet its working capital needs and to continue as a going concern. Accordingly, it is critical for the Company that Shareholders approve this Resolution; and
- (d) in the event that the Company is unable to repay all amounts under the Convertible Note Deed in accordance with its terms, No Bull's entitlement in relation to the General Security is limited to the amount of the outstanding principal and capitalised interest.

3.5 Potential disadvantages of the General Security

The Non-Conflicted Directors consider that there are potential disadvantages of approving the General Security that may be relevant to a Shareholder's decision on how to vote on this Resolution, including:

- (a) in the event of a default under the Convertible Note Deed, No Bull will be entitled to enforce the General Security and may appoint a receiver;
- (b) other lenders may refuse to provide finance to the Company or may require subordination due to the General Security giving No Bull a first-ranking priority over the Company's assets; and
- (c) any future property, equipment, or receivables acquired by the Company will automatically fall under the General Security Deed, reducing asset availability for new financing arrangements.

3.6 Independent Expert's Report

As noted in Section 1.6 above, Listing Rule 10.5.10 requires a notice of meeting containing a resolution seeking shareholder approval under Listing Rule 10.1 to include a report on the transaction from an independent expert. The Independent Expert's Report prepared by RSM (a copy of which is attached as Annexure A to this Notice) opines on whether the grant of the General Security to No Bull is fair and reasonable to the Company's Shareholders not associated with No Bull and its Associates.

RSM has concluded that the grant of the General Security to No Bull is fair and reasonable to Shareholders (other than No Bull and its Associates).

3.7 Voting exclusion

A voting exclusion statement applies to this Resolution.

3.8 Directors' recommendation

Mr Matthew Clayworth declines to make a recommendation in respect of this Resolution in light of his interest in this Resolution as he is a nominee of Harmil on the Board.

The Non-Conflicted Directors recommend that Shareholders vote in favour of this Resolution. The Non-Conflicted Directors are not aware of any other information that would reasonably be required by the Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution. Subject to any required voting exclusion, each of the Non-Conflicted Directors has agreed to vote, or procure the voting of, any Shares that they control in favour of this Resolution.

4. RESOLUTION 3 – GRANT OF SPECIFIC SECURITY TO NO BULL HEALTH PTY LTD

4.1 Background

As announced on 29 September 2025, the Company entered into a loan facility with No Bull, an associate of Harmil, whereby No Bull agreed to loan the Company \$1,400,000, which is initially unsecured, but subject to this Resolution being passed by Shareholders, will be secured against the Company's forecast research and development refund (the **Specific Security**). The key terms of a loan facility agreement between the Company and No Bull, dated 17 September 2025 (**R&D Facility Agreement**) are set out below.

Loan Amount	\$1,400,000 is provided to the Company wholly or predominantly for research and development expenditures (R&D Loan Amount).
Interest	12% per annum.
Maturity Date	31 August 2026, however the Company may request up to two 30-day extensions (subject to approval by No Bull and payment of an extension fee, being the greater of \$14,000 or 2% of the total outstanding amount at the time of the extension).
Application Fee	\$5,500 (plus GST).

Conditionality	The R&D Facility Agreement is conditional upon: <ul style="list-style-type: none"> (a) the Company completing all matters required under the R&D Facility Agreement to No Bull's satisfaction; (b) no event of default occurring; and (c) entry into a specific security deed in relation to the Specific Security (Specific Security Deed).
Refund	The Specific Security applies to the amount of any tax refund to which the Company is entitled at the time it arises, in relation to research and development expenditure for which the Company is eligible to claim a refund under the <i>Income Tax Assessment Act 1997</i> (Cth) (Refund).
Specific Security	The R&D Loan Amount will be secured against all of the Company's present and future rights, title and interest in the Refund which the Company becomes entitled to receive and the proceeds of the Refund, and other assets necessary to enable No Bull to obtain the benefit of the Refund, free of any other interest or encumbrance. Following approval of this Resolution, the Company and No Bull will enter into the Specific Security Deed which formalises this arrangement.
Repayment	The Company must repay the R&D Loan Amount plus any accrued Interest, costs, outlays, fees or other amounts owing by the Maturity Date.
Obligations of the Company	The Company will be required to: <ul style="list-style-type: none"> (a) maintain registration under section 27A of the <i>Industry Research and Development Act 1996</i> (Cth); (b) file tax returns listing No Bull's account as refund recipient; (c) maintain insurance in compliance with laws; (d) provide financial and research and development documentation; and (e) ensure total borrowing does not exceed 90% of the expected refund.

Entry into the Specific Security Deed is a condition subsequent to the R&D Facility Agreement, therefore if the Company does not receive Shareholder approval pursuant to this Resolution and is unable to enter into the Specific Security Deed, it will either be:

- (a) required to renegotiate the terms of the R&D Facility Agreement; or
- (b) in default of the R&D Facility Agreement and No Bull will be entitled to immediate recovery of the R&D Loan Amount and any other outstanding amounts payable (including interest).

As summarised in Section 3.1 above, Harmil is a substantial Shareholder of the Company and No Bull is an Associate of Harmil and is included in the Harmil Group.

4.2 Information required by Listing Rule 10.1

This Resolution seeks Shareholder approval for the purposes of Listing Rule 10.1 and for all other purposes for the grant of the Specific Security to No Bull. Listing Rule 10.1 is summarised in Section 3.2 above.

As the Specific Security relates to a potential tax refund of at least \$1,400,000, the value of the assets the subject of the Specific Security exceeds 5% of the Company's "equity interests" (as defined in the Listing Rules) by reference to its last financial accounts lodged with ASX and therefore constitutes a "substantial asset" for the purposes of Listing Rule 10.2.

Harmil is a Listing Rule 10.1.3 party, as it has voting power of 12.80% in the Company. No Bull is an Associate of Harmil. Accordingly, pursuant to Listing Rule 10.1.4, Shareholder approval is sought for the purposes of Listing Rule 10.1.

4.3 Information required by Listing Rule 10.5

The following further information is provided to Shareholders for the purposes of Listing Rule 10.5:

- (a) the Specific Security will be granted by the Company in favour of No Bull;
- (b) Harmil is a Listing Rule 10.1.3 party as it is a substantial holder of the Company and holds 12.80% of the issued Share capital of the Company. No Bull is an Associate of Harmil, therefore is a Listing Rule 10.1.4 party;
- (c) the Specific Security will be a first ranking security over the Refund, as defined in Section 4.1, in favour of No Bull;
- (d) the Specific Security is being granted to secure the R&D Loan Amount (being \$1,400,000);
- (e) the funds received under the R&D Facility Agreement will be used wholly or predominantly for research and development expenditure;
- (f) the Company and No Bull intend to enter into the Specific Security Deed, subject to receiving Shareholder approval pursuant to Listing Rule 10.1 at this Meeting. Should Shareholder's approve the Company's entry into the Specific Security Deed, the Company intends to enter into the Specific Security Deed within one month of the date of this the Meeting;
- (g) if Shareholders do not approve the Company's entry into the Specific Security Deed, the Company will be required to either renegotiate the terms of the R&D Facility Agreement, or will be in default of the R&D Facility Agreement and may be required to immediately repay the R&D Loan Amount and all outstanding amounts (including interest) payable under the R&D Facility Agreement;
- (h) the Specific Security Deed will be on terms considered standard for an agreement of its nature, a summary of which is included in Schedule 4; and
- (i) the Independent Expert's Report in relation to the grant of the Specific Security is attached as Annexure A to this Notice.

4.4 Rationale for the General Security

The Non-Conflicted Directors consider the grant of the Specific Security to be in the best interests of the Company because:

- (a) it is not unusual for companies to grant security over their assets when raising debt finance;
- (b) the R&D Facility Agreement provides the Company an advance on funds to be received under the Refund, enabling the Company to progress its business plan;
- (c) the Company will not be required to raise further equity finance, which would result in the dilution of Shareholders;
- (d) without the agreement to grant the Specific Security, the Company is highly unlikely to be able to secure sufficient funds to meet its working capital needs and to continue as a going concern. Accordingly, it is critical for the Company that Shareholders approve this Resolution; and
- (e) in the event that the Company is unable to repay all amounts under the R&D Facility Agreement in accordance with its terms, No Bull's entitlement in relation to the Specific Security is limited to the amount of the Refund.

4.5 Potential disadvantages of the General Security

The Non-Conflicted Directors consider that there are potential disadvantages of approving the Specific Security that may be relevant to a Shareholder's decision on how to vote on this Resolution, including:

- (a) the Company effectively grants the lender first claim over the Refund, limiting its ability to freely use or redirect those funds once received; and
- (b) the Australian Tax Office may delay assessment, amend the claim, or disallow part of the Refund. The Company remains liable under the R&D Facility Agreement if the Refund is less than the R&D Loan Amount or not received at all.

4.6 Independent Expert's Report

As noted in Section 1.6 above, Listing Rule 10.5.10 requires a notice of meeting containing a resolution seeking shareholder approval under Listing Rule 10.1 to include a report on the transaction from an independent expert. The Independent Expert's Report prepared by RSM (a copy of which is attached as Annexure A to this Notice) opines on whether the grant of the Specific Security to No Bull is fair and reasonable to the Company's Shareholders not associated with No Bull or its Associates.

RSM has concluded that the grant of the Specific Security to No Bull is fair and reasonable to Shareholders (other than No Bull and its Associates).

4.7 Voting exclusion

A voting exclusion statement applies to this Resolution.

4.8 Directors' recommendation

Mr Matthew Clayworth declines to make a recommendation in respect of this Resolution in light of his interest in this Resolution as he is a nominee of Harmil on the Board.

The Non-Conflicted Directors recommend that Shareholders vote in favour of this Resolution. The Non-Conflicted Directors are not aware of any other information that would reasonably be required by the Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution. Subject to any required voting exclusion, each of the Non-Conflicted Directors has agreed to vote, or procure the voting of, any Shares that they control in favour of this Resolution.

5. RESOLUTION 4 – RATIFICATION OF PLACEMENT SECURITIES

5.1 Background

The Company announced on 29 September 2025 that it had completed a placement of 42,045,455 Shares at an issue price of \$0.022 per Share together with one free-attaching Option exercisable at \$0.022 on or before 30 December 2028 (**Placement**). SP Corporate Advisory Pty Ltd (ABN 67 669 429 092) (**Spark Plus**) acted as lead manager to the Placement, which was conducted with sophisticated and professional investors to raise up to \$925,000 (before costs) in two tranches, including

- (a) the first tranche of 40,909,092 Shares and 20,454,544 free-attaching Options, issued to non-related party Placement Participants (defined below) pursuant to the Company's Listing Rule 7.1 placement capacity (**Tranche 1**) (**which is the subject of Resolution 4**); and
- (b) the second tranche of 1,136,363 Shares and 568,181 free-attaching Options, to be issued to Directors, James Barrie and Tony Toohey, subject to receiving Shareholder approval under Listing Rule 10.11 (**which are the subject of Resolutions 5 and 6**) (**Tranche 2**).

The Company agreed to issue Spark Plus 8,409,091 Options on the same terms as the Options issued under the Placement, as part consideration for lead manager services provided to the Company. Shareholder approval for the issue of these Options is the subject of Resolution 7.

The Company intends to use the funds raised from the Placement to support the ongoing consumer market commercialisation of its concussion management technology.

5.2 General

This Resolution seeks Shareholder ratification for the purposes of Listing Rule 7.4 for the issue of 42,045,455 Shares at an issue price of \$0.022 per Share and 21,022,725 Options exercisable at \$0.022 on or before 30 December 2028 to professional and sophisticated investors under the September Placement.

5.3 Listing Rule 7.1

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

The issue does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of the issue.

5.4 Listing Rule 7.4

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

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. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue.

5.5 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of the issue.

If this Resolution is not passed, the issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of the issue.

5.6 Technical information required by Listing Rules 7.4 and 7.5

REQUIRED INFORMATION	DETAILS
Names of persons to whom Securities were issued or the basis on which those persons were identified/selected	Professional and sophisticated investors who were identified through a bookbuild process, which involved Spark Plus seeking expressions of interest to participate in the capital raising from non-related parties of the Company (the Placement Participants). The Company confirms that no Material Persons were issued more than 1% of the issued capital of the Company.
Number and class of Securities issued	40,909,092 Shares and 20,454,544 Options were issued. The Options were issued on the basis of one free attaching Option for every two Shares subscribed for and issued.
Terms of Securities	The Shares were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

REQUIRED INFORMATION	DETAILS
	The Options were issued on the terms and conditions set out in Schedule 5.
Date(s) on or by which the Securities were issued	16 December 2025.
Price or other consideration the Company received for the Securities	\$0.022 per Share and nil per Option as the Options were issued free attaching with the Shares on a one for two basis.
Purpose of the issue, including the intended use of any funds raised by the issue	The Company intends to use the funds raised from the Placement to support the ongoing consumer market commercialisation of its concussion management technology.
Summary of material terms of agreement to issue	The Securities were issued to the Placement Participants pursuant to standard form placement letter agreements broadly on the terms set out in Section 5.1.
Voting Exclusion Statement	A voting exclusion statement applies to this Resolution.
Compliance	The issue did not breach Listing Rule 7.1.

5.7 Directors' recommendation

The Board, with Mr Barrie and Mr Toohey not being eligible to vote, unanimously recommends that Shareholders vote in favour of this Resolution.

6. RESOLUTION 5 – APPROVAL TO ISSUE PLACEMENT SECURITIES TO DIRECTOR JAMES BARRIE

6.1 General

This Resolution seek Shareholder approval for purposes of Listing Rule 10.11 for the issue of 454,545 Shares and 227,273 Options free-attaching to the Shares to Director, Mr James Barrie (or his nominee) under Tranche 2 of the Placement, on the same terms as the non-related party Placement Participants.

If this Resolution is passed, Mr Barrie will be enabled to participate in the Placement on the same terms as the non-related party Placement Participants.

6.2 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 Mr Barrie is a related party of the Company by virtue of being a director.

The Board, excluding Mr Barrie, consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue because the Shares will be issued to Mr Barrie (or his nominee) on the same terms as Shares issued to

the non-related party Placement Participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

6.3 Listing Rule 10.11

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

- 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 ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue 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.

6.4 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the issue 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 will raise additional funds which will be used in the manner set out in Section 5.1. As approval pursuant to Listing Rule 7.1 is not required for the issue (because approval is being obtained under Listing Rule 10.11), the issue will not use up any of the Company's 15% annual placement capacity.

If this Resolution is not passed, the Company will not be able to proceed with the issue and no further funds will be raised. As a consequence, the Company will not receive a further \$10,000 under Tranche 2 of the Placement.

6.5 Technical Information required by Listing Rule 10.13

Name of the persons to whom Securities will be issued	Mr James Barrie (or his nominee).
Categorisation under Listing Rule 10.11	Mr James Barrie falls within the category set out in Listing Rule 10.11.1 as he is a related party of the Company by virtue of being a director. Any nominee of Mr Barrie who receive Shares may constitute 'associates' for the purposes of Listing Rule 10.11.4.
Number of Securities and class to be issued	454,545 Shares and 227,272 attaching Options will be issued.
Terms of Securities	The Shares were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Options were issued on the terms and conditions set out in Schedule 5.
Date(s) on or by	The Company expects to issue the Securities within 5 Business

which the Securities will be issued	Days of the Meeting. In any event, the Company will not issue any Securities later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
Price or other consideration the Company will receive for the Securities	The Shares will be issued at an issue price of \$0.022 per Share, together with one free-attaching Option for every two Shares subscribed (1:2) under the Placement.
Purpose of the issue, including the intended use of any funds raised by the issue	The Company intends to use the funds raised from the Placement to support the ongoing consumer market commercialisation of its concussion management technology.
Voting exclusion statement	A voting exclusion statement applies to this Resolution.

6.6 **Board recommendation**

The Board, with Mr Barrie not being eligible to vote, unanimously recommends that Shareholders vote in favour of this Resolution.

7. **RESOLUTION 6 – APPROVAL TO ISSUE PLACEMENT SECURITIES TO DIRECTOR TONY TOOHEY**

7.1 **General**

This Resolution seek Shareholder approval for purposes of Listing Rule 10.11 for the issue of 681,818 Shares and 340,909 Options to Director, Mr Tony Toohey (or his nominee) under Tranche 2 of the Placement, on the same terms as the non-related party Placement Participants.

If this Resolution is passed, Mr Toohey will be enabled to participate in the Placement on the same terms as the non-related party Placement Participants.

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

A summary of Listing Rule 10.11 is set out in Section 6.3

The Board, excluding Mr Toohey, consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue because the Shares will be issued to Mr Toohey (or his nominee) on the same terms as Shares issued to the non-related party Placement Participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

7.3 **Listing Rule 10.11**

A summary of Listing Rule 10.11 is set out in Section 6.3

The issue 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.

7.4 **Technical information required by Listing Rule 14.1A**

If this Resolution is passed, the Company will be able to proceed with the issue 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 will raise additional funds which will be used in the manner set out in Section 5.1. As approval pursuant to Listing Rule 7.1 is not required for the issue (because approval is being obtained under Listing Rule 10.11), the issue will not use up any of the Company's 15% annual placement capacity.

If this Resolution is not passed, the Company will not be able to proceed with the issue and no further funds will be raised. As a consequence, the Company will not receive a further \$15,000 under Tranche 2 of the Placement.

7.5 Technical Information required by Listing Rule 10.13

Name of the persons to whom Securities will be issued	Mr Tony Toohey (or his nominee).
Categorisation under Listing Rule 10.11	Mr Toohey falls within the category set out in Listing Rule 10.11.1 as he is a related party of the Company by virtue of being a director. Any nominee of Mr Toohey who receive Shares may constitute 'associates' for the purposes of Listing Rule 10.11.4.
Number of Securities and class to be issued	681,818 Shares and 340,909 attaching Options will be issued.
Terms of Securities	The Shares were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Options were issued on the terms and conditions set out in Schedule 5.
Date(s) on or by which the Securities will be issued	The Company expects to issue the Securities within 5 Business Days of the Meeting. In any event, the Company will not issue any Securities later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
Price or other consideration the Company will receive for the Securities	The Shares will be issued at an issue price of \$0.022 per Share, together with one free-attaching Option for every two Shares subscribed for under the Placement.
Purpose of the issue, including the intended use of any funds raised by the issue	The Company intends to use the funds raised from the Placement to support the ongoing consumer market commercialisation of its concussion management technology.
Voting exclusion statement	A voting exclusion statement applies to this Resolution.

7.6 Board recommendation

The Board, with Mr Toohey not being eligible to vote, unanimously recommends that Shareholders vote in favour of this Resolution.

8. RESOLUTION 7 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS

8.1 General

This Resolution seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of 8,409,091 Options to Spark Plus (or their nominee) in consideration for lead manager services in relation to the Placement.

8.2 Lead Manager Mandate

The Company has signed a mandate letter (**Lead Manager Mandate**) to engage Spark Plus to act as lead manager to the Placement, the material terms and conditions of the Lead Manager Mandate are summarised below:

Fees	Under the terms of the Lead Manager Mandate, the Company agreed to:
-------------	---

	<p>(a) pay a capital raising fee of 6% (ex-GST) of the gross proceeds of the Placement to Spark Plus, comprising a management fee of 2% and a capital raising fee of 4%; and</p> <p>(b) issue 8,409,091 Options to Spark Plus (or its nominee(s)), being 20% of the total Shares issued under the Placement.</p> <p>The Options will be issued on the same terms as Options issued under the Placement.</p>
Termination Events	<p>The Lead Manager Mandate may be terminated by:</p> <p>(a) either party by giving five business days' notice to the other party;</p> <p>(b) Spark Plus immediately if the Company breaches the terms of the Lead Manager Mandate; or</p> <p>(c) the Company because of the gross negligence, wilful misconduct, recklessness, fraud or material breach of the Lead Manager Mandate by Spark Plus or their representatives.</p>

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations, warranties and confidentiality provisions).

8.3 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 5.3 above.

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

8.4 Technical information required by Listing Rule 14.1A

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

If this Resolution is not passed, the Company will not be able to proceed with the issue. If the Company is unable to proceed with the issue, it may be required to re-negotiate the terms of the Lead Manager Mandate and remunerate Spark Plus in alternative ways.

8.5 Technical information required by Listing Rule 7.3

Names of persons to whom Securities will be issued or the basis on which those persons were or will be identified/selected	SP Corporate Advisory Pty Ltd (ACN 669 429 092) (or its nominee(s)).
Number of Securities and class to be issued	8,409,091 Options.
Terms of Securities	The terms and conditions of the Options are set out in Schedule 5.
Date(s) on or by which the Securities will be issued	The Company expects to issue the Options within 5 Business Days of the Meeting. In any event, the Company will not issue any Options later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

Price or other consideration the Company will receive for the Securities	The Options will be issued at a nil issue price, in consideration for lead managerial services provided by Spark Plus in relation to the Placement, summarised in Section 8.2.
Purpose of the issue, including the intended use of any funds raised by the issue	The purpose of the issue is to satisfy the Company's obligations under the Lead Manager Mandate.
Summary of material terms of agreement to issue	The Options are being issued under the Lead Manager Mandate, a summary of the material terms of which is set out in Section 8.2.
Voting exclusion statement	A voting exclusion statement applies to this Resolution.

8.6 Board recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

9. RESOLUTIONS 8 TO 12 – ISSUE OF SECURITIES TO DIRECTORS IN LIEU OF DIRECTOR FEES

9.1 General

Each of Mr Phil Carulli, Mr Matthew Clayworth, Mr James Barrie, Ms Jennifer Tucker and Mr Tony Toohey (together, the **Participating Directors**) have agreed to receive Shares and Performance Rights in lieu of 50% of Directors' fees, both accrued and forecast (together, the **Fees**), otherwise payable to them by the Company for the following periods:

DIRECTOR	ACCRUED FEES FROM 30 JUNE 2025 TO 31 DECEMBER 2025 (ACCRUED FEES)	FORECAST FEES FROM 1 JANUARY 2026 TO 30 JUNE 2026 (FORECAST FEES)
Mr Phil Carulli ¹	\$7,000	-
Mr Matthew Clayworth	\$10,500	\$10,500
Mr James Barrie	\$10,500	\$10,500
Ms Jennifer Tucker	\$19,250	\$10,500
Mr Tony Toohey	\$3,500	\$10,500
Sub-total	\$50,750.00	\$42,000.00

The Company has agreed, subject to obtaining Shareholder approval, to issue:

- (a) that number of Shares that, when multiplied by the deemed issue price of \$0.022, equals the Accrued Fees for each Participating Director; and
- (b) that number of Performance Rights that, when multiplied by the deemed issue price of \$0.022, equals the Forecast Fees for each Participating Directors

on the terms and conditions set out below.

DIRECTOR	RESOLUTION	SHARES ISSUE IN LIEU OF ACCRUED FEES	PERFORMANCE RIGHTS ISSUED IN LIEU OF FORECAST FEES
Mr Phil Carulli	8	318,182	0

¹ Mr Carulli retired as a director on 31 October 2025.

DIRECTOR	RESOLUTION	SHARES ISSUE IN LIEU OF ACCRUED FEES	PERFORMANCE RIGHTS ISSUED IN LIEU OF FORECAST FEES
Mr Matthew Clayworth	9	477,273	477,273
Mr James Barrie	10	477,273	477,273
Ms Jennifer Tucker	11	875,000	477,273
Mr Tony Toohey	12	159,091	477,273
Sub-total		2,306,819	1,909,092

The Shares issued in lieu of the Accrued Fees and the Performance Rights issue in lieu of the Forecast Fees are hereby referred to as the **Director Fee Securities**.

9.2 Chapter 2E of the Corporations Act

A summary of Listing Rule 10.11 is set out in Section 6.3

Section 211 of the Corporations Act specifies that member approval is not needed if the financial benefit or remuneration is to a related party, such as an officer or employee of the company, and to give the remuneration would be reasonable given:

- (a) the circumstances of the public company or entity giving the remuneration; and
- (b) the related party's circumstances (including the responsibilities involved in the office or employment).

The Directors (other than each Participating Director who has a material personal interest in each relevant Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the agreements to issue the Performance Rights in lieu of directors' fees payable to the Participating Directors is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

9.3 Section 195(4) of the Corporations Act

Section 195 of the Corporations Act provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered, except in certain limited circumstances. Section 195(4) relevantly provides that if there are not enough directors to form a quorum for a directors meeting because of this restriction, one or more of the directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

It might be argued (but it is neither conceded nor, indeed, is it thought by the Board to be the case) that all of the Directors comprising the Board have a material personal interest in the outcome of Resolutions 8 to 12. If each does have such an interest, then a quorum could not be formed to consider the matters contemplated by Resolutions 8 to 12 at Board level.

Accordingly, for the avoidance of any doubt, and for the purpose of transparency and best practice corporate governance, the Company also seeks Shareholder approval for Resolutions 8 to 12 for the purposes of section 195(4) of the Corporations Act, and in reliance of the reasonable remuneration exception under section 211 of the Corporations Act, the Company will not seek Shareholder approval under Chapter 2E of the Corporations Act.

9.4 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 6.3

The issue of the Director Fee Securities to the Participating Directors in lieu of the Fees falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule

10.12. The issue of the Director Fee Securities to the Participating Directors therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 8 to 12 seek the required Shareholder approval for the issue of the Performance Rights to the Participating Directors under Listing Rule 10.11.

9.5

Technical information required by Listing Rule 14.1A

If Resolutions 8 to 12 are passed, the Company will be able to proceed with the issue of the Director Fee Securities to the Participating Directors within one month after the date of the Meeting. It is noted that the issue of the Director Fee Securities will not use up any of the Company's 15% annual placement capacity.

If Resolutions 8 to 12 are not passed, the Company will not be able to proceed with the issue of the Director Fee Securities and the Company will be required to consider other mechanisms to properly remunerate the respective Participating Directors, including the payment of the relevant Fees in cash, which will diminish the Company's cash reserves.

It is noted that Resolutions 8 to 12 seek approval for individual issues and are not dependent on one another.

9.6

Technical Information required by Listing Rule 10.13

Pursuant to Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Director Fee Securities:

- (a) The Participating Directors are Mr Phil Carulli, Mr Matthew Clayworth, Mr James Barrie, Ms Jennifer Tucker and Mr Tony Toohey, and in accordance with Listing Rule 10.13.2 they are related parties pursuant to Listing Rule 10.11.1 by virtue of being directors of the Company. Any nominees of the recipients who receive Director Fee Securities may constitute 'associates' for the purposes of Listing Rule 10.11.4;
- (b) The maximum value of the Director Fees Securities (being the nature of the financial benefit being provided) to be issued under the related parties is:
 - (i) \$7,000 worth of Shares to Mr Phil Carulli;²
 - (ii) \$10,500 worth of Shares and \$10,500 worth of Performance Rights to Mr Matthew Clayworth;
 - (iii) \$10,500 worth of Shares and \$10,500 worth of Performance Rights to Mr James Barrie;
 - (iv) \$19,250 worth of Shares and \$10,500 worth of Performance Rights to Ms Jennifer Tucker; and
 - (v) \$3,500 worth of Shares and \$10,500 worth of Performance Rights to Mr Tony Toohey.

On the basis Resolutions 8 to 12 are approved by Shareholders, the Director Fee Securities will be issued within 5 Business Days of the Meeting. In any event, the Company will not issue any Director Fee Securities later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

- (c) The Director Fee Securities will be issued at nil cost at a deemed issue price of \$0.022 per Director Fee Security, consistent with the pricing for the Placement as outlined in Section 5.1.

VALUE	DIRECTOR	NUMBER OF SHARES	NUMBER OF PERFORMANCE RIGHTS
\$7,000	Phil Carulli	318,182	-

² Pro rata for the period up to his retirement on 31 October 2025

VALUE	DIRECTOR	NUMBER OF SHARES	NUMBER OF PERFORMANCE RIGHTS
\$21,000	Matthew Clayworth	477,273	477,273
\$21,000	James Barrie	477,273	477,273
\$29,750	Jennifer Tucker	875,000	477,273
\$14,000	Tony Toohey	159,091	477,273
Total		2,306,819	1,909,092

- (d) The Director Fee Securities are being issued to Mr Carulli, Mr Clayworth, Mr Barrie, Ms Tucker and Mr Toohey in lieu of the Accrued Fees and Forecast Fees as outlined in Section 9.1 above. As such, the Director Fee Securities will be issued for nil cash consideration and no funds will be raised.
- (e) The Performance Rights will vest subject to continued service at the end of each quarter of the financial year commencing 1 January 2026. For the avoidance of doubt, Fees up to the period ended 31 December 2025 will be satisfied through the issue of Shares, subject to receiving Shareholder approval.
- (f) The Shares will be fully paid ordinary shares of the Company on the same terms as the Company's existing Shares.
- (g) The Performance Rights will be issued on the terms and conditions set out in Schedule 6.
- (h) The Participating Directors' current remuneration (per Listing Rule 10.13.8) received from the Company is as follows:

DIRECTOR	REMUNERATION FOR FY2026
Phil Carulli	\$14,000 ³
Matthew Clayworth	\$42,000
James Barrie ⁴	\$42,000
Jennifer Tucker	\$42,000
Tony Toohey	\$42,000

- (i) The main purpose of the issue of Director Fee Securities to the Participating Directors is to provide cost-effective consideration to the Participating Directors for their contribution to the Company in their respective roles as Directors. The Board does not consider there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Director Fee Securities on the terms proposed.
- (j) A voting exclusion statement and voting prohibition statement is included in this Notice for all Resolutions.

9.7 Director Recommendation

Each Director has a material personal interest in the outcome of Resolutions 8 to 12 on the basis that each of the Directors (or their nominees) are to be issued Director Fee Securities should Resolutions 8 to 12 be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on Resolutions 8 to 12 of this Notice.

³ Pro rata for the period up to Mr Carulli's retirement on 31 October 2025.

⁴ Mr Barrie is also remunerated for Company Secretary services, however those fees are not subject to these Resolutions.

9.8 Section 606 considerations

A summary of section 606 of the Corporations Act is set out in Section 2.2(a) above.

The Company notes that Mr Matthew Clayworth (a member of the Harmil Group) will receive Securities as a result of Resolution 9 being passed. The Company confirms that it will not issue any Securities to Mr Clayworth where, as a result of the issue, Mr Clayworth will be in breach of section 606 of the Corporations Act.

GLOSSARY

2024 AGM has the meaning given in Section 1.1.

\$ means Australian dollars.

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

ASIC means the Australian Securities & Investments Commission.

Associate has the meaning given in Listing Rule 19.12.

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

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

Company means HitIQ Limited (ACN 609 543 213).

Constitution means the Company's constitution.

Convertible Note Deed has the meaning given in Section 1.1 and is summarised in Schedule 1.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Director Fee Securities means the Securities to be issued to the Participating Directors in lieu of their Director Fees, as summarised in Section 9.1.

Explanatory Statement means the explanatory statement accompanying the Notice.

Fees has the meaning given in Section 9.1.

General Security has the meaning given in Section 1.2.

General Security Deed has the meaning given in Section 1.2 and is summarised in Schedule 3.

Harmil means Harmil Angel Investments Pty Ltd (ACN 667 679 432).

Harmil Group has the meaning given in Section 1.1.

Independent Expert or **RSM** means RSM Corporate Australia Pty Ltd (ABN 82 050 508 024).

Listing Rules means the Listing Rules of ASX.

Loan has the meaning given in Section 1.1.

Meeting means the meeting convened by the Notice.

No Bull means No Bull Health Pty Ltd (ACN 600 332 689).

Notice means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a right to acquire a Share subject to satisfaction of performance milestones.

Placement has the meaning given in Section 5.1.

Prohibition has the meaning given in Section 2.2.

Proxy Form means the proxy form accompanying the Notice.

R&D Facility Agreement has the meaning given in Section 4.1.

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

Section means a section of the Explanatory Statement.

Security means a Share, Option, Performance Right or Convertible Note (as applicable).

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

Shareholder means a registered holder of a Share.

Specific Security has the meaning given in Section 4.1.

Tranche 1 Conversion has the meaning given in Section 1.1.

Tranche 2 Conversion has the meaning given in Section 1.1.

SCHEDULE 1 – TERMS OF CONVERTIBLE NOTE DEED

A summary of the terms and conditions of the Convertible Note Deed (as amended) is set out below:

1. Parties	(a) No Bull Health Pty Ltd (ACN 600 332 689) (Lender); and (b) HITiQ Limited (ACN 609 543 213) (Company), (together the Parties).
2. Execution Date	17 May 2024 (the Execution Date).
3. Commitment Amount	\$4,600,000 (the Commitment Amount).
4. Repayment Date	15 December 2026 (the Repayment Date).
5. Amendment Deed	On 17 May 2024, the Parties entered into a convertible note deed (Original Deed), which on 15 October 2024 was amended by a deed of amendment and restatement (First Amendment Deed). The Parties further amended the terms of the Original Deed by way of a second amendment deed on 14 November 2025 (Second Amendment Deed). The Original Deed along with the two amendment deeds comprise the Convertible Note Deed .
6. Loan	The Lender agrees to provide any loan up to the total Commitment Amount (the Loan) to the Company during the period commencing on the Execution Date and ending on the Repayment Date (Commitment Period).
7. Drawdown	The Company may request a drawdown of the Loan by giving the Lender a drawdown notice at least 2 business days before the proposed drawdown date, unless the Lender agrees to a shorter period. Only one drawdown notice may be provided to the Lender in any two-month period, and the amount proposed to be drawn in each drawdown notice must not be more than \$3,100,000.
8. Interest Period	Interest Period means: (a) in the case of the initial interest period, the period commencing upon the drawdown date and ending on the last day of the month during which the drawdown date for the Loan occurred; and (b) in the case of any subsequent interest period, the period commencing on the last day of the immediately preceding interest period and ending on the last day of the immediately following month or such other period as agreed by the Lender and the Company.
9. Interest	The Company must pay interest on the outstanding Loan at a rate of 12.5% per annum (Interest Rate) accruing on a yearly basis. The Lender may, at its sole discretion, elect to capitalise accrued interest, in which case it will accrue interest and constitute part of the Loan. All capitalised and unpaid interest must be paid by the Company on the Repayment Date. Upon the occurrence of a default event, interest will accrue at a rate of 17.5% per annum (Default Interest Rate). Default interest will be compounded with the overdue amount upon which default interest will be payable at the end of each calendar month, but will remain immediately due and payable.
10 Conversion	Subject to the following, the Lender may, at its sole and absolute discretion, convert the Loan into Shares (Conversion) by providing written notice (Conversion Notice) at any time on and from the date shareholder

		<p>approval is obtained in accordance with the Convertible Note Deed. Within 2 business days of receipt of a Conversion Notice (Conversion Date), the Company must:</p> <ul style="list-style-type: none"> (a) convert the Loan plus all accrued and unpaid interest, at the date immediately preceding the Conversion Date (Conversion Amount); (b) issue Shares in accordance with paragraph (a) above (Conversion Shares) to the Lender (or its nominee(s)) on the conversion of the Loan and deliver a valid share certificate for the Conversion Shares; (c) procure any necessary consent or waivers in connection with the issue of the Conversion Shares; (d) issue a cleansing notice or, if a cleansing notice cannot be issued a cleansing prospectus; (e) provide the Lender (or its nominee(s)) with a copy of the unanimous resolutions of the Directors and share certificates in the name of the Lender (or its nominee(s)); and (f) enter the Lender (or its nominee(s)) in the register of members of the Company.
11	Conversion Price	<p>The number of Conversion Shares to be issued on the Conversion Date is the amount equal to the Conversion Amount divided by 90% of the volume weighted average price of the Shares traded on the ASX during the preceding 7 trading days immediately prior to the Conversion Date, or as otherwise agreed to by the Parties (Conversion Price).</p> <p>No Bull and the Company have agreed, pursuant to the Second Amendment Deed, that the Tranche 1 Conversion will convert at \$0.02. The Tranche 2 Conversion will be subject to the Conversion Price.</p>
12	Repayment	<p>Subject to Conversion requirements, the Company must on the Repayment Date:</p> <ul style="list-style-type: none"> (a) repay to the Lender (or its nominee(s)) the principal amount of the outstanding Loan not previously repaid; and (b) pay to the Lender all accrued interest and all other moneys owing to the Lender under this document and each other Transaction Document.
13	Early Prepayment before Repayment Date	<p>The Company may repay or prepay all or part of the Loan before the Repayment Date without the prior written consent of the Lender subject to the Company paying an early discharge fee equal to 10% of the prepaid amount (Early Discharge Fee).</p> <p>The Early Discharge Fee is payable on the earlier of the prepayment date or the occurrence of a Default Event.</p>
14	Costs and Indemnity	<p>The Company must reimburse and indemnify the Lender for all costs, including legal fees, incurred in relation to the negotiation, preparation, and execution of each Transaction Document.</p> <p>The Company must indemnify and reimburse the Lender on demand for all losses, liabilities, costs, and expenses incurred in connection with the termination of any Transaction Document, any amendments, consents or waivers under them, and the exercise or enforcement of any rights under the Transaction Documents.</p>
15	Escrow Security	<p>The Company and the Lender agree that the General Security Deed (Escrow Security) is provided to the Lender on the condition that it is held in escrow by the Lender and is of no force and effect until the Company has obtained shareholder approval in respect of the entry into the General Security Deed, in which case, upon written notice from the Lender, the Escrow Security is released from escrow</p>

		(Escrow Release Date). (a) On and from the Escrow Release Date, the Escrow Security will come into force. (b) The Company undertakes to the Lender, on and from the Escrow Release Date, to do all things necessary to enable registration of the Escrow Security. (c) The Company authorises the Lender to date the Escrow Security on the Escrow Release Date.
16	Assignment	<p>The Lender may transfer, assign or novate, or create an interest in or declare a trust over, any rights or liabilities under any Transaction Document without the consent of the Company.</p> <p>The Company may not transfer, assign or novate, or create an interest in or declare a trust over, any right or liability under a Transaction Document without the prior written consent of the Lender.</p>
17	Governing Law	The Convertible Note Deed will be governed by and construed in accordance with the laws of New South Wales.

The Convertible Note Deed otherwise contains standard provisions (including representations, warranties, undertakings, and indemnities considered standard for an agreement of its kind).

SCHEDULE 2 – POTENTIAL VOTING POWER OF THE HARMIL GROUP

Table 1 below sets out the potential voting power of the Harmil Group post-Tranche 1 Conversion.

Table 1

HOLDER	SHARES	OPTIONS	CONVERTIBLE NOTES	UNDILUTED VOTING POWER
Harmil Angel Investments Pty Ltd	161,128,604	-	3,100,000	27.75%
Matthew Clayworth	3,953,394	928,573	-	0.63%
No Bull Health Pty Ltd	-	-	-	-
Harmil Group Holding	165,081,998	928,573	3,100,000	26.38%
Other Shareholders	460,684,519	54,431,000	-	73.62%
Total	625,766,517	55,359,573	3,100,000	100.00%

Assumptions:

1. Only 1,600,000 Convertible Notes (and associated interest of \$349,499.24 to 15 December 2025) are converted into Shares, using the agreed conversion price of \$0.02 per Share, being 97,474,962 Shares.
2. The remaining 3,100,000 Convertible Notes are not converted into Shares.

Table 2 below sets out the potential voting power of the Harmil Group post-Tranche 2 Conversion, assuming the Tranche 2 Conversion occurs at a conversion price of \$0.01.

Table 2

HOLDER	SHARES	OPTIONS	CONVERTIBLE NOTES	UNDILUTED VOTING POWER
Harmil Angel Investments Pty Ltd	533,860,124	-	-	53.47%
Matthew Clayworth	3,953,394	928,573	-	0.40%
No Bull Health Pty Ltd	-	-	-	-
Harmil Group Holding	537,813,518	928,573		53.86%
Other Shareholders	460,684,519	54,431,000	-	46.14%
Total	998,498,037	55,359,573		100%

Assumptions:

1. 1,600,000 Convertible Notes (and associated interest of \$349,499.24 to 15 December 2025) are converted into Shares, using the agreed conversion price of \$0.02 per Share, being 97,474,962 Shares.
2. The remaining 3,100,000 Convertible Notes (and associated interest of \$627,315.20 to 15 December 2026) are converted into Shares, using an assumed conversion price of \$0.01 per Share (372,731,520 Shares).

Table 3 below sets out the potential voting power of the Harmil Group post-Tranche 2 Conversion, assuming the Tranche 2 Conversion occurs at a conversion price of \$0.017, being a 90% discount to the 7-day VWAP calculated up to and including 17 December 2025.

Table 3

HOLDER	SHARES	OPTIONS	CONVERTIBLE NOTES	UNDILUTED VOTING POWER
Harmil Angel Investments Pty Ltd	316,433,404	-	-	40.51%
Matthew Clayworth	3,953,394	928,573	-	0.51%
No Bull Health Pty Ltd	-	-	-	-
Harmil Group Holding	384,335,833	928,573		45.48%
Other Shareholders	460,684,519	54,431,000	-	54.52%
Total	845,020,352	55,359,573		100%

Assumptions:

1. 1,600,000 Convertible Notes (and associated interest of \$349,499.24 to 15 December 2025) are converted into Shares, using the agreed conversion price of \$0.02 per Share, being 97,474,962 Shares.
2. The remaining 3,100,000 Convertible Notes (and associated interest of \$627,315.20 to 15 December 2026) are converted into Shares, using an assumed conversion price of \$0.017 per Share (219,253,835 Shares).

SCHEDULE 3 – SUMMARY OF GENERAL SECURITY DEED

The key terms of the General Security Deed are as follows:

Parties	(a) No Bull Health Pty Ltd (ACN 600 332 689) (No Bull); and (b) HITiQ Limited (ACN 609 543 213) (Company), (together, the Parties).
Secured Monies	The General Security Deed will secure all monies and amounts that the Company is or may become liable at any time (presently, prospectively or contingently) to pay the Lender, whether alone or in any other capacity, in respect of the Convertible Note Deed (Secured Monies).
Security Interest	Under the General Security Deed, security is granted by the Company to No Bull over all present and after-acquired property of the Company (Collateral).
Ranking of Security Interest	The security interest granted to No Bull is a first ranking security over all the assets of the Company.
Default Event	If a default event occurs, No Bull may exercise any right, power or privilege conferred by law or the transaction documents. This includes, but is not limited to: (a) demanding and requiring the immediate payment of the Secured Monies and do anything that it considers appropriate to recover the Secured Monies; (b) dealing with the Collateral without taking possession and without liability for any loss resulting from failing to take possession; (c) entering any premises where the Collateral may be located and taking possession of and managing the Collateral; or (d) appointing a receiver to be the receiver of any Collateral. Any disposal of the Collateral by No Bull in the event of default will be final and the Company will not be able to retrieve the assets.
Discharge	No Bull will release the encumbrance created by the General Security Deed at the written request of the Company where it is satisfied that: (a) the secured monies have been repaid in full; (b) the Company does not owe or will not owe the Secured Monies to No Bull within a reasonable time after the date that the Company requests the release of the encumbrance created by the General Security Deed; and (c) the Company has fully observed and performed its obligations under the General Security Deed, Convertible Note Deed and other transaction documents.

The General Security Deed otherwise contains standard provisions (including representations, warranties, undertakings, and indemnities considered standard for an agreement of its kind).

SCHEDULE 4 – SUMMARY OF SPECIFIC SECURITY DEED

Parties	(a) No Bull Health Pty Ltd (ACN 600 332 689) (No Bull); and (b) HITiQ Limited (ACN 609 543 213) (Company), (together, the Parties).
Secured Monies	All present and future debts, obligations and liabilities (actual, contingent or prospective) owed by the Company to No Bull under or in connection with the Specific Security Deed, the R&D Facility Agreement and any other relevant documents (Finance Documents).
Collateral	All of the Company's rights and interest to: (a) the Refund as summarised in Section 4.1; (b) any claims relating to the Refund; and (c) all records, applications and filings relating to the Refund.
Discharge	No Bull must, at the request of the Company, release or transfer (as appropriate) any remaining Collateral of the Company when No Bull is satisfied that the Secured Monies have been unconditionally and irrevocably paid in full.
Registration & PPSA	No Bull may register financing statements under the PPSA at the Company's cost. The Company waives certain PPSA notice rights (e.g., verification statements).
Event of Default	An event of default will occur if: (a) the Company fails to comply with any term of this Agreement; or (b) a default occurs under any Finance Document. Upon default: (a) the Specific Security becomes immediately enforceable; (b) the Company's rights to deal with the Collateral cease; and (c) No Bull can take possession and realise the Collateral without notice.

The Specific Security Deed otherwise contains standard provisions (including representations, warranties, undertakings, and indemnities considered standard for an agreement of its kind).

SCHEDULE 5 – TERMS AND CONDITIONS OF OPTIONS

Entitlement	Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.
Exercise Price	Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.022 (Exercise Price).
Expiry Date	Each Option will expire at 5:00pm (AEDT) on 30 December 2028 (Expiry Date). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
Exercise Period	The Options are exercisable at any time on or prior to the Expiry Date (Exercise Period).
Notice of Exercise	The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (Notice of Exercise) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
Exercise Date	A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (Exercise Date).
Timing of issue of Shares on exercise	<p>Within 5 Business Days after the Exercise Date, the Company will:</p> <ul style="list-style-type: none"> (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options. <p>If a notice delivered for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.</p>
Shares issued on exercise	Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
Reconstruction of capital	If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
Participation in new issues	There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
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.

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

SCHEDULE 6 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

1.	Entitlement	Subject to paragraph 12, each Performance Right entitles the holder to subscribe for one Share upon conversion of the Performance Right.
2.	Consideration	The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.
3.	Vesting Conditions	<p>The Performance Rights shall vest in equal amounts upon the recipient remaining a Director at the end of each quarter, starting 1 January 2026 (Vesting Condition).</p> <p>For clarity, the Performance Rights will vest:</p> <ul style="list-style-type: none"> (a) in relation to 50% of the Performance Rights issued, when the recipient remains a Director of the Company on 31 March 2026; and (b) in relation to the remaining 50% of the Performance Rights issued, when the recipient remains a Director of the Company on 30 June 2026. <p>If the recipient is no longer a Director at the required date, the Performance Rights will not vest.</p>
4.	Expiry Date	<p>The Performance Rights, whether vested or unvested, will otherwise expire at 5:00 pm (AEST) on 31 December 2026 (Expiry Date).</p> <p>If the relevant Vesting Condition attached to the Performance Right has not been achieved by the Expiry Date, all unconverted Performance Rights of the relevant tranche will automatically lapse at that time.</p>
5.	Notice of vesting	The Company shall notify the holder in writing when the relevant Vesting Condition has been satisfied.
6.	Quotation of Performance Rights	The Performance Rights will not be quoted on ASX.
7.	Conversion	Subject to paragraph 16, upon vesting, each Performance Right will, at the election of the holder, convert into one Share.
8.	Timing of issue of Shares on conversion	<p>Within five Business Days of conversion of the Performance Rights, the Company will:</p> <ul style="list-style-type: none"> (a) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted; (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Performance Rights. <p>If a notice delivered under 8(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the</p>

		Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
9.	Shares issued on exercise	Shares issued on exercise of the Performance Rights rank equally with the then issued shares of the Company.
10.	Change of Control	<p>Subject to paragraph 16, upon:</p> <p>(a) a bona fide takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:</p> <ul style="list-style-type: none"> (i) having received acceptances for not less than 50.1% of the Company's Shares on issue; and (ii) having been declared unconditional by the bidder; or <p>(b) a court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies,</p> <p>or the Board determining that such an event is likely to occur, then, to the extent Performance Rights have not converted into Shares due to satisfaction of the relevant Vesting Conditions, Performance Rights will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis.</p>
11.	Participation in new issues	There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without converting the Performance Rights.
12.	Adjustment for bonus issues of Shares	If the Company makes a bonus issue of Shares or other securities to the Company's existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment [the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.
13.	Reorganisation	If at any time the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.
14.	Dividend and voting rights	The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
15.	Transferability	The Performance Rights are not transferable.
16.	Deferral of conversion if resulting in a prohibited acquisition of Shares	<p>If the conversion of a Performance Right under paragraph[s] 7 or 10 would result in any person being in contravention of section 606(1) of the Corporations Act (General Prohibition) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:</p> <p>(a) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and</p>

		(b) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (a) within 7 days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.
17.	No rights to return of capital	A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
18.	Rights on winding up	A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
19.	ASX Listing Rule compliance	The Board reserves the right to amend any term of the Performance Rights to ensure compliance with the ASX Listing Rules.
20.	No other rights	A Performance Right gives the holder no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms.

ANNEXURE A – INDEPENDENT EXPERT'S REPORT

For personal use only

HITIQ Limited

Financial Services Guide and Independent Expert's Report

18 December 2025

In our opinion:

The Conversion Shares Transaction (resolution 1) is not fair but reasonable to Non-Associated Shareholders of HITIQ; and

The Security Deed Transaction (resolution 2) is fair and reasonable to Non-Associated Shareholders of HITIQ.

The Specific Security Transaction (resolution 3) is fair and reasonable to Non-Associated Shareholders of HITIQ.

For personal use only

Financial Services Guide

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 ("RSM" or "we" or "us" or "our" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the financial services that we will be providing you under our Australian Financial Services Licence ("AFSL"), Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the financial services that we will be providing to you;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we will provide

For the purposes of our report and this FSG, the financial service we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we produce is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General financial product advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge various fees for providing different financial services. However, in respect of the financial service being provided to you by us, fees will be agreed, and paid by, the person who engages us to provide the report and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; HITIQ Limited ("HITIQ" or "the Company") will pay our fees. These fees are disclosed in the Report.

Except for the fees referred to above, neither RSM Corporate Australia Pty Ltd, nor any of its directors, employees, or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the Report.

Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia, a large national firm of chartered accountants and business advisors. Our directors are partners of RSM Australia Partners.

From time to time, RSM Corporate Australia Pty Ltd, RSM Australia Partners, RSM Australia and/or RSM Australia related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints should be directed to The Complaints Officer, RSM Corporate Australia Pty Ltd, PO Box R1253, Perth, WA, 6844.

If we receive a written complaint, we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination. If a complaint is received in advance of a shareholder meeting or other key date where shareholders or investors may be making decisions which are influenced by our report, we will make all reasonable efforts to respond to complaints prior to that date.

Referral to external dispute resolution Proposed Transaction

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ("AFCA"). AFCA is an independent dispute resolution Proposed Transaction that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website www.afca.org.au. You may contact AFCA directly by email, telephone or in writing at the address set out below.

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Toll Free: 1800 931 678
Email: info@afca.org.au

Time limits may apply to make a complaint to AFCA, so you should act promptly or consult the AFCA website to determine if or when the time limit relevant to your circumstances expires.

Contact details

You may contact us using the details set out at the top of our letterhead on page 4 of this report.

18 December 2025

The Directors
HITIQ Limited
c/o Optima Partners,
Suite 3, 128 Main Street,
OSBORNE PARK, WA, 6017

Dear Directors,

Independent Expert's Report

Introduction

This Independent Expert's Report (the "Report" or "IER") has been prepared to accompany the Notice of General Meeting and Explanatory Statement ("Notice") to be provided to shareholders for a General Meeting of HITIQ Limited ("HITIQ" or "the Company") to be held on or around 6 February 2026, at which shareholder approval will be sought for:

Resolution 1 – Approval to issue shares to Harmil Angel Investments Pty Ltd ("Harmil") in relation to the conversion of Convertible Notes ("the Conversion Shares Transaction");

Resolution 2 – Grant of a General Security Deed to No Bull Health Pty Ltd ("NBH") an associate of Harmil ("the Security Deed Transaction"); and

Resolution 3 – Grant of a Security Interest over the Company's future rights to R&D Incentive Refunds for eligible R&D expenditure during the 30 June 2026 financial year to NBH, an associate of Harmil ("the Specific Security Transaction");

Collectively ("the Proposed Transactions")

A more detailed discussion of each of the Proposed Transactions is set out in section 1 of this report.

Purpose of the report

The Conversion Shares Transaction – Section 606 of the Corporations Act 2001 (Cth) ("the Act")

Section 606 of the Act prohibits a person from acquiring a relevant interest in the issued voting shares of a public company if the acquisition results in that person's voting interest in the company increasing from a starting point that is below 20% to an interest that is above 20%.

THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING

RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 Australian Financial Services Licence No. 255847

As at the date of this Report, Harmil and its associate, Mr Matthew Clayworth (together, “**the Harmil Group**”) hold 67,607,036 HITIQ ordinary shares (“**Shares**”), which equates to 12.80% of the Shares on issue. The approval sought under Resolution 1 is for the issue of a maximum of 470,206,482 Shares, with Harmil having committed to convert 1,600,000 Convertible Notes (face value of \$1.6m) together with associated capitalised interest of c. \$349k¹, through the issuance of 97,474,962 Shares at a deemed conversion price of \$0.02 per Share. As a result, the Harmil Group will increase its holding to a maximum of 53.86% of the Shares on issue (noting that the exact number of shares that may ultimately be issued to Harmil is dependent on the quantum of the remaining Convertible Notes balance converted and future share price movements and, therefore, may be less, or the maximum amount of Shares approved for issuance may not be sufficient to fully convert the outstanding balance of the Convertible Notes).

Under item 7 of section 611 of the Act, the prohibition contained in Section 606 does not apply if the acquisition has been approved by Non-Associated Shareholders of the Company. Accordingly, the Company is seeking approval from Non-Associated Shareholders for Resolution 1 under item 7 of section 611 of the Act.

The Security Deed Transaction – ASX Listing Rules

Chapter 10 of the ASX Listing Rules contains certain provisions in relation to transactions between a company and “persons in a position of influence”. Listing Rule 10.1 provides that a listed entity must not acquire or dispose of a “substantial asset” from or to a related party, a substantial holder, an associate to any of those persons or any person whose relationship is to the listed entity, without the approval of holders of the listed entity’s ordinary securities. Provision of an asset as collateral is deemed as a disposal under the ASX Listing Rules definitions. NBH, being an associate of Harmil, is a related party under Chapter 10 of the ASX Listing Rules.

An asset is considered substantial “if its value; or the value of the consideration for it is, or in the ASX’s opinion is, 5% or more of the equity interests of the entity as set out in the latest accounts given to the ASX. Under the Proposed Transaction, as a General Security Deed is being provided, all of the assets of the Company are being provided as security against the outstanding balance of the Convertible Notes. Accordingly, the Company is seeking approval from Non-Associated Shareholders for Resolution 2 under ASX Listing Rule 10.1.

ASX Listing Rule 10.5.10 sets out the requirement for the inclusion of an independent expert’s report opining on whether the transaction is fair and reasonable.

The Specific Security Transaction – ASX Listing Rules

Under the Specific Security Transaction, security is being provided over the Company’s future rights to R&D Incentive Refunds for eligible R&D expenditure, with the forecast 2026 R&D Incentive Refund expected to exceed 5% of the equity interests of the Company as set out in the Company’s 30 June 2025 financial statements. Accordingly, the Company is seeking approval from Non-Associated Shareholders for Resolution 3 under ASX Listing Rule 10.1.

ASX Listing Rule 10.5.10 sets out the requirement for the inclusion of an independent expert’s report opining on whether the transaction is fair and reasonable.

The IER

The Directors of the Company have requested that RSM, being independent and qualified for the purpose, express an opinion as to whether each of the Proposed Transactions is fair and reasonable to shareholders not associated with the Proposed Transactions (“**Non-Associated Shareholders**”).

Accordingly, we have prepared this Report for the purpose of stating, in our opinion, whether or not each of the Proposed Transactions are fair and reasonable to Non-Associated Shareholders and to set out the reasons for each opinion.

As the approval of Resolution 1, Resolution 2 and Resolution 3 are not interdependent resolutions, we have considered each Resolution on a stand-alone basis and provided a separate opinion on each Resolution.

This Report represents general financial product advice only and has been prepared without taking into consideration the circumstances of individual HITIQ shareholders. The ultimate decision whether to approve each of the Proposed Transactions should be based on each Shareholders’ assessment of their circumstances, including their risk profile, liquidity preference, tax position, and expectations as to value and future market conditions. If in doubt about the Proposed Transactions or matters dealt with in this Report, Non-Associated Shareholders should seek independent professional advice.

¹ Calculated accrued interest to 15 December 2025 – interest post 16 December 2025 to date of settlement is expected to be cash settled

Summary of opinions

The Conversion Shares Transaction

In our opinion, and for the reasons set out in Section 7 and 8 of this report the Conversion Shares Transaction is **not fair but reasonable** for Non-Associated Shareholders.

We have formed this opinion for the reasons set out below.

Approach

In assessing whether the Conversion Shares Transaction is "fair and reasonable" to Non-Associated Shareholders, we have considered Australian Securities and Investment Commission ("ASIC") Regulatory Guide 111 – Content of expert reports ("RG 111"), which provides specific guidance as to how an expert is to appraise transactions.

Where an issue of shares by a company otherwise prohibited under section 606 of the Act is approved under item 7 of section 611, and the effect on the company shareholding is comparable to a takeover bid, such as the Proposed Transaction, RG 111 states that the transaction should be analysed as if it was a takeover bid.

RG 111 provides ASIC's views on how an expert can help security holders make informed decisions about transactions. Specifically, it gives guidance to experts on how to evaluate whether or not a proposed transaction is fair and reasonable.

We note that the Conversion Shares Transaction comprises of two distinct elements being:

- Approval of an immediate conversion of 1,600,000 Convertible Notes (face value of \$1.6m) together with associated capitalised interest to 15 December 2025 of c. \$349k, through the issuance of 97,474,962 Shares at a deemed conversion price of \$0.02 per Share ("the **Committed Conversion**"); and
- Approval of the future issuance of up to 372,731,520 Shares as settlement or part settlement of the balance of the Convertible Notes and associated accrued interest, noting that the conversion price will be based on the future volume weighed average price ("VWAP") of HITIQ Shares at the time of conversion based on the Convertible Note terms ("the **Future Conversion**").

Therefore, consistent with the guidance set out in RG 111, we have considered whether the Conversion Shares Transaction is "fair" to Non-Associated Shareholders by separately assessing each of the above elements.

In relation to the Committed Conversion and issuance of 97,474,962 Shares we have considered fairness by assessing and comparing:

- the Fair Value of a HITIQ Share on a controlling basis prior to the Conversion Shares Conversion; with
- the Fair Value of a HITIQ Share immediately following the Committed Conversion.

Our assessment of the Fair Value of a HITIQ Share has been prepared on the following basis:

"the value that should be agreed in a hypothetical transaction between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, acting at arm's length".

In relation to the future issuance of up to 372,731,520 Shares as settlement of the balance of the Convertible Notes and associated accrued interest, we have considered fairness by considering whether the conversion price mechanism within the terms of the Convertible Notes provides a control premium to Non-Associated Shareholders in line with the Conversion Shares Transaction being considered as a control transaction in accordance with RG111.

In accordance with RG 111, we have considered whether the Conversion Shares Transaction is "reasonable" to Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Conversion Shares Transaction which are likely to be relevant to Non-Associated Shareholders, in their decision as to whether or not to approve the Conversion Shares Transaction.

Further information on the approach we have employed in assessing whether the Conversion Shares Transaction is fair and reasonable to Non-Associated Shareholders is set out in Sections 7 and 8 of this report.

Fairness opinion

As noted previously, the Conversion Shares Transaction consists of two distinct elements, being:

- approval of the Committed Conversion of 1,600,000 Convertible Notes (face value of \$1.6m) together with associated capitalised interest to 15 December 2025 of \$349,499.24, through the issuance of 97,474,962 Shares at a deemed conversion price of \$0.02 per Share; and
- approval of the future issuance of up to 372,731,520 Shares as settlement or part settlement of the balance of the Convertible Notes, noting that the conversion price will be based on the future VWAP of HITIQ Shares at the time of Conversion based on the Convertible Note terms.

In assessing whether we consider the Committed Conversion to be fair to Non-Associated Shareholders, we have valued a HITIQ Share prior to the Conversion Shares Transaction on a controlling basis and compared it to the assessed Fair Value of a HITIQ Share immediately post the Committed Conversion, to determine whether a Non-Associated Shareholder would be better or worse off should the Committed Conversion be approved.

Our assessment is set out in the table below.

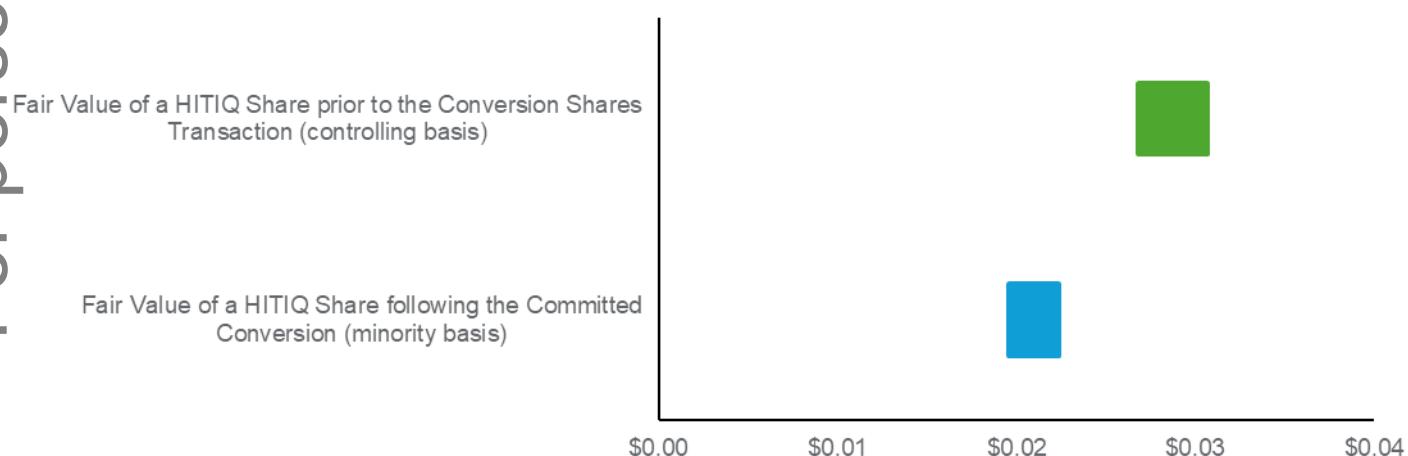
Table 1 Valuation Summary

	Low	High	Midpoint
Fair Value of a HITIQ Share prior to the Conversion Shares Transaction (controlling basis)	\$0.027	\$0.030	\$0.029
Fair Value of a HITIQ Share following the Committed Conversion (minority basis)	\$0.020	\$0.022	\$0.021

Source: RSM analysis

The above comparison is presented graphically below.

Figure 1 Assessed Fair Value of a HITIQ Share prior to the Proposed Transaction on a controlling basis and the Assessed Fair Value of a HITIQ Share immediately post the Proposed transaction on a non-controlling basis



Source: RSM analysis

As the assessed Fair Value of a HITIQ Share following the Committed Conversion (minority basis) is less than the assessed Fair Value of a HITIQ Share prior to the Conversion Shares Transaction (controlling basis), in our opinion the Committed Conversion is **not fair** to Non-Associated Shareholders.

In relation to the future issuance of up to 372,731,520 Shares as settlement of the balance of the Convertible Notes, we have considered fairness by considering whether the conversion price mechanism within the terms of the Convertible Notes provides a control premium to Non-Associated Shareholders in line with the Conversion Shares Transaction being considered as a control transaction in accordance with RG111.

As noted in Section 1 of this Report, which sets out a summary of the terms of the Convertible Notes, the Future Conversion will occur at a conversion price based on a discount of 10% from the 7-day VWAP of HITIQ Shares at the date of provision of a conversion notice.

On the basis that the 7-day VWAP price of HITIQ Shares represents a minority value of a HITIQ Share, and the Future Conversion will occur at a discount to this 7-day VWAP, we consider that the conversion price will not be reflective of a control value for HITIQ Shares and will not provide a control premium to Non-Associated Shareholders. Therefore, we consider that Future Conversion is **not fair** to Non-Associated Shareholders.

For illustrative purposes only, we have set out in Section 7 of the Report the assessed impact on our assessed Fair Value of a HITIQ Share immediately post the Committed Conversion (non-controlling basis), assuming that the Future Conversion occurs at a conversion price of between \$0.018 and \$0.020 (representing 90% of our assessed Fair Value of a HITIQ Share following the Committed Conversion, all else being equal).

As set out in Section 7, as a result of the 10% discount applied within the conversion price mechanism, the Future Conversion resulted in a marginal reduction in the assessed Fair Value of a HITIQ Share of \$0.001 per Share (Fair Value per HITIQ Share of \$0.018 to \$0.021).

Overall conclusion – Conversion Shares Transaction

On the basis that we have concluded that both the Committed Conversion and the Future Conversion are **not fair**, in our opinion, in accordance with the guidance set out in ASIC RG 111, and in the absence of any other relevant information, for the purposes of Section 611, Item 7 of the Act we consider the Conversion Shares Transaction to be **not fair** to Non-Associated Shareholders of HITIQ.

For personal use only

Reasonableness opinion

RG111 establishes that a Proposed Transaction is reasonable if it is fair. If a Proposed Transaction is not fair it may still be reasonable after considering the specific circumstances applicable to the Proposed Transaction. In our assessment of the reasonableness of the Proposed Transaction, we have given consideration to:

- the future prospects of HITIQ if the Conversion Shares Transaction does not proceed;
- other commercial advantages and disadvantages to Non-Associated Shareholders as a consequence of the Conversion Shares Transaction proceeding;
- trading in HITIQ Shares following announcement of the Committed Conversion; and
- any alternative proposals and the likelihood of an alternative proposal.

Future Prospects of HITIQ if the Conversion Shares Transaction Does Not Proceed

If the Conversion Shares Transaction is not approved, then NBH will only be able to convert the portion of the Convertible Notes that would take Harmil Group's overall ownership interest in HITIQ to 19.99% (i.e. to not breach Section 611 of the Act). Based on the current share structure of HITIQ, this has been calculated as c. 114.2m Shares which would convert \$933k of the balance of Convertible Notes.

The remainder of the Tranche 1 Convertible Notes subject to the Committed Conversion including capitalised interest would, therefore, in the absence of any extensions from NBH, become repayable. The Convertible Notes not subject to the Committed Conversion would, in the absence of any extensions from NBH, become repayable in full on 15 December 2026 (being the revised repayment date negotiated with NBH for the remaining Convertible Notes not subject to the Committed Conversion).

We also note that obtaining shareholder approval for conversion of the Convertible Notes for the purposes of Section 611(7) of the Act, is a condition subsequent to the Convertible Loan Deed, and, therefore, to the extent that the Conversion Shares Transaction is not approved, NBH could have the right to claim a default under the terms of the Convertible Note Deed and the default interest rate of 17.5% could apply.

In such circumstances, the Company is highly likely to require additional debt or equity funding to enable it to have the capacity to repay the Convertible Notes. If such funding was to be raised by issuing new equity, any such equity is likely to be at a discount to the current market price of HITIQ Shares at the time of the equity issue, noting that a Placement and Rights Issue have occurred at a 12% discount to the closing HITIQ share price prior to announcement and included the issuance of attaching New Options and more recently the Placement announced on 4 December 2025 was undertaken at a discount of 8.3% to the closing share price on 1 December 2025 and also included the issuance of attaching New Options.

We further note that there is no certainty that the Company would be able to raise sufficient debt or equity funding.

The audit report of the Company's auditors, William Buck Audit (Vic) Pty Ltd, included within the audited financial statements of HITIQ for the year ended 30 June 2025 included a note drawing attention to a material uncertainty related to going concern. Note 1 of the audited financial statements for the year ended 30 June 2025 stated the following:

"For the year ended 30 June 2025, the consolidated entity incurred a net loss of \$7,212,305 and incurred net cash outflows from operations of \$4,654,844 and had a net deficiency of current assets relative to current liabilities of \$4,139,959. Due to these matters, there is a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern. In determining that the consolidated entity continues as a going concern, the directors have reviewed and approved the following cashflow forecast which includes the following key assumptions:

The forecast includes proceeds from expected capital raising activities and capital raised of \$272,960 in FY26 to date. The directors of the entity believe that such capital raising activities will eventuate based upon the entity's track record of successfully issuing capital.

The forecast expects revenue to commence from the new consumer based strategy and PROTEQT product;

The consolidated entity can continue to access its research and development tax incentive from the ATO, this can also be bought forward by way of finance facilities. The FY2025 claim of \$1,455,000 will be used to retire the existing facilities in place (\$1,276,490 at 30 June 2025) while any funds in excess of this amount will be put towards working capital;

As at 30 June 2025 the consolidated entity owed \$98,602 to its key management personnel, including accruals for director's fees and for annual leave owing. Those key management personnel have written to the Company advising that they are willing to defer amounts owing to them as at reporting date and as they accrue under contract for the next 12 months from the date of signing these financial statements, if necessary, to ensure that the Company has adequate reserves of available working capital;

The company has terminated some excess staff and cut expenses in the United States and New Zealand putting a pause on these foreign operations to align with the consumer based strategy; and

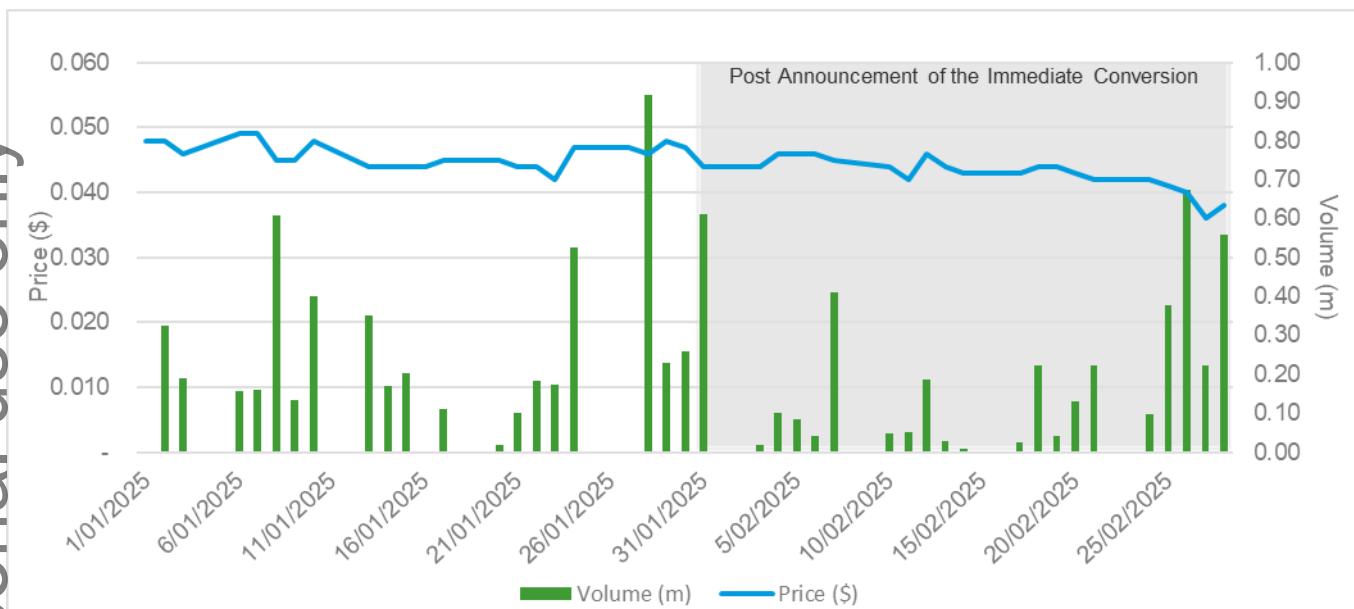
The directors have received a letter from its convertible note investor confirming that it has the ability and intention, if required, to not call upon, or alternatively to convert to equity each convertible notes at their maturity in 12 months from the issue date in the event that such an action jeopardises the availability of working capital of the Group.

These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern."

Given the above, it is evident that there is an ongoing requirement for the Company to continue to raise capital and avoid the requirements to repay current Convertible Note debt.

Response of the market to the announcement of the Committed Conversion

Figure 2 HITIQ share price pre- and post-announcement



Source: S&P Capital IQ and RSM analysis

The Committed Conversion was announced on 31 January 2025, and the figure above sets out the share price and volume of trading in HITIQ shares in the month prior to and following announcement. We have not considered the share price beyond the end of February 2025 on the basis that any subsequent share price movements would be influenced by other announcements made by the Company together with other local and worldwide economic events, including factors such as market volatility resulting from the US tariff announcements.

We note that, as at 31 January 2025, the HITIQ closing share price was \$0.044. The HITIQ share price traded at or around this share price until 24 February 2025 on which date the closing share price was \$0.042, and thereafter, there was a decline in the HITIQ share price to \$0.038 on 28 February 2025.

Based on the above, we consider that the market has not reacted in any meaningful way given that the reduction in the share price on 24 February 2025 may be attributed to other economic factors.

Advantages and disadvantages of approving the Conversion Shares Transaction

In assessing whether Non-Associated Shareholders are likely to be better off if the Conversion Shares Transaction proceeds, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to Non-Associated Shareholders.

The key advantages of the Proposed Transaction are outlined below.

Table 2 Advantages of the Conversion Shares Transaction

Advantage	Details
Immediate reduction in the debt repayment obligations of the Company with the potential to further reduce debt repayment requirements	<p>NBH has committed to convert \$1.6m of the Convertible Notes, plus accrued interest of c. \$349k. Therefore, the Conversion Shares Transaction will result in an immediate \$1.0m reduction in the liabilities and debt repayment obligations of the Company (taking into account that NBH will be able to convert the portion of the Convertible Notes that take it to a 19.9% voting interest in the Company in the absence of approval of the Conversion Shares Transaction which amounts to c. \$933k of the Convertible Notes balance).</p> <p>The Conversion Shares Transaction will also provide NBH the ability to convert the remaining balance of the Convertible Notes and associated accrued interest to equity which may reduce the future debt repayment obligations of the Company, noting that NBH has not committed to any such conversions.</p> <p>As noted previously, the Company is currently loss making and generating significant cash outflows as it implements the development and commercialisation of its intellectual property. In the absence of the Conversion Shares Transaction and conversion of the Convertible Notes, the Company has an immediate obligation to repay the Convertible Notes balance subject to the Committed Conversion, plus accrued interest for the portion of the Convertible Notes and accrued interest that would take Harmil Group's interest in the Company above 19.9%. The remaining Convertible Notes, plus accrued interest will be repayable on 15 December 2026.</p> <p>In such circumstances, the Company is highly likely to require additional debt or equity funding to enable it to have the capacity to repay the Convertible Notes. If such funding was to be raised by issuing new equity, any such equity is likely to be at a discount to the current market price of HITIQ Shares at the time of the equity issue noting that the Placement and Rights Issue have occurred at a 12% discount to the closing HITIQ share price prior to announcement and included the issuance of attaching New Options.</p> <p>We further note that there is no certainty that the Company would be able to raise sufficient debt or equity funding.</p>
Avoidance of default on the Convertible Loan Agreement and triggering of Default Interest Rate	Obtaining shareholder approval for conversion of the Convertible Notes for the purposes of Section 611(7) of the Act, was a condition subsequent to the Convertible Loan Deed, and, therefore, to the extent that the Conversion Shares Transaction is not approved, NBH would have the right to claim a default under the terms of the Convertible Note Deed and the default interest rate of 17.5% could apply rather than the current interest rate of 12.5%, which could result in additional interest expenses to the Company.

Source: RSM Analysis

The key disadvantages of the Proposed Transaction are set below.

Table 3 Disadvantages of the Conversion Shares Transaction

Disadvantage	Details
The Conversion Shares Transaction is not fair	As noted above, we have assessed the Conversion Shares Transaction to be not fair.
Dilution of Non-Associated Shareholders voting power in the Company and potential control	The Conversion Shares Transaction will dilute Non-Associated Shareholders collective voting power from 87.20% to between 73.62% and 46.14%, depending on whether NBH elects to convert some or all of the balance of the Convertible Notes and the pricing at which this occurs.
Implications of the increase in Harmil Group's voting power	<p>Non-Associated Shareholders, will, consequently, have less influence over the future strategic direction of the Company.</p> <p>Non-Associated Shareholders should be aware of the following important thresholds in relation to Harmil Groups voting power.</p> <p>25% voting power or above</p> <p>At 25% voting power or above, Harmil Group will have the ability to block special resolutions of the Company, and also effectively block any takeover offers for the Company.</p> <p>50% voting power or above</p> <p>At 50% voting power or above, Harmil Group will obtain a controlling interest in HITIQ and have the capacity to pass ordinary resolutions (such as election or re-election of directors) without needing any support from Non-Associated Shareholders.</p> <p>Following the Conversion Shares Transaction, Harmil Group will be able to continue to increase its % shareholding in HITIQ under the 'creep' provisions of the Act, whereby it can increase its interest in HITIQ by no more than 3% every six months. Therefore, whilst Harmil Group may not immediately obtain a controlling interest in HITIQ, there is an ability for it to obtain a controlling interest subsequently.</p>
Potential reduction in liquidity in HITIQ shares due to the presence of a single significant shareholder	The existence of a single significant shareholder may be a negative to some potential investors and as a result could result in a reduction in the liquidity of trading of HITIQ Shares and reduced ability for HITIQ shareholders to be able to realise the underlying value of HITIQ Shares in an efficient manner.

Source: RSM Analysis

Alternative proposals and likelihood of an alternative proposal

The directors of HITIQ have advised us that they are not aware of any alternative superior transactions that will enable HITIQ to be able to raise equity funding at the levels within the Convertible Note with superior pricing, noting that the previous Placement and Rights Issue was undertaken at a 12% discount to the closing HITIQ share price prior to announcement and included the issuance of attaching New Options and more recently the Placement announced on 4 December 2025 was undertaken at a discount of 8.3% to the closing share price on 1 December 2025 and also included the issuance of attaching New Options (as compared to the 10% discount within the pricing mechanism of the Convertible Notes).

Conclusion on Reasonableness

We consider that, ignoring our assessment of fairness, the advantages of the Conversion Shares Transaction outweigh the disadvantages of the Conversion Shares Transaction, particularly given the current stage of development of the Company, being in the early stages of commercialisation of its intellectual property, and the ongoing requirement for funding, as evidenced in the audited financial statements of the Company for the year ended 30 June 2025 and the note setting out the material uncertainties in relation to going concern.

Therefore, in the absence of any other relevant information and/or a superior alternative, RSM considers the Proposed Transaction to be **reasonable** to Non-Associated Shareholders.

As noted above, there are a range of outcomes in relation to the actual voting power that the Conversion Shares Transaction could result in Harmil Group obtaining, which will be dependent on the outcome of the future price at which the Future Conversion may occur. We draw to Non-Associated Shareholders' attention that there are specific implications around control, as noted in Table 3, should Harmil Group obtain an interest in HITIQ representing 50% or more of the total shares on issue.

An individual shareholder's opinion in relation to the Proposed Transaction may be influenced by his or her individual circumstances. If in doubt, shareholders should consult an independent advisor.

The Security Deed Transaction

In our opinion, and for the reasons set out in Section 9 and 10 of this report the Security Deed Transaction is **fair and reasonable** for the Shareholders of HITIQ.

We have formed this opinion for the reasons set out below.

Approach

Consistent with the guidelines in RG 111, in assessing whether a related party transaction such as the Security Deed Transaction is fair to Non-Associated Shareholders, the analysis is generally undertaken by assessing and comparing:

- the Fair Value of the benefit received from the related party by the Company; with
- the Fair Value of the consideration provided by the Company for the benefit received.

However, given the nature of the Security Deed Transaction, the above analysis is not feasible and, therefore, when considering the issues facing Non-Associated Shareholders in approving the Security Deed Transaction, we have assessed whether the Security Deed Transaction is fair by considering whether the terms of the Convertible Note, including the provision of the Security Deed is on an arms-length commercial basis, particularly in relation to the associated interest rate charged.

In accordance with RG 111, we have considered whether the Security Deed Transaction is "reasonable" to Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to Non-Associated Shareholders, in their decision as to whether or not to approve the Security Deed Transaction.

Further information on the approach we have employed in assessing whether the Security Deed Transaction is fair and reasonable to Non-Associated Shareholders is set out in Sections 9 and 10 of this report.

Fairness opinion

In assessing whether we consider the Security Deed Transaction to be fair to Non-Associated Shareholders, we have considered whether the terms of the Convertible Note Deed, including the provision of the Security Deed is on an arms-length commercial basis, particularly in relation to the associated interest rate charged.

As set out in Section 9 of this report we have assessed an arm's length interest rate on a secured basis to be in the range of 21.0% to 21.6%. We note that this is higher than the interest rate of 12.5% that applies to the Convertible Notes.

On the basis that the interest rate that will continue to apply to the Convertible Notes of 12.5% is below our assessment of an arm's length commercial rate of 21.0% to 21.6%, have concluded for the purpose of ASX Listing Rule 10.1 that the Security Deed Transaction overall is **fair** to Non-Associated Shareholders.

Reasonableness opinion

RG111 establishes that a Proposed Transaction is reasonable if it is fair. If a Proposed Transaction is not fair it may still be reasonable after considering the specific circumstances applicable to the Proposed Transaction. In our assessment of the reasonableness of the Security Deed Transaction, we have given consideration to other commercial advantages and disadvantages to Non-Associated Shareholders as a consequence of the Security Deed Transaction proceeding.

Advantages and disadvantages of approving the Security Deed Transaction

In assessing whether Non-Associated Shareholders are likely to be better off if the Security Deed Transaction proceeds, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to Non-Associated Shareholders.

The key advantages of the Security Deed Transaction are:

Table 4 Advantages of the Security Deed Transaction

Advantage	Details
The Security Deed Transaction is Fair	We have assessed the Security Deed Transaction as fair.
Avoidance of default on the Convertible Loan Agreement and triggering of Default Interest Rate	Obtaining shareholder approval for entering into the general security deed under ASX LR10.1, was a condition subsequent to the Convertible Loan Deed, and, therefore, to the extent that the Security Deed Transaction is not approved, NBH would have the right to claim a default under the terms of the Convertible Note Deed and the default interest rate of 17.5% would apply rather than the current interest rate of 12.5%, which could result in additional interest expenses to the Company.

Source: RSM Analysis

The key disadvantage of the Security Deed Transaction is:

Table 5 Disadvantage of the Security Deed Transaction

Disadvantage	Details
Existence of security may inhibit ability to raise alternative subordinated debt or increase costs of alternative subordinated debt	The general security deed will provide a floating charge over all revolving assets of the Company and a fixed charge over all other collateral and will take priority over any other creditors (other than where a creditor is mandatorily preferred by law). The existence of the security and the priority may make it more difficult for the Company to obtain alternative debt funding or may increase the interest rate that a lender will require on any debt lending to account for the increased risk of being a subordinate lender to NBH.

Source: RSM Analysis

Conclusion on Reasonableness

In our opinion, the position of Non-Associated Shareholders if the Security Deed Transaction is approved is more advantageous than the position if it is not approved. Therefore, in the absence of any other relevant information, we consider that the Security Deed Transaction is **reasonable** for Non-Associated Shareholders.

An individual shareholder's opinion in relation to the Proposed Transaction may be influenced by their individual circumstances. If in doubt, shareholders should consult an independent advisor.

The Specific Security Transaction

In our opinion, and for the reasons set out in Section 11 and 12 of this report the Specific Security Transaction is **fair and reasonable** for the Shareholders of HITIQ.

We have formed this opinion for the reasons set out below.

Approach

Consistent with the guidelines in RG 111, in assessing whether a related party transaction such as the Specific Security Transaction is fair to Non-Associated Shareholders, the analysis is generally undertaken by assessing and comparing:

- the Fair Value of the benefit received from the related party by the Company; with
- the Fair Value of the consideration provided by the Company for the benefit received.

However, given the nature of the Specific Security Transaction, the above analysis is not feasible and, therefore, when considering the issues facing Non-Associated Shareholders in approving the Specific Security Transaction, we have assessed whether the Specific Security Transaction is fair by considering whether the terms of the Secured Loan, including the provision of a Security Interest over the Company's future rights to R&D Incentive Refunds for eligible R&D expenditure during the 30 June 2026 financial year is on an arms-length commercial basis, particularly in relation to the associated interest rate charged.

In accordance with RG 111, we have considered whether the Specific Security Transaction is "reasonable" to Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to Non-Associated Shareholders, in their decision as to whether or not to approve the Specific Security Transaction.

Further information on the approach we have employed in assessing whether the Specific Security Transaction is fair and reasonable to Non-Associated Shareholders is set out in Sections 11 and 12 of this report.

Fairness opinion

In assessing whether we consider the Specific Security Transaction to be fair to Non-Associated Shareholders, we have considered whether the terms of the Secured Loan, including the provision of a Security Interest over the Company's future rights to R&D Incentive Refunds for eligible R&D expenditure during the 30 June 2026 financial year is on an arms-length commercial basis, particularly in relation to the associated interest rate charged.

As set out in Section 9 of this report we have assessed an arm's length interest rate of comparable R&D loans based on benchmarking undertaken of similar R&D loan facilities to be in the range of 15.0% to 17.0%. We note that this is higher than the interest rate of 12.0% that applies to the Secured Loan.

On the basis that the interest rate that applies to the Secured Loan of 12.0% is below our assessment of an arm's length commercial rate of 15.0% to 17.0%, have concluded for the purpose of ASX Listing Rule 10.1 that the Specific Security Transaction overall is **fair** to Non-Associated Shareholders.

For personal use only

Reasonableness opinion

RG111 establishes that a Proposed Transaction is reasonable if it is fair. If a Proposed Transaction is not fair it may still be reasonable after considering the specific circumstances applicable to the Proposed Transaction. In our assessment of the reasonableness of the Specific Security Transaction, we have given consideration to other commercial advantages and disadvantages to Non-Associated Shareholders as a consequence of the Specific Security Transaction proceeding.

Advantages and disadvantages of approving the Specific Security Transaction

In assessing whether Non-Associated Shareholders are likely to be better off if the Specific Security Transaction proceeds, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to Non-Associated Shareholders.

The key advantages of the Specific Security Transaction are:

Table 6 Advantages of the Specific Security Transaction

Advantage	Details
The Specific Security Transaction is fair	We have assessed the Security Deed Transaction as fair.
Avoidance of default on the Secured Loan Agreement	<p>Failure to enter into the specific security agreement could be deemed a default event under the Secured Loan agreement which would give NBH the right to require repayment of all outstanding monies and refuse any further drawdowns under the agreement.</p> <p>If HITIQ is required to repay the loan or is unable to draw down the balance of the facility over the period of the loan, HITIQ will likely need to source alternative sources of finance either through alternative debt or equity. There is no guarantee that an alternative source of finance will be available or will be sourced on comparable terms to the Secured Loan.</p>

Source: RSM Analysis

The key disadvantage of the Security Deed Transaction is:

Table 7 Disadvantage of the Security Deed Transaction

Disadvantage	Details
Existence of security may inhibit ability to raise alternative subordinated debt or increase costs of alternative subordinated debt	The existence of the specific security over the rights to the future R&D tax incentive refund may make it more difficult for the Company to obtain alternative debt funding or may increase the interest rate that a lender will require on any debt lending to account for the increased risk due to the lower level of assets available for securitisation.

Source: RSM Analysis

Conclusion on Reasonableness

In our opinion, the position of Non-Associated Shareholders if the Specific Security Transaction is approved is more advantageous than the position if it is not approved. Therefore, in the absence of any other relevant information, we consider that the Specific Security Deed Transaction is **reasonable** for Non-Associated Shareholders.

An individual shareholder's opinion in relation to the Proposed Transaction may be influenced by their individual circumstances. If in doubt, shareholders should consult an independent advisor.

General

This Report represents general financial product advice only and has been prepared without taking into consideration the individual circumstances of Non-Associated Shareholders.

The ultimate decision whether to approve each of the Proposed Transactions should be based on each of Non-Associated Shareholders' assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations of future market conditions.

Non-Associated Shareholders should read and have regard to the contents of the Notice of General Meeting and Explanatory Statement

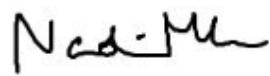
Non-Associated Shareholders who are in doubt as to the action they should take with regard to each of the Proposed Transactions and the matters dealt with in this Report, should seek independent professional advice. This summary should be considered in conjunction with the detail contained in the following sections of this Report.

Yours faithfully,

RSM CORPORATE AUSTRALIA PTY LTD



Andrew Clifford
Partner – Corporate Finance



Nadine Marke
Partner – Corporate Finance

For personal use only

Contents

Financial Services Guide.....	2
Independent Expert's Report.....	4
1. Summary of the Proposed Transactions.....	19
2. Scope of the Report	24
3. Profile of HITIQ Limited.....	27
4. Valuation Approach.....	36
5. Valuation of a HITIQ Share prior to the Proposed Transactions	38
6. Valuation Summary of a HITIQ Share immediately after the Conversion Shares Transaction.....	44
7. Is the Conversion Shares Transaction Fair to Non-Associated Shareholders?.....	46
8. Is the Conversion Shares Transaction Reasonable to Non-Associated Shareholders?.....	48
9. Is the Security Deed Transaction Fair to Non-Associated Shareholders?	53
10. Is the Security Deed Transaction Reasonable to Non-Associated Shareholders?.....	55
11. Is the Specific Security Transaction Fair to Non-Associated Shareholders?	56
12. Is the Specific Security Transaction Reasonable to Non-Associated Shareholders?.....	57
A. Declarations and Disclaimers.....	59
B. Sources of Information.....	60
C. Glossary of Terms and Abbreviations	61
D. Assessment of impact on Fair Value of the potential dilutive impact of HITIQ Options	64
E. Industry Overview	67

For personal use only

1. Summary of the Proposed Transactions

1.1 Overview of the Convertible Notes

1,600,000 Convertible Notes with a face value of \$1 each were issued to NBH or NBH's nominee on 17 May 2024, in accordance with a convertible loan deed dated 17 May 2024. As announced by HITIQ to the ASX on 17 October 2024, the facility was extended by a further 12 months and increased by \$3,000,000 to \$4,600,000 and ultimately, whilst inconsistent with the ASX announcement on 17 October 2024, increased to \$4,700,000, through the issuance of an additional 3,100,000 Convertible Notes with a face value of \$1 each. The repayment date of the facility was subsequently amended to 15 December 2026 for Convertible Notes on issue not subject to the Committed Conversion and 15 December 2025 for Convertible Notes on issue subject to the Committed Conversion.

The issuance of the Convertible Notes was subsequently ratified by HITIQ shareholders pursuant to ASX Listing Rule 7.1 on 27 November 2024.

NBH's nominee, Harmil, holds the Convertible Notes.

The key terms of the Convertible Notes are summarised in the table below.

Table 8 Convertible Note terms summary

Term	Details
Number of notes issued	4,700,000
Face Value	\$4,700,000
Interest Rate	12.5% per annum, capitalised on a daily basis, repayable on the repayment date, unless converted
Default Interest Rate	17.5% per annum
Repayment Date	12 months from the date of drawdown. This was subsequently amended to now be 15 December 2026 for Convertible Notes on issue not subject to the Committed Conversion, 15 December 2025 for Convertible Notes on issue subject to the Committed Conversion (noting this has now expired and these Convertible Notes are now due and repayable on demand).
Conversion Price	90% of the volume weighted average price of the Shares traded on the ASX over the 7 trading days prior to conversion.
Relevant Conditions Subsequent	<p>HITIQ to secure shareholder approval for the issue of conversion shares for the purposes of Listing Rule 7.1 and Chapter 6 of the Corporations Act within 6 months of the Drawdown Date.</p> <p>HITIQ to secure shareholder approval in relation to entry into a General Security Deed for the purpose of Listing Rule 10.1 and, if applicable, section 206B of the Act, within 2 months from the Drawdown Date.</p> <p>The timing for these conditions was subsequently amended to no later than 30 November 2024.</p>

Source: Convertible Note Loan Deed and restated Convertible Note Loan Deed

The remainder of the face value of the Convertible Notes of \$3,100,000 plus accrued interest of up to \$627,315² may be converted, subject to shareholder approval under Resolution 1, as part of the Future Conversion. However, as at the date of this Report, NBH has made no commitment in relation to conversion of this balance.

We also understand that, whilst the Conditions Subsequent in relation to the General Security Deed as outlined above were not fulfilled within the specified time frame, Harmil has not deemed this to be a Default Event in accordance with the terms of the Convertible Note and, therefore, the higher default interest rate has currently not been applied.

1.2 Summary of the Committed Conversion

As set out in the ASX announcement made by HITIQ on 31 January 2025 ("Noteholder to Convert \$1.6m of Notes and Issue of Shares to Advisors for Services Provided"), HITIQ received notification from Harmil of its intention to convert its initial convertible note of \$1.6m plus accrued interest, into ordinary shares of the Company, subject to shareholder approval, with a written conversion notice provided on 8 October 2024.

²Calculated accrued interest to 15 December 2026

Application of the conversion price formula within the terms of the Convertible Note as at 7 October 2024 resulted in a conversion price equating to \$0.016 per Share. Harmil subsequently advised the Board of HITIQ that it would agree to a conversion price of \$0.02 per Share, representing a 25% premium to the calculated conversion price.

1.3 Summary of the Future Conversion

Following the Committed Conversion, \$3,100,000 of Convertible Notes plus related accrued interest will remain outstanding and if the Conversion Transaction is approved, Harmil will have the capacity to convert the remaining balance into HITIQ Shares based on the conversion price formula, being 90% of the VWAP of the Shares traded on the ASX over the 7 trading days prior to conversion.

Harmil has made no commitment as to whether it will convert the balance into Shares.

Should Harmil elect to convert the remaining balance into Shares, the number of Shares issued will be dependent on the VWAP of the Shares traded on the ASX over the 7 trading days prior to conversion. However, the maximum number of Shares that may be issued will be limited to a maximum of 372,731,520 Shares based on the approval being sought within Resolution 1.

1.4 Details of the General Security Deed

As noted in Table 8, granting of a General Security Deed was a condition subsequent to the terms of the convertible loan deed, and in accordance with the terms of the convertible loan deed, needed to be approved within 2 months of the drawdown date, with this timing subsequently amended to be no later than 30 November 2024.

Therefore, approval in relation to entry into a General Security Deed for the purpose of Listing Rule 10.1 is being sought under the Security Deed Transaction to fulfil the condition subsequent. We understand that NBH has not deemed the General Security Deed not being granted within the timeframe set out in the convertible loan agreement as a Default Event in accordance with the terms of the Convertible Note Deed and, therefore, the higher default interest rate has not been applied. However, NBH would have the right to deem a Default Event should the General Security Deed not be granted.

Key terms of the General Security Deed are:

- the deed will grant a security interest over the present and after acquired property of HITIQ, wherever situated;
- the security will be represented by a floating charge over revolving assets (such as inventory, and cash), and a fixed charge over all other assets;
- the security deed will create a security interest that takes priority over any encumbrance on the secured assets (other than any encumbrance which is mandatorily preferred by law or as agreed by NBH in writing); and
- the security deed operates as a continuing security until the convertible notes are fully settled or NBH otherwise releases HITIQ from the security.

1.5 Details of the Specific Security Transaction

As announced by HITIQ on 29 September 2025, HITIQ has entered into a new \$1.4m loan facility with NBH ("the Secured Loan"). An initial drawdown of \$480,000 has been completed under the facility.

The key terms of the facility are:

- Loan amount - \$1.4m
- Maturity Date – 365 days from the date of the agreement
- Interest rate 12% per annum
- Application Fee - \$5,500 (including GST).

A condition of the agreement is that HITIQ and NBH enter into a specific security agreement whereby NBH will be granted a Security Interest over the Company's future rights to R&D Incentive Refunds for eligible R&D expenditure during the 30 June 2026.

Failure to enter into the specific security agreement could be deemed a default event under the Secured Loan agreement which would give NBH the right to require repayment of all outstanding monies and refuse any further drawdowns under the agreement.

1.6 Rationale for the Proposed Transactions

The Convertible Note and Secured Loan funding provided by NBH and Harmil was obtained to assist in financing:

- the build of HITIQ's production and manufacturing capability and purchase of inventory to meet expected demand;
- increase of sales and marketing capabilities;
- acceleration of global commercialisation efforts; and
- general working capital.

Approval of the ability for NBH to convert the Convertible Notes in HITIQ shares will result in the Company avoiding the obligation to repay via cash \$1.0m, being the balance that NBH has committed to convert via the Committed Conversion of \$1.95m less \$0.93m of the balance that that can be converted in the absence of Shareholder approval to take Harmil Group's interest in the Company to 19.9%, and potentially a further \$3.73m of the remaining balance, including accrued interest to 31 December 2026, should NBH elect to convert the remaining balance.

HITIQ is still in the early stages of commercialisation effort and is not yet generating positive cash inflows and still requires funding to further develop its operations with this currently being fulfilled through the proposed rights issue as summarised below. Therefore, in the absence of conversion of the Convertible Notes, HITIQ will need to find an alternative source of funding to repay the balance owing on the Convertible Notes.

As announced on 1 May 2025, the Company has been able to raise capital of \$680,000 before costs from new strategic, sophisticated investors at \$0.022 per Share ("the Placement and Rights Issue") (with 1 option ("New Option")³ to be issued for every 2 shares issued as part of the Placement). We note that the Placement has occurred at a discount of 12% to the closing price just prior to the placement on 24 April 2025 and, therefore was at a slightly higher discount than the discount applicable to the conversion price.

The Company has subsequently raised \$1.4m on the same terms under a partially underwritten rights issue and subsequent shortfall offer and \$0.25m under the same terms from a placement as announced on 29 September 2025 and \$900,000 under the same terms from a placement as announced on 4 December 2025.

1.7 Impact of the Conversion Shares Transaction on HITIQ's Capital Structure

The impact of the Conversion Shares Transaction and the overall interest that the Harmil Group will have following the Conversion Shares Transaction will be dependent on whether Harmil elects to convert the remaining \$3,100,000 balance of the convertible notes plus accrued interest, and, if converted, the price at which the notes are converted.

³ New Options have an exercise price of \$0.022 per Share and are exercisable at any time prior to 30 December 2028.

We have, therefore, set out in the table below a summary of:

- the capital structure of HITIQ prior to the Conversion Shares Transaction; and
- the potential capital structure of HITIQ following completion of the Conversion Shares Transaction under the following scenarios:
 - Scenario 1 – only the Committed Conversion occurs;
 - Scenario 2 – the Committed Conversion occurs and Harmil elects to convert the remaining \$3,100,000 balance and associated interest as at 15 December 2025 of the Convertible Notes at a conversion price of \$0.02 per share, and
 - Scenario 3 – the Committed Conversion occurs and Harmil elects to convert the remaining \$3,100,000 balance of the Convertible Notes associated interest as at 15 December 2025 at a conversion price of \$0.01 per share;

Table 9 HITIQ capital structure prior to the Conversion Shares Transaction and immediately after the Conversion Shares Transaction

	Number of Shares	%	Number of Options
HITIQ capital structure at the date of this Report			
Harmil	63,653,642	12.05%	-
Matthew Clayworth	3,953,394	0.75%	928,573
Harmil Group	67,607,036	12.80%	928,573
Other shareholders	460,684,519	87.20%	74,885,544
Total	528,291,555	100.0%	75,814,117
Scenario 1			
HITIQ immediately following the Placement and the Conversion Shares Transaction			
Harmil	161,128,604	25.75%	-
Matthew Clayworth	3,953,394	0.63%	928,573
Harmil Group	165,081,998	26.38%	928,573
Other shareholders	460,684,519	73.62%	74,885,544
Total	625,766,517	100.0%	75,814,117
Scenario 2			
HITIQ immediately following the Placement and the Conversion Shares Transaction			
Harmil	347,494,364	42.79%	-
Matthew Clayworth	3,953,394	0.49%	928,573
Harmil Group	351,447,758	43.27%	928,573
Other shareholders	460,684,519	56.73%	74,885,544
Total	812,132,277	100.0%	75,814,117
Scenario 3			
HITIQ immediately following the Placement and the Conversion Shares Transaction			
Harmil	533,860,124	53.86%	-
Matthew Clayworth	3,953,394	0.40%	928,573
Harmil Group	537,813,518	53.86%	928,573
Other shareholders	460,684,519	46.14%	74,885,544
Total	998,498,037	100.0%	75,814,117

Source: RSM Calculations

As noted above, on an undiluted basis prior to the Conversion Shares Transaction, Non-Associated Shareholders' have an 87.20% interest in the Company, and Harmil Group holds a 12.80% interest in the Company.

Following completion of the Conversion Shares Transaction, Harmil Group may hold a maximum interest in the Shares of the Company of 53.86%. We note that under the various scenarios presented, depending on the various factors noted, Harmil Group's interest in the Shares of the Company may be as low as 26.38% and may also ultimately be anywhere within the range of 26.38% to 53.86%.

Harmil Group's interest in the Company may subsequently be further diluted by the future exercise of options by Non-Associated Shareholders.

We note that Harmil Group holds 0.9m options (exercisable at \$0.022 and expiring on 30 December 2028) in the Company prior to the Conversion Shares transaction. To the extent that Harmil Group has an interest in the Company of over 20% of the issued share capital in the Company, exercise of these options will be restricted by the takeover provisions under Section 611 of the Act, such that exercise would either need shareholder approval, or may be exempt under the 'creep' provisions whereby Harmil Group may increase its shareholding by up to 3% in any 6 month period.

For personal use only

2. Scope of the Report

2.1 Purpose of this Report

The Conversion Shares Transaction – Section 606 of the Act

Section 606 of the Act prohibits a person from acquiring a relevant interest in the issued voting shares of a public company if the acquisition results in that person's voting interest in the company increasing from a starting point that is below 20% to an interest that is above 20%.

As at the date of this Report, the Harmil Group holds 67,607,036 HITIQ Shares, which equates to 12.80% of the Shares on issue. The approval sought under Resolution 1 is for the issue of a maximum of 470,206,482 Shares, with Harmil having committed to convert 1,600,000 Convertible Notes (face value of \$1.6m) together with associated capitalised interest to 15 December 2025 of c. \$349k, through the issuance of 97,474,962 Shares at a deemed conversion price of \$0.02 per Share. As a result, the Harmil Group will increase its holding to a maximum of 53.86% of the Shares on issue (noting that the exact number of shares that may ultimately be issued to Harmil is dependent on the quantum of the remaining Convertible Notes balance converted and future share price movements and, therefore, may be less, or the maximum amount of Shares approved for issuance may not be sufficient to fully convert the outstanding balance of the Convertible Notes).

Under item 7 of section 611 of the Act, the prohibition contained in Section 606 does not apply if the acquisition has been approved by Non-Associated Shareholders of the Company. Accordingly, the Company is seeking approval from Non-Associated Shareholders for Resolution 1 under item 7 of section 611 of the Act.

The Security Deed Transaction – ASX Listing Rules

Chapter 10 of the ASX Listing Rules contains certain provisions in relation to transactions between a company and "persons in a position of influence". Listing Rule 10.1 provides that a listed entity must not acquire or dispose of a "substantial asset" from or to a related party, a substantial holder, an associate to any of those persons or any person whose relationship is to the listed entity, without the approval of holders of the listed entity's ordinary securities. Provision of an asset as collateral is deemed as a disposal under the ASX Listing Rules definitions. NBH, being an associate of Harmil, is a related party under Chapter 10 of the ASX Listing Rules.

An asset is considered substantial "if its value; or the value of the consideration for it is, or in the ASX's opinion is, 5% or more of the equity interests of the entity as set out in the latest accounts given to the ASX." Under the Proposed Transaction, as a General Security Deed is being provided, all of the assets of the Company are being provided as security against the outstanding balance of the Convertible Notes. Accordingly, the Company is seeking approval from Non-Associated Shareholders for Resolution 2 under ASX Listing Rule 10.1.

ASX Listing Rule 10.5.10 sets out the requirement for the inclusion of an independent expert's report opining on whether the transaction is fair and reasonable.

The Specific Security Transaction – ASX Listing Rules

Under the Specific Security Transaction, security is being provided over the Company's future rights to R&D Incentive Refunds for eligible R&D expenditure, with the forecast 2026 R&D Incentive Refunds expected to exceed 5% of the equity interests of the Company as set out in the Company's 30 June 2025 financial statements. Accordingly, the Company is seeking approval from Non-Associated Shareholders for Resolution 3 under ASX Listing Rule 10.1.

ASX Listing Rule 10.5.10 sets out the requirement for the inclusion of an independent expert's report opining on whether the transaction is fair and reasonable.

2.2 Regulatory guidance

In assessing whether the Proposed Transaction is "fair" and "reasonable", we have given regard to the views expressed by the Australian Securities and Investments Commission ("ASIC") in RG 111.

RG 111 provides ASIC's views on how an expert can help security holders make informed decisions about transactions. Specifically, it gives guidance to experts on how to evaluate whether or not a proposed transaction is fair and reasonable.

RG 111 states that the expert's report should focus on:

- the issues facing the security holders for whom the report is being prepared; and
- the substance of the transaction rather than the legal mechanism used to achieve it.

RG 111 applied the "fair and reasonable" test as two distinct criteria in the circumstance of a takeover offer, stating:

- a takeover offer is considered "fair" if the value of the offer price or consideration is equal to or greater than the value of the securities that are the subject of the offer; and
- a takeover is considered "reasonable" if it is fair, or where the offer is "not fair" it may still be "reasonable" if the expert believes that there are sufficient reasons for security holders to accept the offer.

2.3 Adopted basis of evaluation

The Conversion Shares Transaction

We note that the Conversion Shares Transaction comprises of two distinct elements being:

- approval of the Committed Conversion of 1,600,000 Convertible Notes (face value of \$1.6m) together with associated capitalised interest up to 15 December 2025 of c. \$349k, through the issuance of 97,474,962 Shares at a deemed conversion price of \$0.02 per Share; and
- approval of the future issuance of up to 372,731,520 Shares as settlement or part settlement of the balance of the Convertible Notes and associated accrued interest, noting that the conversion price will be based on the future VWAP of HITIQ Shares at the time of conversion based on the Convertible Note terms.

Therefore, consistent with the guidance set out in RG 111, we have considered whether the Conversion Shares Transaction is "fair" to Non-Associated Shareholders by separately assessing each of the above elements.

In relation to the Committed Conversion and issuance of 97,474,962 Shares we have considered fairness by assessing and comparing:

- the Fair Value of a HITIQ Share on a controlling basis prior to the Conversion Shares Conversion; with
- the Fair Value of a HITIQ Share immediately following the Committed Conversion.

Our assessment of the Fair Value of a HITIQ Share has been prepared on the following basis:

"the value that should be agreed in a hypothetical transaction between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, acting at arm's length".

In relation to the future issuance of up to 372,731,520 Shares as settlement of the balance of the Convertible Notes and associated accrued interest, we have considered fairness by considering whether the conversion price mechanism within the terms of the Convertible Notes provides a control premium to Non-Associated Shareholders in line with the Conversion Shares Transaction being considered as a control transaction in accordance with RG111.

In accordance with RG 111, we have considered whether the Conversion Shares Transaction is "reasonable" to Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to Non-Associated Shareholders, in their decision as to whether or not to approve the Conversion Shares Transaction including:

- the future prospects of HITIQ if the Conversion Shares Transaction does not proceed;
- other commercial advantages and disadvantages to Non-Associated Shareholders as a consequence of the Conversion Shares Transaction proceeding;
- trading in HITIQ Shares following announcement of the Committed Conversion;
- any alternative proposals and the likelihood of an alternative proposal.

Our assessment of the Conversion Shares Transaction is based on economic, market and other conditions prevailing at the date of this Report.

The Security Deed Transaction

Consistent with the guidelines in RG 111, in assessing whether a related party transaction such as the Security Deed Transaction is fair to Non-Associated Shareholders, the analysis is generally undertaken by assessing and comparing:

- the Fair Value of the benefit received from the related party by the Company; with
- the Fair Value of the consideration provided by the Company for the benefit received.

However, given the nature of the Security Deed Transaction, the above analysis is not feasible and, therefore, when considering the issues facing Non-Associated Shareholders in approving the Security Deed Transaction, we have assessed whether the Security Deed Transaction is fair by considering whether the terms of the Convertible Note, including the provision of the Security Deed is on an arms-length commercial basis, or better, particularly in relation to the associated interest rate charged.

In accordance with RG 111, we have considered whether the Security Deed Transaction is "reasonable" to Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to Non-Associated Shareholders, in their decision as to whether or not to approve the Security Deed Transaction.

The Specific Security Transaction

Consistent with the guidelines in RG 111, in assessing whether a related party transaction such as the Specific Security Transaction is fair to Non-Associated Shareholders, the analysis is generally undertaken by assessing and comparing:

- the Fair Value of the benefit received from the related party by the Company; with
- the Fair Value of the consideration provided by the Company for the benefit received.

However, given the nature of the Specific Security Transaction, the above analysis is not feasible and, therefore, when considering the issues facing Non-Associated Shareholders in approving the Specific Security Transaction, we have assessed whether the Specific Security Transaction is fair by considering whether the terms of the Secured Loan, including the provision of a Security Interest over the Company's future rights to R&D Incentive Refunds for eligible R&D expenditure during the 30 June 2026 financial year is on an arms-length commercial basis, particularly in relation to the associated interest rate charged.

In accordance with RG 111, we have considered whether the Specific Security Transaction is "reasonable" to Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to Non-Associated Shareholders, in their decision as to whether or not to approve the Specific Security Transaction.

For personal use only

3. Profile of HITIQ Limited

3.1 Background

Incorporated in 2015 and headquartered in South Melbourne, Victoria, Australia, HITIQ, together with its subsidiaries, engages in the development and commercialisation of concussion management technology and software. HITIQ was listed on the ASX in June 2021.

HITIQ's main products include:

Table 10 HITIQ key product description

Product	Description
HITIQ PROTEQT Smart Mouthguard	A consumer-grade mouthguard embedded with advanced sensors that detect and record head impact events in real time. It provides rapid insights into potential concussive events, helping athletes and coaches make informed decisions to reduce the risk of undetected head trauma
HITIQ Nexus Smart Mouthguard	A high-performance, elite-level mouthguard with a custom fit and embedded Nexus A9 sensor. It captures detailed data on the frequency, location, and intensity of head impacts. Data is uploaded to the Nexus Portal for analysis, helping teams monitor trends and proactively manage player safety.
CSX	A sideline concussion assessment tool designed for ease of use. It digitises concussion evaluations and stores them in a secure platform, enabling seamless sharing with medical professionals, families, and sports organisations to ensure coordinated care.
CoVR	A virtual reality-based cognitive and oculomotor assessment platform. It immerses users in tasks that test processing speed, memory, and decision-making, offering a comprehensive view of cognitive function post-impact.
ConneQt	An integrated ecosystem that connects athletes, caregivers, and team administrators with medical professionals. It includes a telehealth service specialising in concussion treatment and supports ongoing care and return-to-play decisions.

Source: HITIQ website, RSM research

3.2 Legal structure

The table below summarises HITIQ's subsidiaries.

Table 11 HITIQ subsidiary summary

Subsidiary name	Country of incorporation	Ownership interest	Notes
HITIQ Limited (USA)	United States	100%	U.S.-based subsidiary, focused on North American operations.
CSX Limited	New Zealand	100%	Acquired entity, integrated into HITIQ's concussion management platform.

Source: HITIQ Financial Statements

3.3 Directors and management

The directors of HITIQ are summarised in the table below.

Table 12 HITIQ Directors

Name	Title	Experience
Earl Eddings	Managing Director & CEO	<p>Mr Eddings has a wealth of high-level board experience having previously serving as an independent non-executive director of ASX listed sports technology company, MSL Solutions, from April 2019 until its acquisition by Pemba Capital Partners in April 2023.</p> <p>Mr Eddings was Chairman and Director of Cricket Australia from 2008-2021, Director of Cricket Victoria from 2006-2015 and held the position of Deputy Chairman from 2008-2015. Mr Eddings was also Director of the Kerry Packer Foundation and Director of the International Cricket Council.</p> <p>Mr Eddings is a Fellow of the Governance Institute of Australia and Graduate of the AICD. Previously he was Managing Director for WSP Asia Pacific and Managing Director of ASX-listed Greencap before selling to Wesfarmers.</p>
Philip Carulli	Non-Executive Director	<p>Philip Carulli is a Chartered Accountant and managing director of Optima Financial Group Pty Ltd, where he provides financial, taxation and corporate advisory services to a diverse range of businesses. Over the past 25 years Mr Carulli has owned, managed and consulted to companies in professional services, construction, technology, medical, and industrial sectors, to name a few.</p> <p>Philip Carulli holds a Bachelor of Business and holds a Certificate of Public Practice. Philip has been working with the company since incorporation in the capacity of financial controller and former company secretary.</p>
Matthew Clayworth	Non-Executive Director	<p>Mr Clayworth is a Senior Investment Advisor with Wilson's Advisory, with over 20 years' experience in Financial Markets. Previous roles include working for Deutsche Bank, Citi Smith Barney and Morgan Stanley as Vice President in Private Wealth. Matthew holds a Bachelor of Commerce from the University of Queensland and a Graduate Diploma in Applied Finance and Investment.</p> <p>Mr Clayworth is currently a director of DHD Surf and a co-founder and director of Smart AI Connect.</p>
James Barrie	Non-Executive Director & Company Secretary	<p>Mr James Barrie is a professional director and company secretary. He was appointed HITIQ company secretary on 1 July 2023 and a Non-Executive Director on 23 February 2024.</p> <p>His strength and expertise are driven by his extensive career and background across various industry sectors, from start-ups to the ASX 20.</p> <p>Mr Barrie provides the HITIQ Board independent advice and expertise across various governance and corporate responsibility requirements required by an ASX-listed company. Mr Barrie's skills include corporate governance, share registry, employment plans, treasury, capital management, accounting, commercial analysis, mergers and acquisitions, strategy, stakeholder relations and business development.</p> <p>Mr Barrie is also the company secretary and/or a director of several other ASX, NSX or unlisted companies.</p>

For personal use only

Name	Title	Experience
Jennifer Tucker	Non-Executive Director	<p>Jennifer Tucker has over two decades of senior executive experience in the retail and branded consumer goods sector, combined with a proven track record in governance through her non-executive director roles in the not-for-profit and corporate sectors. Ms Tucker's expertise spans strategic planning, brand and product development, marketing and sales planning, as well as manufacturing and supply chain logistics across a number of consumer-focused industries.</p> <p>Currently, Ms. Tucker serves as a Non-Executive Director with Coronary Artery Disease Frontiers, the National Heart Foundation, and Cranky Health.</p> <p>Prior executive roles include Director of Merchandise for Bunnings, where she oversaw the development and implementation of the merchandise strategy across all departments for Bunnings Australia and New Zealand, and Executive General Manager at DuluxGroup, where she led the Yates division across Australia, New Zealand, and export markets</p>

For personal use only

Source: HITIQ Financial Statements and ASX Announcements

3.4 Financial information

The information in the following section provides a summary of the financial performance of HITIQ for the financial years ended 30 June 2022 ("FY22"), 30 June 2023 ("FY23"), 30 June 2024 ("FY24"), and 30 June 2025 ("FY25") (collectively the "Historical Period"), extracted from the audited financial statements of HITIQ.

The auditors of HITIQ, William Buck Audit (Vic) Pty Ltd, provided an unmodified opinion on the financial statements for the year ended 30 June 2024 and the year ended 30 June 2025.

3.5 Financial performance

The following table sets out a summary of the financial performance of HITIQ for the financial years FY22, FY23, FY24 and FY25.

Table 13 HITIQ historical financial performance

\$'000	FY22	FY23	FY24	FY25
Revenue	1,637	3,000	4,749	2,015
Interest income	12	19	17	5
Release of deferred consideration	-	250	-	-
Total income	1,650	3,269	4,766	2,020
Expenses				
Employee benefits expense	(4,302)	(4,794)	(4,414)	(4,193)
Research and testing	(1,769)	(855)	(636)	(1,124)
Administration	(581)	(808)	(1,162)	(942)
Marketing	(144)	(204)	(180)	(273)
Consultancy fees	(868)	(658)	(564)	(575)
Accountancy and secretarial fees	(102)	(136)	(72)	(92)
Auditor's remuneration	(65)	(38)	(61)	(75)
Occupancy	(123)	(298)	(219)	(31)
Finance costs	(35)	(192)	(261)	(1,005)
Share based payment expense	(238)	210	-	(474)
Depreciation and amortisation expense	(369)	(532)	(401)	(448)
Loss before income tax expense	(6,947)	(5,037)	(3,205)	(7,212)
Income tax expense	-	-	-	-
Loss after income tax expense for the year attributable to the owners of HITIQ Limited	(6,947)	(5,037)	(3,205)	(7,212)

Source: HITIQ audited financial statements for FY23, FY24 and FY25

We note the following in relation to HITIQ historical financial performance:

- HITIQ disclosed a loss after tax of \$6.9m, \$5.0m, \$3.2m and \$7.2m in FY22, FY23, FY24 and FY25, respectively.
- Revenue comprises of sales from contracts with customers related to the sale of HITIQ products and services and research and development incentive refunds as summarised in the table below.

Table 14 HITIQ revenue breakdown

\$'000	FY22	FY23	FY24	FY25
Revenue from contracts with customers	612	774	1,123	673
Research and development incentive refunds	1,025	2,226	3,626	1,342
	1,637	3,000	4,749	2,015

Source: HITIQ audited financial statements for FY23, FY24 and FY25

- Revenue from contracts with customers has shown growth of 26.4% and 45.0% in FY23 and FY24, respectively. In FY25, revenue from contracts with customers decreased by 40.0%.

- Research and development incentive refunds have increased over the Historical Period reflecting the Company's increased investment in the development of its concussion measurement and treatment technology, with the claims peaking in FY24.
- The Company's main expenditure relates to wages and salary expenses, which have remained relatively consistent at between \$4.2m and \$4.8m per annum. A large proportion of these wages and salary expenses relates to research and development activities.
- Other overheads have increased generally in line with cost inflation over the Historical Period.

3.6 Financial position

The table below sets out a summary of the financial positions of HITIQ as at 30 June 2023, 30 June 2024, and 30 June 2025.

Table 15 HITIQ historical financial position

\$'000	As at 30-Jun-23	As at 30-Jun-24	As at 30-Jun-25
Assets			
Current assets			
Cash and cash equivalents	1,979	584	991
Trade and other receivables	152	2,194	1,809
Prepayments	123	81	27
Rental deposit	52	27	27
Total current assets	2,306	2,886	2,855
Non-current assets			
Property, plant and equipment	112	85	73
Right of use asset	-	365	232
Intangibles	712	391	117
Total non-current assets	823	841	422
Total assets	3,129	3,728	3,276
Liabilities			
Current liabilities			
Trade and other payables	699	1,046	1,146
Contract liabilities	297	430	115
Borrowings	1,695	1,123	1,783
Convertible note	-	1,698	3,595
Provision for employee entitlements	389	446	260
Lease liability	-	90	95
Total current liabilities	3,081	4,834	6,994
Non-current liabilities			
Provision for employee entitlements	96	82	114
Lease liability	-	286	191
Total non-current liabilities	96	368	305
Total liabilities	3,176	5,201	7,299
Net assets/(liabilities)	(47)	(1,474)	(4,023)
Equity			
Issued capital	22,255	24,027	28,401
Reserves	1,616	325	327
Accumulated losses	(23,919)	(25,826)	(32,751)
Total equity/(deficiency)	(47)	(1,474)	(4,023)

Source: Source: HITIQ audited financial statements for FY23, FY24 and FY25

We note the following in relation to HITIQ financial position:

- HITIQ disclosed net liabilities of \$47k, \$1.5m and \$4.0m at 30 June 2023, 30 June 2024 and 30 June 2025, respectively. The movement in net liabilities has arisen due to losses occurred over the Historical Period, offset by equity capital raised during the same period.
- Trade receivables at 30 June 2024 and 30 June 2025 included research and development incentive refunds, accounting for the increase compared to 30 June 2023.
- As at 30 June 2025, borrowings primarily comprised of an R&D facility loan from Rockford RDP Pty Ltd, secured against the expected R&D refund from ATO (due on or before 30 September 2025) and carrying interest at 15% per annum. Borrowings also included a short term loan facility with Harmil, entered into on 30 April 2025 for a six month term, carrying interest of 15% on the total amount.
- As at 30 June 2025, of the \$4,700,000 of Convertible Notes drawn under the facility, the Company has received notice on 8 October 2024 from the noteholder to convert \$1,600,000 of Convertible Notes, plus related accrued interest at an agreed price of 2 cents per share. This balance was reclassified as equity. Therefore, the Convertible Notes balance as at 30 June 2025 represented the balance of \$3,100,000 of Convertible Notes, plus accrued interest, plus a financial derivative liability portion.

3.7 Capital structure

Ordinary Shares

At the date of this Report, HITIQ has 528,291,555 ordinary shares on issue. The top 20 shareholders of HITIQ as at 17 December 2025 are set out below.

Table 16 HITIQ Limited Top 20 Shareholders

Shareholder	Shares	%
Harmil Angel Investments Pty Ltd <Harmil Angel Investment A/C>	63,653,642	12.05%
Newfound Investments Pty Ltd <Newfound Super Fund A/C>	22,700,000	4.30%
Artemis Family Nominees Pty Ltd <Artemis A/C>	15,917,260	3.01%
Earl Eddings	14,268,096	2.70%
Mr Michael Dean Vagar <M Vagar Investment A/C>	11,880,428	2.25%
Netwealth Investments Limited <Wrap Services A/C>	11,363,637	2.15%
Lace Pop Pty Ltd <Rmj A/C>	11,363,637	2.15%
Mr Craig Graeme Chapman <Nampac Discretionary A/C>	8,801,438	1.67%
Dr Scott Maurice Donnellan	8,610,000	1.63%
Elbow Solutions Pty Ltd <The Mandy Super Fund A/C>	8,000,000	1.51%
Spark Plus Pte Ltd	7,696,030	1.46%
Citicorp Nominees Pty Limited	6,932,641	1.31%
Palm Developments Pty Ltd	6,594,607	1.25%
Mr Seamus Baldwin	6,537,703	1.24%
Scintilla Strategic Investments Limited	6,388,889	1.21%
Mach Industries Pty Ltd <Lang Family A/C>	5,600,000	1.06%
Kookai	5,329,764	1.01%
Botsis Holdings Pty Ltd	4,839,583	0.92%
BNP Paribas Noms Pty Ltd	4,801,758	0.91%
JAF Capital Pty Ltd	4,545,455	0.86%
Top 20 shareholders	235,824,568	44.64%
Other shareholders	292,466,987	55.36%
Total	528,291,555	100.00%

Source: HITIQ Consolidated Share Register report dated 17 December 2025

Options

As at the date of this Report, there were 75,814,117 Options on issue, as summarised in the table below.

Table 17 Summary of Options

Code	Type	Exercise Price	Expiry Date	Number on issue
HIQOA	Listed Options	\$0.022	30/12/2028	75,814,117

Source: HITIQ Issued Share Capital Report dated 16 December 2025

We also note that as at 16 December 2025, 8,409,091 lead manager options related to the recent placement had yet to be issued (as noted in the Appendix 2A issued by the Company on 16 December 2025).

Performance Shares and Performance Rights

At the date of this Report, HITIQ has:

- 17,490,000 unvested Performance Rights. The Performance Rights vest based on either,
 - for employees (9,280,000 unvested Performance Rights) remaining in employment until 31 December 2025
 - for management (7,650,000 unvested Performance Rights),
 - 1/3 if HITIQ's 30-day VWAP reaches \$0.04 within first 12-months from grant;
 - 1/3 if HITIQ's 30-day VWAP reaches \$0.06 within first 18- months from grant; and
 - 1/3 if HITIQ's 30-day VWAP 30-day VWAP reaches \$0.08 within first 24-months from grant.

3.8 Share Price Performance

A summary of HITIQ's recent share price movement for the 12 months to 15 December 2025 is set out in the figure below.

Figure 3 Historical share price performance of HITIQ



Source: S&P Capital IQ

Over the period between 16 December 2024 and 15 December 2025, HITIQ shares traded at a low of \$0.013 to a high of \$0.049.

The table below sets out a summary of recent announcements of HITIQ which impacted its share price performance.

Table 18 HITIQ selected announcements

Ref	Date	Comment
1	14-Jan-25	HITIQ announced receipt of c. \$1.6m from the R&D Tax Incentive Scheme and repayment of its RDTI funding facility with Keystone Capital.
2	30-Jan-25	HITIQ released its Quarterly Activities Report for the December 2024 Quarter.
3	31-Jan-25	HITIQ announced the commitment for the Committed Conversion.
4	31-Jan-25	HITIQ announced the appointment of Jennifer Tucker as non-executive director.
5	21-Feb-2025	HITIQ announced it had entered into a secured loan facility agreement with Rockford RDF Pty Ltd to provide early access to \$800,000 if its forecast 2025 financial year R&D Tax incentive.
6	28-Feb-2025	HITIQ released its interim financial statement for the six months ended 31 December 2024.
7	24-Mar-2025	HITIQ announced it had entered a three-year partnership with the Victorian Amateur Football Association in a strategic shift towards the consumer market to target the consumer market within its new HITIQ PROTEQT system.
8	14-Apr-2025	HITIQ announced it had drawn down an additional \$220,000 under its secured loan facility agreement, bringing the total loan to \$220,000.
9	30-Apr-2025	HITIQ announced it had received a \$500,000 short term loan from Harmil to provide access to additional funding whilst a capital raising is conducted.
10	30-Apr-2025	HITIQ released its March 2025 Quarterly Activities Statement.
11	1-May-25	HITIQ announced the Placement and the Rights Issue.
12	28-May-25	HITIQ announced a three-year partnership with AFL Barwon to expand the PROTEQT smart mouthguard consumer market strategy.
13	2-Jun-25	HITIQ announced a one year partnership with South Metro Junior Football League to drive adoption of the PROTEQT smart mouthguard in junior football.
14	12-Jun-25	HITIQ announced an exclusive global agreement with Shock Doctor for its PROTEQT Instrumented Mouthguard technology.
15	23-Jun-25	HITIQ closed the Rights Issue offer.
16	11-Jul-25	HITIQ announced its entry into the UK consumer market with the launch of the PROTEQT co-branded concussion management system.
17	30-Jul-25	HITIQ released its Quarterly Activities Report for the June 2025 Quarter.
18	29-Aug-25	HITIQ released its 2025 Annual Report.
19	29-Sep-25	HITIQ announced it had completed a \$250,000 placement and entered into a new \$1.4m RDTI loan facility to raise additional capital to support the ongoing consumer market commercialisation of its concussion management technology.
20	15-Oct-25	HITIQ released a US Roadshow presentation and advised that Executive Chair, Earl Eddings, and Non-Executive Director Matthew Clayworth were undertaking a roadshow to potential investors and customers in the US that week.

For personal use only

For personal use only

Ref	Date	Comment
21	31-Oct-25	HITIQ released its Quarterly Activities Report for the September 2025 Quarter.
22	6-Nov-25	HITIQ announced its technology has been selected for a major Australian Research Council Brain Injury Research Programme in conjunction with Monash University.
23	20-Nov-25	HITIQ announced It had launched its PROTEQT market strategy for North America through the appointment of Rick Shultz as exclusive distributor for PROTEQT instrumented mouthguards across Canada, with non-exclusive rights for the United States Market.
24	28-Nov-25	HITIQ announced it had commenced retail distribution with rebel, with PROTEQT concussion management systems to be available within select rebel stores and rebel's online platform.
25	28-Nov-25	HITIQ held its 2025 AGM
26	4-Dec-25	HIT IQ announced it had completed a \$925,000 (before costs) placement, through the issue of 42,045,455 ordinary shares and the issue of one New Option for every two shares issued under the Placement. \$25,000 of the placements relates to subscriptions by HITIQ directors and is subject to shareholder approval.
27	11-Dec-25	HITIQ announced it has entered into a research partnership with Smith College Women's Rugby for its United States women's collegiate rugby team.
28	12-Dec-25	HITIQ announced it has been awarded a grant under the Australian Sport Commission's "the Park" programme.

Source: S&P Capital IQ and HITIQ ASX announcements

4. Valuation Approach

4.1 Valuation methodologies

RG 111 proposes that it is generally appropriate for an expert to consider using the following valuation methodologies:

- the discounted cash flow (“DCF”) method and the estimated realisable value of any surplus and non-operating assets and liabilities;
- the application of earnings multiples to the estimated future maintainable earnings added to the estimated realisable value of any surplus assets and non-operating assets and liabilities; and
- the amount which would be available for distribution on an orderly realisation of assets; and
- the quoted price for listed securities; and
- any recent genuine offers received.

We consider that the valuation methodologies proposed by RG 111 can be split into three valuation methodology categories, as follows.

Market based methods

Market based methods estimate the fair value by considering the market value of a company’s securities or the market value of comparable companies. Market based methods include;

- the quoted price for listed securities; and
- industry specific methods.

The recent quoted price for listed securities method provides evidence of the fair value of a company’s securities where they are publicly traded in an informed and liquid market.

Industry specific methods usually involve the use of industry rules of thumb to estimate the fair value of a company and its securities. Generally, rules of thumb provide less persuasive evidence of the fair value of a company than other market-based valuation methods because they may not account for company specific risks and factors.

Income based methods

Income based methods estimate value by calculating the present value of a company’s estimated future stream of earnings or cash flows. Income based methods include:

- discounted cash flow;
- capitalisation of future maintainable earnings (“CFME”).

The DCF technique has a strong theoretical basis, valuing a business on the net present value of its future cash flows. It requires an analysis of future cash flows, the capital structure and costs of capital, and an assessment of the residual value or the terminal value of the company’s cash flows at the end of the forecast period. This method of valuation is appropriate when valuing companies where future cash flow projections can be made with a reasonable degree of confidence.

CFME is generally considered a short form DCF, where an estimation of the Future Maintainable Earnings (“FME”) of the business, rather than a stream of cash flows, is capitalised based on an appropriate capitalisation multiple. Multiples are derived from the analysis of transactions involving comparable target companies and the trading multiples of comparable listed companies. This methodology is commonly applied where earnings are stable and a FME stream can be established with a degree of confidence. Capitalisation multiples can be applied to either estimates of future maintainable operating cash flows, EBITDA, EBIT or net profit after tax (“NPAT”). The earnings from any surplus and non-operating assets and liabilities are excluded from the estimate of FME and the value of such assets and liabilities is separately added/subtracted to the value of the business in order to derive the total value of the company. The appropriate multiple to be applied is usually derived from an analysis of stock market trading multiples of comparable companies (which do not include a control premium) and the implied multiples paid in comparable transactions (which include a control premium).

Asset based methods

Asset based methodologies estimate the fair value of a company's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- orderly realisation of assets method;
- liquidation of assets method; and
- net assets on a going concern basis.

The value achievable in an orderly realisation of assets is estimated by determining the net realisable value of the assets of a company which would be distributed to security holders after payment of all liabilities, including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. This technique is particularly appropriate for businesses with relatively high asset values compared to earnings and cash flows.

The liquidation of assets method is similar to the orderly realisation of assets method, except the liquidation method assumes that the assets are sold in a shorter time frame. The liquidation of assets method will result in a value that is lower than the orderly realisation of assets method and is appropriate for companies in financial distress or where a company is not valued on a going concern basis.

The net assets on a going concern method estimates the market values of the net assets of a company, but unlike the orderly realisation of assets method, it does not take into account realisation costs. Asset based methods are appropriate when companies are not profitable, a significant proportion of the company's assets are liquid, or for asset holding companies.

4.2 Selection of valuation methodologies

Valuation of a HITIQ Share prior to the Conversion Shares Transaction

Income based methods are appropriate where earnings of the business are maintainable and sufficient to justify a value exceeding the value of the underlying assets.

HITIQ disclosed losses before income tax of \$3.2m and \$7.2m for FY24 and FY25, respectively, and is still actively seeking funding to fund existing business activities as it seeks to commercialise its intellectual property.

Whilst a discounted cash flow methodology would be appropriate to assess the Fair Value of a HITIQ Share to take into account the potential long term cash flows expected to be generated from the commercialisation of HITIQ's intellectual property, RG 111 states that an expert should not include or rely on prospective financial information (including forecasts and projections) or any other statements or assumptions about future matters (together, 'forward-looking information') in its report unless there are reasonable grounds for the forward-looking information. Therefore, to be able to utilise the DCF methodology utilising prospective financial information, in accordance with the requirements of RG111, an expert must conclude that there are reasonable grounds to be able to rely on that prospective financial information. Given the current early-stage nature of HITIQ, we do not consider that long-term financial forecasts could be prepared in accordance with these requirements, and, therefore, we are not able to utilise the discounted cash flow methodology.

Therefore, we consider the most appropriate valuation methodology for valuing HITIQ to be net assets on a going concern methodology. In utilising this methodology, we have relied upon the net book value of assets and liabilities as set out in HITIQ's reviewed financial statements as at 30 June 2025, and then considered relevant adjustments for post 30 June 2025 movements, together with the potential value of HITIQ's uncapitalised intellectual property based on historical research and development expenditure incurred.

As a secondary methodology, we have also utilised the implied value of a HITIQ share based on recent trading prices for portfolio shareholding parcels of HITIQ shares on the ASX. In accordance with RG 111, we have assessed the value of HITIQ's shares prior to the Conversion Shares Transaction on a 100% controlling interest.

Prices at which a company's shares have been traded on the ASX can, in the absence of low liquidity or unusual circumstances, provide an objective measure of the value of the company, excluding a premium for control. Notwithstanding the relatively low liquidity of HITIQ's Shares (discussed in further detail in section 5), we consider the quoted market price as a relevant secondary methodology in valuing an HITIQ Share, noting the Company has also undertaken a recent share placement.

Valuation of a HITIQ Share immediately post the Committed Conversion

We have valued HITIQ Shares immediately post the Committed Conversion by adjusting the assessed Equity Value of the Company to take into account the debt and any associated financial derivative liability extinguished on conversion and adjusted the number of shares on issue to take into account the dilutionary impact of the issuance of the conversion shares.

5. Valuation of a HITIQ Share prior to the Proposed Transactions

As stated in Section 4 of the Report, we have assessed the Fair Value of HITIQ on a 100% controlling interest basis prior to the Proposed Transaction utilising the following methodologies:

- net assets on a going concern; and
- quoted price of listed securities.

5.1 Net Assets on a Going Concern Basis

Our assessment of the Fair Value of a HITIQ's Share is shown in the table below, based on the audited financial position of the Company as at 30 June 2025, adjusted for material transactions that occurred after 30 June 2025 and to reflect the potential Fair Value of the Company's uncapitalised intellectual property.

Table 19 Summary of the value of HITIQ's net assets

\$	Reported 30-Jun-25	Adjustments (Low)	Adjustments (High)	Fair Value Low	Fair Value High
Assets					
Current assets					
Cash and cash equivalents	990,959	1,150,000	1,150,000	2,140,959	2,140,959
Trade and other receivables	1,809,282	-	-	1,809,282	1,809,282
Prepayments	27,034	-	-	27,034	27,034
Rental deposit	27,225	-	-	27,225	27,225
Total current assets	2,854,500	1,150,000	1,150,000	4,004,500	4,004,500
Non-current assets					
Property, plant and equipment	72,628	-	-	72,628	72,628
Right of use assets	231,945	54,165	54,165	286,110	286,110
Intangible assets	117,209	16,345,644	18,702,142	16,462,853	18,819,351
Total non-current assets	421,782	16,399,809	18,756,307	16,821,591	19,178,089
Total assets	3,276,282	17,549,809	19,906,307	20,826,091	23,182,589
Liabilities					
Current liabilities					
Trade and other payables	1,146,052	-	-	1,146,052	1,146,052
Contract liability	114,754	-	-	114,754	114,754
Employee provisions	260,083	-	-	260,083	260,083
Borrowings	1,783,440	-	-	1,783,440	1,783,440
Lease liabilities	95,448	-	-	95,448	95,448
Convertible notes	3,594,682	2,074,713	2,074,713	5,669,395	5,669,395
Total current liabilities	6,994,459	2,074,713	2,074,713	9,069,172	9,069,172
Non-current Liabilities					
Provisions	113,903	-	-	113,903	113,903
Lease liabilities	190,662	-	-	190,662	190,662
Total non-current liabilities	304,565	-	-	304,565	304,565
Total liabilities	7,299,024	2,074,713	2,074,713	9,373,737	9,373,737
Net assets/(liabilities)	(4,022,742)	15,475,096	17,831,594	11,452,354	13,808,852
Less: Dilutionary impact of options	-	(775,958)	(775,958)	(775,958)	(775,958)
Adjusted Net assets/(liabilities)	(4,022,742)	775,958	775,958	10,676,396	13,032,894

Source: HITIQ audited financial statements for FY25 and RSM calculations

Table 20 Summary of assessed Fair Value per HITIQ Share

\$	Fair Value Low	Fair Value High
Adjusted Net assets/(liabilities)	10,676,396	13,032,894
Issued shares		
Shares on issue as at the date of this report	528,291,555	528,291,555
Assessed Fair Value per HITIQ Share	0.020	0.025

Source: RSM calculations

Placement

We have adjusted HITIQ's cash and cash equivalents balance as at 30 June 2025 to account for the placements of \$250,000 as announced on 29 September 2025 and \$900,000 as announced on 4 December 2025. Whilst we note that the Company has also made a draw down under the Secured Loan Facility as announced on 29 September 2025, this drawdown would result in both an increase in cash and cash equivalents and borrowings, with no net effect on net assets.

Right of Use Assets and Lease Liabilities

We have excluded right-of-use assets and corresponding lease liabilities (by adjusting the right of use asset to equal the lease liability), as we consider that, absent of any impairment of the right-of-use assets, or leases being at non-market rates, a market participant would value the right-of-use assets and corresponding lease liabilities at the same value.

Uncapitalised intellectual property

HITIQ has not capitalised research and development expenditure in relation to the research and development of its mouthguard sensor technology, related data collections, and development of its virtual reality concussion testing virtual software. However, the Company has consistently incurred research and development expenditure to develop this intellectual property.

We have been provided with a breakdown of the Company's historical research and development expenditure incurred for FY21 through to FY25, which has formed part of the Company's claims for R&D tax rebates. We have also been provided with details of research and development costs incurred in the current year to date.

We consider that a more accurate reflection of the Company's financial position would be to capitalise these costs on the basis that a market participant would look at the costs to replace the intellectual property.

Given the older research and development costs may have some degree of economic obsolescence, at the low end of the adjustment range we have capitalised costs from FY22 onwards and at the high end of the adjustment range we have capitalised costs from FY21 onwards.

The table below summarises the calculated adjustments.

Table 21 Uncapitalised intellectual property adjustment calculation

\$	FY21	FY22	FY23	FY24	FY25	Total
Research and Development Costs Incurred (FY21 onwards)	2,356,498	5,003,560	4,387,753	3,679,123	3,392,417	18,819,351
Research and Development Costs Incurred (FY22 onwards)	-	5,003,560	4,387,753	3,679,123	3,392,417	16,462,853

Source: HITIQ R&D tax rebate correspondence and management advice

Convertible Notes

On the basis that NBH had provided a commitment prior to release of the 30 June 2025 audited financial statements to convert 1,600,000 of the Convertible Notes, plus accrued interest, the associated liability was reclassified in the 30 June 2025 financial statements to equity.

We have, therefore, amended the convertible notes liability for the purpose of assessing the Fair Value of HITIQ prior to the Conversion Shares Transaction to incorporate the liability of \$1.6 million plus the accrued interest as at 15 December 2025 to be converted as part of the Committed Conversion of c. \$349k.

We have also included an accrual for interest on the remaining Convertible Notes for the current year to date of c.\$125k.

Dilutionary impact of options on issue

As set out in section 3, HITIQ currently has 75,814,117 share options on issue. We also note that as at 16 December 2025, 8,409,091 lead manager options related to the recent placement had yet to be issued (as noted in the Appendix 2A issued by the Company on 16 December 2025).

We have included the potential dilutionary impact of the 84,223,208 New Options on issue or to be issued in our assessment of the Fair Value of a HITIQ Share prior to the Proposed Transactions. Further detail on the assumptions and inputs we have used to value the potential dilutionary impact of the unlisted options is set out in Appendix D.

We note that the Company also has Performance Shares and Performance Rights on issue as summarised in section 3. As these Performance Shares and Performance Rights are unvested and are subject to vesting conditions, with the achievement of these vesting conditions either resulting in services being provided to the Company or vesting subject to the Fair Value of the Company having increased, we have not considered the dilutionary impact of these unvested Performance Shares or unvested Performance Rights in our assessment of the Fair Value of a HITIQ Share prior to the Proposed Transactions.

Conclusion

Based on the above, our assessed value of a HITIQ share is, therefore, in the range of \$0.021 to \$0.025.

As the net assets methodology assumes 100% ownership, no adjustment is required to this value.

5.2 Quoted Price of Listed Securities Methodology

In order to provide a comparison and cross check to our valuation of a HITIQ Share derived using the net assets on a going concern methodology, we have considered the recent quoted market price ("QMP") for HITIQ Shares on the ASX.

RG 111.69 indicates that for the quoted market share price methodology to represent a reliable indicator of Fair Value, there needs to be an active and liquid market for the securities.

The following characteristics may be considered to be representative of a liquid and active market:

- regular trading in the company's securities;
- approximately 1% of a company's securities traded on a weekly basis;
- the bid/ask spread of a company's shares must not be so great that a single majority trade can significantly affect the market capitalisation of the company; and
- there are no significant but unexplained movements in share price.

Whilst the Committed Conversion was announced on 31 January 2025, given the passage of time, the nature of the Conversion Shares Transaction and the other announcements made by the Company subsequent to 31 January 2025, we consider it more relevant to consider the recent trading activity of the Company as previously summarised in Figure 3.

As noted in Figure 3, during the year to 15 December 2025, the HITIQ share price has been volatile, ranging from a low of \$0.013 on 10 July 2025, and a high of \$0.049 on 6 and 7 January 2025.

To provide further analysis of the quoted market prices for HITIQ's Shares, we have considered the VWAP over a number of trading day periods ending 16 December 2025. An analysis of the volume in trading in HITIQ's Shares for the 5, 10, 30, 60, 90, and 180 day trading periods is set out in the table below:

Table 22 VWAP of HITIQ shares

Calendar days	Share price Low \$	Share price High \$	No. of days traded	Volume traded	Value traded \$	VWAP \$	Percentage of issued capital %
5 days	0.019	0.023	3	6,333,282	129,920	0.021	1.28%
10 days	0.019	0.026	7	6,990,359	147,004	0.021	1.42%
30 days	0.018	0.026	20	13,757,576	299,240	0.022	2.81%
60 days	0.015	0.028	38	38,055,771	909,234	0.024	7.80%
90 days	0.015	0.028	58	43,013,755	1,007,671	0.023	8.87%
120 days	0.015	0.028	75	47,474,315	1,098,949	0.023	9.85%
180 days	0.013	0.028	113	63,090,525	1,363,879	0.022	13.07%

Source: Capital IQ and RSM analysis

We note the following:

- 2.81% of HITIQ's weighted average outstanding Shares were traded in the 30-day trading period prior to 15 December 2025; shares were traded on 113 days in the 180-day period leading up to 15 December 2025;
- the VWAP has ranged from a low of \$0.021 to a high of \$0.024 in the 120 trading day period before 15 December 2025;
- the bid/ask spread is often used to measure efficiency. For the 180-day period, the closing bid/ask spread of HITIQ averaged 11.8% of the midpoint price. On the basis that, over a comparable period, all stocks trading on the ASX had an effective average bid/ask spreads of 0.2296%⁴, we consider the bid/ask spread of the Company to be large; and
- notwithstanding the relatively low level of liquidity, HITIQ complies with full disclosure regime required by the ASX. As a result, the market is fully informed about the performance of HITIQ.

Our assessment of the value of a HITIQ share based on the quoted market price prior to the Proposed Transactions, and therefore on the basis of a minority interest, is between \$0.021 and \$0.023.

Control Premium

Obtaining control of an entity usually provides the acquirer with a number of advantages including the following:

- access to potential synergies
- control over decision making and strategic direction;
- access to underlying cash flows; and
- control over dividend policies.

In the case of publicly traded securities, given the advantages control of an entity provides an acquirer, they are usually expected to pay a premium to the quoted market price to achieve control, which is often referred to as a control premium. Earnings multiples for listed companies do not reflect the market value of a controlling interest in the company as they are derived from market prices which usually represent the buying and selling of non-controlling portfolio holdings (small parcels of shares).

RSM has conducted a study on 605 takeovers and schemes of arrangement involving companies listed on ASX over the 15.5 years ended 31 December 2020 ("RSM Control Premium Study"). In determining the control premium, RSM compared the Proposed Transaction price to the closing trading price of the Company 20, 5 and 2 trading days pre the date of the announcement of the Proposed Transaction. Where the consideration included shares in the acquiring company, RSM used the closing share price of the acquiring company on the day prior to the date of the Proposed Transaction.

⁴ Equity market data for the quarter ended 30 September 2025 - ASIC

The table below sets out a summary of average control premiums relevant to the Proposed Transaction, as per the RSM Control Premium Study, of which all are applied at the Equity level.

Table 23 RSM Control Premium Study

	Number of transactions	20 days pre	5 days pre	2 days pre
Average control premium - all industries	605	34.70%	29.20%	27.10%
Average - Other Industries	125	29.60%	23.40%	21.70%

Source: RSM Control Premium Study

In valuing an ordinary HITIQ Share prior to the Proposed Transaction using the QMP methodology, we have reflected a premium for control in the range of 27.5% to 32.5%.

The table below sets out our assessment of the value in a HITIQ share on a controlling basis utilising the QMP methodology.

Table 24 Valuation of a HITIQ Share using Quoted Market Prices

	Low	High	Midpoint
Quoted price of listed securities - secondary method	\$0.021	\$0.023	\$0.022
Control premium (%)	27.50%	32.50%	30.00%
Assessed Value per Share (controlling basis)	\$0.027	\$0.030	\$0.029

Source: RSM analysis

5.3 Valuation Summary of a HITIQ Share Prior to the Proposed Transactions

A summary of our assessed values of a HITIQ share on a controlling interest basis prior to the Proposed Transactions, derived under the two valuation methodologies, is set out in the table below.

Table 25 Valuation summary

	Low	High	Midpoint
Net Assets on a Going Concern	\$0.020	\$0.025	\$0.022
Quoted price of listed securities - secondary method	\$0.027	\$0.030	\$0.029

Source: RSM analysis

Based on the above, we have determined the Fair Value of a HITIQ share on a controlling interest basis to be in the range of \$0.020 to \$0.025, derived using the net assets on a going concern methodology and to be in the range of \$0.027 to \$0.030, derived using the QMP methodology.

We consider that the higher value derived under the QMP methodology is likely reflective of the market placing greater value on the prospects of HITIQ's intellectual property, particularly in light of recent announcements, than we have included on a costs incurred basis in our assessment of Fair Value utilising the Net Assets on a Going Concern methodology. We, therefore, consider that despite the relatively low liquidity of HITIQ shares, the QMP methodology provides a more reliable indicator of the Fair Value of a HITIQ share.

Therefore, in our opinion, we consider the Fair Value of a HITIQ share to be between \$0.027 (2.7 cents) and \$0.030 (3.0 cents), on a controlling interest basis.

For personal use only

6. Valuation Summary of a HITIQ Share immediately after the Conversion Shares Transaction

We note that the Conversion Shares Transaction comprises of two distinct elements being:

- approval of the Committed Conversion of 1,600,000 convertible notes (face value of \$1.6m) together with associated capitalised interest to 15 December 2025 of \$349,499.24, through the issuance of 97,474,962 shares at a deemed conversion price of \$0.02 per share; and
- approval of the Future Conversion and issuance of up to 372,731,520 Shares as settlement or part settlement of the balance of the Convertible Notes, noting that the conversion price will be based on the future VWAP of HITIQ Shares at the time of Conversion based on the Convertible Note terms.

A summary of our assessed values of a HITIQ share on a non-controlling basis immediately after the Committed Conversion based on our assessed valuation of a HITIQ Share using the QMP methodology, is set out in the table below. For the purpose of the below assessment, the liability extinguished and the pro-forma shares on issue following the Committed Conversion has been based on the balance of accrued interest as at 15 December 2025, consistent with our assessment of the Fair Value of HITIQ prior to the Committed Conversion.

Table 26 HITIQ Valuation Summary – following Committed Conversion

	Fair Value Low	Fair Value High
Assessed Fair Value per HITIQ Share (control basis)	0.027	0.030
Shares on issue prior to Committed Conversion	528,291,555	528,291,555
Assessed Fair Value of HITIQ prior to Committed Conversion (control basis)	14,263,872	15,848,747
Add: Liability extinguished upon conversion	1,949,499	1,949,499
Assessed Fair Value of HITIQ (100% control basis) following the Committed Conversion	16,213,371	17,798,246
Shares on issue prior to Committed Conversion	528,291,555	528,291,555
Shares issued as part of Committed Conversion	97,474,962	97,474,962
Pro-forma shares on issue following the Committed Conversion	625,766,517	625,766,517
Assessed Fair Value per HITIQ Share following the Committed Conversion (control basis)	0.026	0.028
Minority discount	(24.50%)	(21.60%)
Assessed Fair Value per HITIQ Share following the Committed Conversion (minority basis)	0.020	0.022

Source: RSM analysis

We have determined the Fair Value of a HITIQ share on a controlling interest basis to be in the range of \$0.027 to \$0.030, derived using the QMP methodology.

We have then adjusted the equity value of the Company and the number of shares on issuance to reflect the impact of the Committed Conversion as set out in the above table.

As the approval of the Committed Conversion will result in the Harmil Group's interest in HITIQ Limited increasing from below 20% to above 20%, in accordance with RG 111, we have ascribed a discount for lack of control to the value of a HITIQ Share immediately after the Committed Conversion.

A discount for a minority interest (non-controlling interest) is the inverse of a premium for control. We have therefore applied a discount of 21.6% to 24.5% (rounded), being the inverse of the control premium utilised in our assessment of the value of a HITIQ Share on a quoted market price of listed securities basis.

Therefore, in our opinion, we consider the Fair Value of a HITIQ share immediately following the Committed Conversion to be between \$0.020 (2.0 cents) and \$0.022 (2.2 cents), on a non-controlling interest basis.

For personal use only

7. Is the Conversion Shares Transaction Fair to Non-Associated Shareholders?

As noted previously the Conversion Shares Transaction comprises of two distinct elements being:

- approval of the Committed Conversion of 1,600,000 convertible notes (face value of \$1.6m) together with associated capitalised interest to 15 December 2025 of c. \$349k, through the issuance of 97,474,962 Shares at a deemed conversion price of \$0.02 per Share; and
- approval of the Future Conversion through the issuance of up to 372,731,520 Shares as settlement or part settlement of the balance of the Convertible Notes and associated accrued interest, noting that the conversion price will be based on the future VWAP of HITIQ Shares at the time of conversion based on the Convertible Note terms.

In assessing whether we consider the Committed Conversion to be fair to Non-Associated Shareholders, we have valued a HITIQ Share prior to the Committed Conversion on a controlling basis and compared it to the assessed Fair Value of a HITIQ Share immediately post the Committed Conversion (on a non-controlling basis), to determine whether a Non-Associated Shareholder would be better or worse off should the Committed Conversion be approved.

Our assessment is set out in the table below.

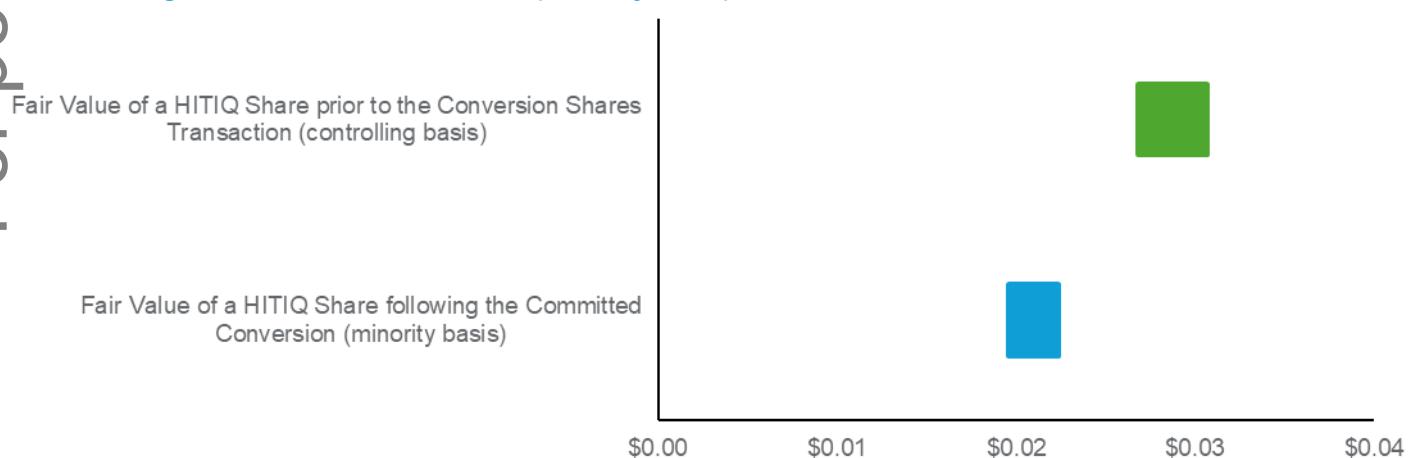
Table 27 Assessed Fair Value of a HITIQ Share prior to the Conversion Shares Transaction (controlling basis) and following the Committed Conversion (minority basis)

	Low	High	Midpoint
Fair Value of a HITIQ Share prior to the Conversion Shares Transaction (controlling basis)	\$0.027	\$0.030	\$0.029
Fair Value of a HITIQ Share following the Committed Conversion (minority basis)	\$0.020	\$0.022	\$0.021

Source: RSM analysis

The above comparison is presented graphically below.

Figure 4 Assessed Fair Value of a HITIQ Share prior to the Conversion Shares Transaction (controlling basis) and following the Committed Conversion (minority basis)



Source: RSM analysis

As the assessed Fair Value of a HITIQ Share following the Committed Conversion (minority basis) is less than the assessed Fair Value of a HITIQ Share prior to the Conversion Shares Transaction (controlling basis), in our opinion the Committed Conversion is **not fair** to Non-Associated Shareholders.

In relation to future issuance of up to 372,731,520 Shares as settlement of the balance of the Convertible Notes, we have considered fairness by considering whether the conversion price mechanism within the terms of the Convertible Notes provides a control premium to HITIQ Non-Associated Shareholders in line with the Conversion Shares Transaction being considered as a control transaction in accordance with RG111.

As noted in Section 1 of this Report which sets out a summary of the terms of the Convertible Notes, the Future Conversion will occur at a conversion price based on a discount of 10% from the 7-day VWAP of HITIQ Shares at the date of provision of a Conversion Notice.

On the basis that the 7-day VWAP price of HITIQ Shares represents a minority value of a HITIQ Share, and the Future Conversion will occur at a discount to this 7-day VWAP, we consider that the conversion price will not be reflective of a control value for HITIQ Shares and will not provide a control premium to Non-Associated Shareholders. Therefore, we consider that Future Conversion is **not fair** to Non-Associated Shareholders.

For illustrative purposes only, we have also set out below the assessed impact on our assessed Fair Value of a HITIQ Share immediately post the Committed Conversion (non-controlling basis) assuming that the Future Conversion occurs at a conversion price of between \$0.018 and \$0.020 (representing 90% of our assessed Fair Value of a HITIQ Share following the Committed Conversion, all else being equal).

Table 28 Illustrative example of impact of Future Conversion

	Fair Value Low	Fair Value High
Assessed Fair Value of HITIQ following Immediate Conversion	16,213,371	17,798,246
Add: Liability extinguished upon conversion (based on interest accrued to 15 December 2025)	3,289,415	3,289,415
Add: Derivative Liability extinguished upon conversion	476,677	476,677
Adjusted Net assets/(liabilities) following the Future Conversion	19,502,786	21,087,660
Pro-forma shares on issue prior to the Future Conversion (following the Immediate Conversion)	625,766,517	625,766,517
Shares issued as part of Future Conversion assuming a conversion price of \$0.018 (Low) and \$0.020 (High)	182,745,250	164,470,725
Pro-forma shares on issue following the Future Conversion	808,511,767	790,237,242
Assessed Fair Value per HITIQ Share (control basis)	0.024	0.027
Minority discount	(24.50%)	(21.60%)
Assessed Fair Value per HITIQ Share (minority basis)	0.018	0.021

Source: RSM analysis

As noted above, as a result of the 10% discount applied within the conversion price mechanism, the Future Conversion resulted in a marginal reduction in the assessed Fair Value of a HITIQ Share of \$0.001 per Share.

Overall conclusion – Conversion Shares Transaction

On the basis that we have concluded that both the Committed Conversion and the Future Conversion are **not fair**, in our opinion, in accordance with the guidance set out in ASIC RG 111, and in the absence of any other relevant information, for the purposes of Section 611, Item 7 of the Act we consider the Conversion Shares Transaction to be **not fair** to Non-Associated Shareholders of HITIQ.

8. Is the Conversion Shares Transaction Reasonable to Non-Associated Shareholders?

RG111 establishes that a Proposed Transaction is reasonable if it is fair. If a Proposed Transaction is not fair it may still be reasonable after considering the specific circumstances applicable to the Proposed Transaction. In our assessment of the reasonableness of the Proposed Transaction, we have given consideration to:

- the future prospects of HITIQ if the Proposed Transaction does not proceed; and
- other commercial advantages and disadvantages to Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding; and
- trading in HITIQ Shares following announcement of the Committed Conversion; and
- any alternative proposals and the likelihood of an alternative proposal.

8.1 Future Prospects of HITIQ if the Conversion Shares Transaction Does Not Proceed

If the Conversion Shares Transaction is not approved, then NBH will only be able to convert the portion of the Convertible Notes that would take Harmil Group's overall ownership interest in HITIQ to 19.99% (i.e. to not breach Section 611 of the Act). Based on the current share structure of HITIQ, this has been calculated as c. 114.2m Shares which would convert \$933k of the balance of Convertible Notes.

The remainder of the Tranche 1 Convertible Notes subject to the Committed Conversion including capitalised interest would, therefore, in the absence of any extensions from NBH, become repayable. The Convertible Notes not subject to the Committed Conversion would, in the absence of any extensions from NBH, become repayable in full on 15 December 2026 (being the revised repayment date negotiated with NBH for the remaining Convertible Notes not subject to the Committed Conversion).

We also note that obtaining shareholder approval for conversion of the Convertible Notes for the purposes of Section 611(7) of the Act, is a condition subsequent to the Convertible Loan Deed, and, therefore, to the extent that the Conversion Shares Transaction is not approved, NBH would have the right to claim a default under the terms of the Convertible Note Deed and the default interest rate of 17.5% could apply.

In such circumstances, the Company is highly likely to require additional debt or equity funding to enable it to have the capacity to repay the Convertible Notes. If such funding was to be raised by issuing new equity, any such equity is likely to be at a discount to the current market price of HITIQ Shares at the time of the equity issue, noting that a Placement and Rights Issue have occurred at a 12% discount to the closing HITIQ share price prior to announcement and included the issuance of attaching New Options and more recently the Placement announced on 4 December 2025 was undertaken at a discount of 8.3% to the closing share price on 1 December 2025 and also included the issuance of attaching New Options.

We further note that there is no certainty that the Company would be able to raise sufficient debt or equity funding.

The audit report of the Company's auditors, William Buck Audit (Vic) Pty Ltd, included within the audited financial statements of HITIQ for the year ended 30 June 2025 included a note drawing attention to a material uncertainty related to going concern. Note 1 of the audited financial statements for the year ended 30 June 2025 stated the following:

"For the year ended 30 June 2025, the consolidated entity incurred a net loss of \$7,212,305 and incurred net cash outflows from operations of \$4,654,844 and had a net deficiency of current assets relative to current liabilities of \$4,139,959. Due to these matters, there is a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern. In determining that the consolidated entity continues as a going concern, the directors have reviewed and approved the following cashflow forecast which includes the following key assumptions:

The forecast includes proceeds from expected capital raising activities and capital raised of \$272,960 in FY26 to date. The directors of the entity believe that such capital raising activities will eventuate based upon the entity's track record of successfully issuing capital.

The forecast expects revenue to commence from the new consumer based strategy and PROTEQT product;

The consolidated entity can continue to access its research and development tax incentive from the ATO, this can also be bought forward by way of finance facilities. The FY2025 claim of \$1,455,000 will be used to retire the existing facilities in place (\$1,276,490 at 30 June 2025) while any funds in excess of this amount will be put towards working capital;

As at 30 June 2025 the consolidated entity owed \$98,602 to its key management personnel, including accruals for director's fees and for annual leave owing. Those key management personnel have written to the Company advising that they are willing to defer amounts owing to them as at reporting date and as they accrue under contract for the next 12 months from the date of signing these financial statements, if necessary, to ensure that the Company has adequate reserves of available working capital;

The company has terminated some excess staff and cut expenses in the United States and New Zealand putting a pause on these foreign operations to align with the consumer based strategy; and

The directors have received a letter from its convertible note investor confirming that it has the ability and intention, if required, to not call upon, or alternatively to convert to equity each convertible notes at their maturity in 12 months from the issue date in the event that such an action jeopardises the availability of working capital of the Group.

These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern."

Given the above, it is evident that there is an ongoing requirement for the Company to continue to raise capital and avoid the requirements to repay current Convertible Note debt.

8.2 Advantages and disadvantages

In assessing whether Non-Associated Shareholders are likely to be better off if the Conversion Shares Transaction proceeds, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to Non-Associated Shareholders.

The key advantages and disadvantages of the Conversion Shares Transaction are outlined below.

Advantages

The key advantages of the Conversion Shares Transaction are:

Table 29 Advantages of the Conversion Shares Transaction

Advantage	Details
Immediate reduction in the debt repayment obligations of the Company with the potential to further reduce debt repayment requirements	NBH has committed to convert \$1.6m of the Convertible Notes, plus accrued interest of c. \$349k. Therefore, the Conversion Shares Transaction will result in an immediate \$1.0m reduction in the liabilities and debt repayment obligations of the Company (taking into account that NBH will be able to convert the portion of the Convertible Notes that take it to a 19.9% voting interest in the Company in the absence of approval of the Conversion Shares Transaction which amounts to c. \$933k of the Convertible Notes balance). The Conversion Shares Transaction will also provide NBH the ability to convert the remaining balance of the Convertible Notes and associated accrued interest to equity which may reduce the future debt repayment obligations of the Company, noting that NBH has not committed to any such conversions.
	As noted previously, the Company is currently loss making and generating significant cash outflows as it implements the development and commercialisation of its intellectual property. In the absence of the Conversion Shares Transaction and conversion of the Convertible Notes, the Company has an immediate obligation to repay the Convertible Notes balance subject to the Committed Conversion, plus accrued interest for the portion of the Convertible Notes and accrued interest that would take Harmil Group's interest in the Company above 19.9%. The remaining Convertible Notes, plus accrued interest will be repayable on 15 December 2026.
	In such circumstances, the Company is highly likely to require additional debt or equity funding to enable it to have the capacity to repay the Convertible Notes. If such funding was to be raised by issuing new equity, any such equity is likely to be at a discount to the current market price of HITIQ Shares at the time of the equity issue noting that the Placement and Rights Issue have occurred at a 12% discount to the closing HITIQ share price prior to announcement and included the issuance of attaching New Options.
	We further note that there is no certainty that the Company would be able to raise sufficient debt or equity funding.
Avoidance of default on the Convertible Loan Agreement and triggering of Default Interest Rate	Obtaining shareholder approval for conversion of the Convertible Notes for the purposes of Section 611(7) of the Act, was a condition subsequent to the Convertible Loan Deed, and, therefore, to the extent that the Conversion Shares Transaction is not approved, NBH would have the right to claim a default under the terms of the Convertible Note Deed and the default interest rate of 17.5% could apply rather than the current interest rate of 12.5%, which could result in additional interest expenses to the Company.

Source: RSM Analysis

Disadvantages

The key disadvantages of the Conversion Shares Transaction are:

Table 30 Disadvantages of the Conversion Shares Transaction

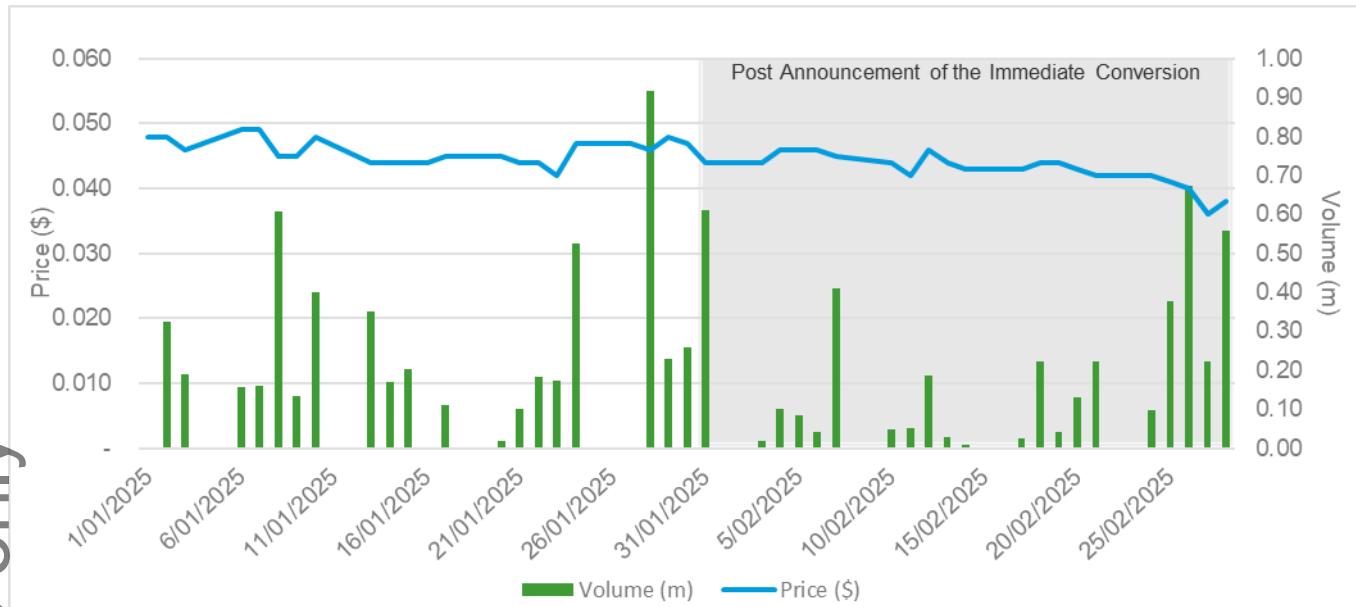
Disadvantage	Details
The Conversion Shares Transaction is not fair	As noted above, we have assessed the Conversion Shares Transaction to be not fair.
Dilution of Non-Associated Shareholders voting power in the Company and potential control	The Conversion Shares Transaction will dilute Non-Associated Shareholders collective voting power from 87.20% to between 73.62% and 46.14%, depending on whether NBH elects to convert some or all of the balance of the Convertible Notes and the pricing at which this occurs.
Implications of the increase in Harmil Group's voting power	<p>Non-Associated Shareholders, will, consequently, have less influence over the future strategic direction of the Company.</p> <p>Non-Associated Shareholders should be aware of the following important thresholds in relation to Harmil Groups voting power.</p> <p>25% voting power or above</p> <p>At 25% voting power or above, Harmil Group will have the ability to block special resolutions of the Company, and also effectively block any takeover offers for the Company.</p> <p>50% voting power or above</p> <p>At 50% voting power or above, Harmil Group will obtain a controlling interest in HITIQ and have the capacity to pass ordinary resolutions (such as election or re-election of directors) without needing any support from Non-Associated Shareholders.</p> <p>Following the Conversion Shares Transaction, Harmil Group will be able to continue to increase its % shareholding in HITIQ under the 'creep' provisions of the Act, whereby it can increase its interest in HITIQ by no more than 3% every six months. Therefore, whilst Harmil Group may not immediately obtain a controlling interest in HITIQ, there is an ability for it to obtain a controlling interest subsequently.</p>
Potential reduction in liquidity in HITIQ shares due to the presence of a single significant shareholder	The existence of a single significant shareholder may be a negative to some potential investors and as a result could result in a reduction in the liquidity of trading of HITIQ Shares and reduced ability for HITIQ shareholders to be able to realise the underlying value of HITIQ Shares in an efficient manner.

Source: RSM Analysis

For personal use only

8.3 Trading in HITIQ shares following the announcement of the Proposed Transaction

Figure 5 HITIQ share price pre- and post-announcement



Source: S&P Capital IQ and RSM analysis

The Committed Conversion was announced on 31 January 2025, and the figure above sets out the share price and volume of trading in HITIQ shares in the month prior to and following announcement. We have not considered the share price beyond the end of February 2025 on the basis that any subsequent share price movements would be influenced by other announcements made by the Company together with other local and worldwide economic events, including factors such as market volatility resulting from the US tariff announcements.

We note that, as at 31 January 2025, HITIQ closing share price was \$0.044. The HITIQ share price traded at or around this share price until 24 February 2025 on which date the closing share price was \$0.042, and thereafter, there was a decline in the HITIQ share price to \$0.038 on 28 February 2025.

Based on the above, we consider that the market has not reacted in any meaningful way given that the reduction in the share price on 24 February 2025 may be attributed to other economic factors.

8.4 Alternative proposals and likelihood of an alternative proposal

The directors of HITIQ have advised us that they are not aware of any alternative superior transactions that will enable HITIQ to be able to raise equity funding at the levels within the Convertible Note with superior pricing, noting that the previous Placement and Rights Issue was undertaken at a 12% discount to the closing HITIQ share price prior to announcement and included the issuance of attaching New Options (as compared to the 10% discount within the pricing mechanism of the Convertible Notes).

8.5 Conclusion on Reasonableness

We consider that, ignoring our assessment of fairness, the advantages of the Conversion Shares Transaction outweigh the disadvantages of the Conversion Shares Transaction, particularly given the current stage of development of the Company, being in the early stages of commercialisation of its intellectual property, and the ongoing requirement for funding, as evidenced in the audited financial statements of the Company for the year ended 30 June 2025 and the note setting out the material uncertainties in relation to going concern.

Therefore, in the absence of any other relevant information and/or a superior alternative, RSM considers the Proposed Transaction to be **reasonable** to Non-Associated Shareholders.

As noted above, there are a range of outcomes in relation to the actual voting power that the Conversion Shares Transaction could result in Harmil Group obtaining, which will be dependent on the outcome of the Rights issue and the future price at which the Future Conversion may occur. We draw to Non-Associated Shareholders' attention that there are specific implications around control, as noted in [Table 30](#), should Harmil Group obtain an interest HITIQ representing 50% or more of the total shares on issue.

An individual shareholder's opinion in relation to the Proposed Transaction may be influenced by their individual circumstances. If in doubt, Non-Shareholders should consult an independent advisor.

For personal use only

9. Is the Security Deed Transaction Fair to Non-Associated Shareholders?

Consistent with the guidelines in RG 111, in assessing whether a related party transaction such as the Security Deed Transaction is fair to Non-Associated Shareholders, the analysis is generally undertaken by assessing and comparing:

- the Fair Value of the benefit received from the related party by the company; with
- the Fair Value of the consideration provided by the Company for the benefit received.

However, given the nature of the Security Deed Transaction, the above analysis is not feasible and, therefore, when considering the issues facing Non-Associated Shareholders in approving the Security Deed Transaction, we have assessed whether the Security Deed Transaction is fair by considering whether the terms of the Convertible Note, including the provision of the Security Deed is on an arms-length commercial basis, or better, particularly in relation to the associated interest rate charged.

Consideration of a benchmark interest rate

In order to assess an appropriate benchmark interest rate for the Company, we have initially determined a reasonable expectation of a market participant's assessment of the Company's credit quality (i.e. credit rating), which is a function of financial factors such as a company's current debt leverage position, profitability and other cash flow-related financial performance metrics.

The Company's current loss making and net liabilities position would indicate a below investment-grade credit rating (i.e. CCC credit rating) and we consider that an applicable borrowing rate that would apply on an unsecured basis would be consistent with a CCC credit rating.

Benchmark Yields

In determining a benchmark yield for HITIQ, the composite Corporate Yield Curves published by S&P Capital IQ were primarily relied upon. The Corporate Yield Curves rely upon a daily corporate bond prices and yield curve aggregation to derive yield curves across various credit ratings and currencies.

The table below set out the CCC Corporate Yield Curves as at 16 December 2025.

Table 31 CCC Corporate Yield Curve as at 16 December 2025

	1 Month	3 Month	6 Month	9 Month	1 Year	2 Year
All In Yield	24.37%	24.32%	24.25%	24.18%	24.10%	23.87%

Source: Capital IQ

Given the remaining term of the Convertible Notes we consider that a benchmark interest rate (on an unsecured basis) of 24.0% to 24.4% is a reasonable assessment of the commercial arm's length interest rate. We note that this is higher than the default interest rate of 17.5% that applies to the Convertible Notes.

Adjustment to benchmark yield for general securitisation of the borrowings

As the above Corporate Yield Curves represent benchmark returns on unsecuritised borrowings, we have then considered the interest rate pricing adjustments that would be applied to account for the security provided by the general security deed and the reduced risk to the lender as a result. The interest rate pricing adjustment is generally a function of a market participants expectation of 2 factors:

- the probability of default on the borrowing; and:
- the difference in the Loss Given Default ("LGD") between unsecuritised borrowings and securitised borrowings. The LGD reflects the average percentage of borrowings not recovered by the lender in the event of default by the borrower.

Standard and Poor's Global publishes an annual study "2024 Annual Global Corporate Default Rating and Transition Study" which includes average cumulative default rates between 1981 and 2024, by credit rating. The average cumulative default rate within a 1 year period for CCC rated entities was calculated at 26.12%.

The Global Credit Data Consortium publishes annual observed recovery rate trends and in its July 2024 study "Banks and Financial Institutions – Annual observed recovery rate trends" noted the following LGDs:

- Senior – Unsecured – 28.0%
- Primary collateralised – 17.0%.
- Difference – 11.0%.

On the basis of the above, we consider that a market participant would apply a 2.8% - 3.0% reduction to the benchmark interest rate (11% x 26.12%) to take into account the securitisation provided by the general security deed and have, therefore, assessed an arm's length interest rate on a secured basis to be in the range of 21.0% to 21.6%. We note that this is higher than the interest rate of 12.5% that applies to the Convertible Notes.

As a comparison and cross-check to the above assessment, we also note that on 21 February 2025, HITIQ entered into a secured short term financing facility agreement with Rockford RDF Pty Ltd for \$800,000 to allow early access to the Company's eligible R&D expenditure for the 2025 financial year. As disclosed by HITIQ on 21 February 2025, this secured financing facility had an annual interest rate of 15% per annum.

Conclusion on fairness

On the basis that the interest rate that will continue to apply to the Convertible Notes of 12.5% is below our assessment of an arm's length commercial rate of 21.0% to 21.6%, we have concluded for the purpose of ASX Listing Rule 10.1 that the Security Deed Transaction overall is **fair** to Non-Associated Shareholders.

For personal use only.

10. Is the Security Deed Transaction Reasonable to Non-Associated Shareholders?

RG111 establishes that a Proposed Transaction is reasonable if it is fair. If a Proposed Transaction is not fair it may still be reasonable after considering the specific circumstances applicable to the Proposed Transaction. In our assessment of the reasonableness of the Security Deed Transaction, we have given consideration to other commercial advantages and disadvantages to Non-Associated Shareholders as a consequence of the Security Deed Transaction proceeding.

10.1 Advantages and disadvantages

In assessing whether Non-Associated Shareholders are likely to be better off if the Security Deed Transaction proceeds, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to Non-Associated Shareholders.

The key advantages and disadvantages of the Security Deed Transaction are outlined below.

Advantages

The key advantages of the Security Deed Transaction are:

Table 32 Advantages of the Security Deed Transaction

Advantage	Details
The Security Deed Transaction is Fair	We have assessed the Security Deed Transaction as fair.
Avoidance of default on the Convertible Loan Agreement and triggering of Default Interest Rate	Obtaining shareholder approval for entering into the general security deed under ASX LR10.1, was a condition subsequent to the Convertible Loan Deed, and, therefore, to the extent that the Security Deed Transaction is not approved, NBH would have the right to claim a default under the terms of the Convertible Note Deed and the default interest rate of 17.5% would apply rather than the current interest rate of 12.5%, which could result in additional interest expenses to the Company.

Source: RSM Analysis

Disadvantages

The key disadvantage of the Security Deed Transaction is:

Table 33 Disadvantage of the Security Deed Transaction

Disadvantage	Details
Existence of security may inhibit ability to raise alternative subordinated debt or increase costs of alternative subordinated debt	The general security deed will provide a floating charge over all revolving assets of the Company and a fixed charge over all other collateral and will take priority over any other creditors (other than where a creditor is mandatorily preferred by law). The existence of the security and the priority may make it more difficult for the Company to obtain alternative debt funding or may increase the interest rate that a lender will require on any debt lending to account for the increased risk of being a subordinate lender to NBH.

Source: RSM Analysis

10.2 Conclusion on Reasonableness

In our opinion, the position of Non-Associated Shareholders if the Security Deed Transaction is accepted is more advantageous than the position if it is not accepted. Therefore, in the absence of any other relevant information, we consider that the Security Deed Transaction is **reasonable** for Non-Associated Shareholders.

An individual Shareholder's opinion in relation to the Security Deed Transaction may be influenced by their individual circumstances. If in doubt, Shareholders should consult an independent advisor.

11. Is the Specific Security Transaction Fair to Non-Associated Shareholders?

Consistent with the guidelines in RG 111, in assessing whether a related party transaction such as the Specific Security Transaction is fair to Non-Associated Shareholders, the analysis is generally undertaken by assessing and comparing:

- the Fair Value of the benefit received from the related party by the Company; with
- the Fair Value of the consideration provided by the Company for the benefit received.

However, given the nature of the Specific Security Transaction, the above analysis is not feasible and, therefore, when considering the issues facing Non-Associated Shareholders in approving the Specific Security Transaction, we have assessed whether the Specific Security Transaction is fair by considering whether the terms of the Secured Loan, including the provision of a Security Interest over the Company's future rights to R&D Incentive Refunds for eligible R&D expenditure during the 30 June 2026 financial year is on an arms-length commercial basis, particularly in relation to the associated interest rate charged.

Consideration of a benchmark interest rate

In order to assess an appropriate benchmark interest rate for the Company, we have researched the terms of other similar R&D financing facilities disclosed by other ASX listed companies. We have not limited our analysis to a specific industry as we consider that the risks related to such R&D funding loans will be consistent between different industries, given the loans are short term in nature and repayable from the R&D tax incentive refunds once received.

The table below summarises the results of our benchmarking analysis.

Table 34 R&D Loan benchmarking summary

Company	ASX Code	Date	Loan Amount (\$)	Interest Rate	Lender	Secured Against
Aurora Labs	A3D	27-May-25	500,000	15% p.a.	Not disclosed	FY25 R&D tax refund
Audeara Limited	AUA	30-Dec-24	296,902	1.33% per month (15.96% per annum)	Sturt Capital Diversified Income Fund	FY25 R&D tax incentive rebate
Rhythm Biosciences	RHY	14-Aug-24	1,150,000	1.33% per month (15.96% per annum)	Not disclosed	FY24 RDTI rebate
Cobalt Blue Holdings	COB	27-Feb-25	700,000	1.44% per month (17.28% per annum)	Radium Capital	FY25 RDTI refund
Neurizon Therapeutics	NUZ	30-Jul-25	1,500,000	17% p.a.	Radium Capital	FY25 R&D Tax Incentive

Source: ASX Announcements and RSM research

We also note that on 21 February 2025, HITIQ entered into a secured short term financing facility agreement with Rockford RDF Pty Ltd for \$800,000 to allow early access to the Company's eligible R&D expenditure for the 2025 financial year. As disclosed by HITIQ on 21 February 2025, this secured financing facility had an annual interest rate of 15% per annum.

Having regard to the above we consider a benchmark commercial arms-length secured interest rate to be in the range of 15% to 17%.

Conclusion on fairness

On the basis that the interest rate that applies to the Convertible Notes of 12.0% is below our assessment of an arm's length commercial rate of 15.0% to 17.0%, we have concluded for the purpose of ASX Listing Rule 10.1 that the Security Deed Transaction overall is **fair** to Non-Associated Shareholders.

12. Is the Specific Security Transaction Reasonable to Non-Associated Shareholders?

RG111 establishes that a Proposed Transaction is reasonable if it is fair. If a Proposed Transaction is not fair it may still be reasonable after considering the specific circumstances applicable to the Proposed Transaction. In our assessment of the reasonableness of the Specific Security Transaction, we have given consideration to other commercial advantages and disadvantages to Non-Associated Shareholders as a consequence of the Specific Security Transaction proceeding.

12.1 Advantages and disadvantages

In assessing whether Non-Associated Shareholders are likely to be better off if the Specific Security Transaction proceeds, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to Non-Associated Shareholders.

The key advantages and disadvantages of the Specific Security Transaction are outlined below.

Advantages

The key advantages of the Security Deed Transaction are:

Table 35 Advantages of the Security Deed Transaction

Advantage	Details
The Specific Security Transaction is fair	We have assessed the Specific Security Transaction as fair.
Avoidance of default on the Secured Loan Agreement	Failure to enter into the specific security agreement could be deemed a default event under the Secured Loan agreement which would give NBH the right to require repayment of all outstanding monies and refuse any further drawdowns under the agreement. If HITIQ is required to repay the loan or is unable to draw down the balance of the facility over the period of the loan, HITIQ will likely need to source alternative sources of finance either through alternative debt or equity. There is no guarantee that an alternative source of finance will be available or will be sourced on comparable terms to the Secured Loan.

Source: RSM Analysis

Disadvantages

The key disadvantage of the Security Deed Transaction is:

Table 36 Disadvantage of the Security Deed Transaction

Disadvantage	Details
Existence of security may inhibit ability to raise alternative subordinated debt or increase costs of alternative subordinated debt	The existence of the specific security over the rights to the future R&D tax incentive refund may make it more difficult for the Company to obtain alternative debt funding or may increase the interest rate that a lender will require on any debt lending to account for the increased risk due to the lower level of assets available for securitisation.

Source: RSM Analysis

12.2 Conclusion on Reasonableness

In our opinion, the position of Non-Associated Shareholders if the Specific Security Transaction is accepted is more advantageous than the position if it is not accepted. Therefore, in the absence of any other relevant information, we consider that the Specific Security Transaction is **reasonable** for Non-Associated Shareholders.

An individual Shareholder's opinion in relation to the Security Deed Transaction may be influenced by their individual circumstances. If in doubt, Shareholders should consult an independent advisor.

Appendices

A. Declarations and Disclaimers

Declarations and Disclosures

RSM Corporate Australia Pty Ltd holds Australian Financial Services Licence 255847 issued by ASIC pursuant to which they are licensed to prepare reports for the purpose of advising clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate reconstructions or share issues.

Qualifications

Our report has been prepared in accordance with professional standard APES 225 "Valuation Services" issued by the Accounting Professional & Ethical Standards Board.

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia Pty Ltd (RSM), a large national firm of chartered accountants and business advisors.

Andrew Clifford and Nadine Marke are directors of RSM Corporate Australia Pty Ltd. Both Andrew Clifford and Nadine Marke are Chartered Accountants with extensive experience in the field of corporate valuations and the provision of independent expert's reports for transactions involving publicly listed and unlisted companies in Australia.

Reliance on this Report

This report has been prepared solely for the purpose of assisting Shareholders of HITIQ in considering the Proposed Transactions. We do not assume any responsibility or liability to any party as a result of reliance on the Report for any other purpose.

Reliance on Information

The statements and opinions contained in the Report are given in good faith. In the preparation of this report, we have relied upon information provided by the directors and management of HITIQ, and we have no reason to believe that this information was inaccurate, misleading or incomplete. RSM Corporate Australia Pty Ltd does not imply, nor should it be construed that it has carried out any form of audit or verification on the information and records supplied to us.

The opinion of RSM Corporate Australia Pty Ltd is based on economic, market and other conditions prevailing at the date of the Report. Such conditions can change significantly over relatively short periods of time.

In addition, we have considered publicly available information which we believe to be reliable. We have not, however, sought to independently verify any of the publicly available information which we have utilised for the purposes of the Report.

We assume no responsibility or liability for any loss suffered by any party as a result of our reliance on information supplied to us.

Disclosure of Interest

At the date of the Report, none of RSM Corporate Australia Pty Ltd, RSM, Andrew Clifford, Nadine Marke, nor any other member, director, partner or employee of RSM Corporate Australia Pty Ltd and RSM has any interest in the outcome of the Proposed Transaction, except that RSM Corporate Australia Pty Ltd are expected to receive a fee of \$42,500 (excluding goods and services tax ("GST") based on time occupied at normal professional rates for the preparation of the Report. The fees are payable regardless of whether HITIQ receives Shareholder approval for the Proposed Transactions.

Consents

RSM Corporate Australia Pty Ltd consents to the inclusion of the Report in the form and context in which it is included with the Notice to be issued to Shareholders. Other than the Report, neither of RSM Corporate Australia Pty Ltd or RSM Australia Pty Ltd has been involved in the preparation of the Notice. Accordingly, we take no responsibility for the content of the Notice.

B. Sources of Information

In preparing the Report, we have relied upon the following principal sources of information:

- Notice of General Meeting and Explanatory Statement;
- HITIQ audited financial statements for the years ended 30 June 2023, 30 June 2024 and 30 June 2025 (inclusive of comparatives);
- Copy of the Convertible Note Deed and replacement Convertible Note Deed;
- Copy of proposed General Security Deed;
- Copy of the Secured Loan Facility Agreement;
- Copy of the proposed Specific Security Agreement;
- HITIQ consolidated Share Register report dated 13 October 2025;
- HITIQ Issued Share Capital Report dated 13 October 2025;
- HITIQ research and development tax incentive correspondence for the 30 June 2021, 2022, 2023, 2024 and 2025 financial years;
- ASX announcements of HITIQ;
- S&P Capital IQ database;
- Connect4 database;
- GMIInsights – Concussion Market Size, Growth Outlook 2025-2034, Grandview Research – Concussion Market Size, Share and Trends Report, 2030, Coherent market insights – Concussion Market Size, Trends and YoY Growth Rate
- Grandview Research – Sports Mouthguard Market Size, and Trends
- Information provided to us throughout correspondence with the Directors and Management of HITIQ; and
- HITIQ website.

For personal use only.

C. Glossary of Terms and Abbreviations

Term or Abbreviation	Definition
\$ or AUD	Australian dollar
Act or Corporations Act	Corporations Act 2001 (Cth)
AFCA	Australian Financial Complaints Authority
AFSL	Australian Financial Services Licence
APES	Accounting Professional & Ethical Standards
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ASX Listing Rules	The listing rules of the Australian Stock Exchange amended from time to time
ATO	The Australian Taxation Office
b	Billion
CAGR	Compound annual growth rate
CFME	Capitalisation of future maintainable earnings
Company or HITIQ	HITIQ Limited
Committed Conversion, the	An immediate conversion of 1,600,000 Convertible Notes (face value of \$1.6m) together with associated capitalised interest of \$349k, through the issuance of 97,474,962 Shares at a deemed conversion price of \$0.02 per Share
Controlling Interest Basis	An assessment of the Fair Value of an equity interest, which assumes the holder or holders have control of the entity in which the equity is held.
Conversion Shares Transaction, the	The issuance of up to 470,206,482 Shares to Harmil in relation to the conversion of Convertible Notes.
Convertible Notes, the	4,700,000 convertible notes issued to NBH (and held by NBH's nominee Harmil) with a face value of \$4.7m as summarised in section 1 of the Report.
DCF	Discounted Cash Flow
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
Enterprise Value or EV	The market value of a business on a cash free and debt free basis
Equity Value	The owner's interest in a company after the addition of all non-operating or surplus assets and the deduction of all non-operating or excess liabilities from the Enterprise Value.
FME	Future Maintainable Earnings
Forward-looking information	Prospective financial information (including forecasts and projections) or any other statements or assumptions about future matters.
FSG	Financial Services Guide
Future Conversion, the	The future issuance of up to 372,731,520 Shares as settlement or part settlement of the balance of the Convertible Notes and associated accrued interest, noting that the conversion price will be based on the future VWAP of HITIQ Shares at the time of conversion based on the Convertible Note terms
FY[XX]	Financial year ended 30 June 20[XX]
GST	Goods and services tax
Harmil	Harmil Angel Investments Pty Ltd
Harmil Group, the	Together Harmil and its associate, Mr Matthew Clayworth

For personal use only

Term or Abbreviation	Definition
Historical Period, the	Collectively, FY22, FY23, FY24 and FY25
HITIQ Options	The options on issue in HITIQ
HITIQ	HITIQ Limited
HITIQ Shares or Shares	The ordinary shares on issue in HITIQ
Keystone Capital	Keystone Capital Partners Pty Ltd
k	Thousands
LGD	Loss Given Default
m	Millions
Management, or Mgmt.	The management of HITIQ
Market Value or Fair Value	The amount at which an asset could be exchanged between a knowledgeable and willing but not anxious seller and a knowledgeable and willing but not anxious buyer, both acting at arm's length.
Minority or Non-Controlling Interest	A non-controlling ownership interest, generally less than 50.0% of a company's voting shares
NBH	No Bull Health Pty Ltd
New Option	Options issued as part of the Placement and Rights Issue on a 1 option for every 2 Shares basis with a exercise price of \$0.022 per Share and an expiry date of 30 December 2028.
Non-Associated Shareholders or Shareholders	Shareholders who are not a party, or associated to a party, of the Proposed Transactions
Notice	Notice of General Meeting and Explanatory Statement
NPAT	Net profit after tax
Placement, the	The raising of capital of \$680,000 before costs from new strategic sophisticated investors at \$0.022 per Share plus the issue of New Options on a 1 option for every 2 Shares basis.
Proposed Transactions, the	Collectively the Conversion Shares Transaction, the Security Deed Transaction, and the Specific Security Transaction
QMP	Quoted market price of listed securities
RBA	Reserve Bank of Australia
RDTI	Research and Development Tax Incentive
Report, the or IER	This Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd
RG 111	ASIC Regulatory Guide 111 Content of expert reports
RG 112	ASIC Regulatory Guide 112 Independence of experts
RSM Control Premium Study	RSM study on 605 takeovers and schemes of arrangement involving companies listed on ASX over the 15.5 years ended 31 December 2020
RSM, we, us or our	RSM Corporate Australia Pty Ltd
Secured Loan, the	A \$1.4m 12 month loan facility with NBH secured against rights to the 2026 R&D Tax Incentive refund
S&P Capital IQ or Capital IQ	An entity of Standard and Poor's which is a third-party provider of company and other financial information
Security Deed Transaction, the	Grant of a General Security Deed to No Bull Health Pty Ltd an associate of Harmil.
Specific Security Transaction	Grant of a Security Interest over the Company's future rights to R&D Incentive Refunds for eligible R&D expenditure during the 30 June 2026 financial year to NBH, an associate of Harmil

Term or Abbreviation	Definition
VWAP	Volume weighted average share price

For personal use only

D. Assessment of impact on Fair Value of the potential dilutive impact of HITIQ Options

HITIQ Options

As at the date of this Report, there were 75,814,117 Options on issue, as summarised in the table below.

Table 37 Summary of Options

Code	Type	Exercise Price	Expiry Date	Number on issue
HIQOA	Listed Options	\$0.022	30/12/2028	75,814,117

Source: HITIQ Issued Share Capital Report dated 11 November 2025

We have included the potential dilutionary impact of the 75,814,117 New Options in our assessment of the Fair Value of a HITIQ Share prior to the Proposed Transactions.

We also note that as at 16 December 2025, 8,409,091 lead manager options related to the recent placement had yet to be issued (as noted in the Appendix 2A issued by the Company on 16 December 2025). We have, therefore, also considered the potential dilutionary of these New Options.

As the HITIQ Options are American options (may be exercised at any time before the expiration date), we have utilised the binomial options valuation model to enable expected early exercise of the unlisted Options to be factored into the valuation.

The binomial model uses either a binomial or a trinomial distribution process to derive value by separating the total maturity period of the option into discrete periods. When progressing from one time period, or node, to another, the underlying common stock price is assumed to have an equal probability of increasing and/or decreasing by upward and downward price movements.

The key inputs and assumptions we have used in the binomial model to value the potential dilutionary impact of the unlisted options are set out in the next table.

Table 38 Key inputs in the valuation of the HITIQ options

	New Options
Valuation Date	17/12/2025
Expiry Date	30/12/2028
Exercise price	0.022
Current share price	0.0173
Maximum option life in years	3.04
Volatility	120%
Risk free rate	4.07%
Dividend yield	0%
Employee exit rate - pre vesting	0%
Employee exit rate - post vesting	0%
Early Exercise Factor	2.5
Vesting Period (Yrs)	0
Trinomial steps	200
Option Value	0.0092

Source: Management information and RSM analysis.

Valuation date and option life – we have valued the options as at the date of the Report (or as close as practically possible) and accordingly, have calculated remaining option life in years based on the date of the Report to the expiry date under the appropriate terms of each class of options.

Exercise price – the options have an exercise price of \$0.022.

Current share price – we have adopted a share price of \$0.0173, being our assessment of the Fair Value of a HITIQ Share prior to the Conversion Share Transaction on a non-controlling basis at the midpoint value (applying a discount rate of 23.1%), being the inverse of our assessed midpoint control premium of 30.0% (27.5% to 32.5% range) applied when valuing a HITIQ Share using the QMP method.

Volatility – the volatility of the share price is a measure of the uncertainty about the returns provided by HITIQ shares. Generally, it is possible to predict future volatility of a stock by reference to its historical volatility. A share with a greater volatility has a greater time component of the total value.

Our assumption is predicated on the fact that historical volatility is representative of expected future volatility.

Based on the above, and having regard to the liquidity and historical volatility of HITIQ, we have assessed the volatility to be 120%.

Risk free rate – we have determined the risk-free rate based on the yield of appropriate Commonwealth bond rates as at 16 December 2025 that cover the period that best match the life of the options for each group as at the valuation date as set out above.

Dividend yield – we have utilised a dividend yield of 0% based on current expectations that HITIQ has no plans to pay dividends in the short to medium term.

Early exercise factor – Expected early exercise is factored into the valuation by our application of the binomial model. The model incorporates an exercise factor, which determines the conditions under which an option holder is expected to exercise their options. It is defined as a multiple of the exercise price (e.g., 2.5 would mean that on average option holders tend to exercise their options when the stock price reaches 2.5 times the exercise price).

This is considered more reliable than trying to guess the average time to exercise. For example, trying to estimate an average time after which option holders exercise is likely to be inaccurate as during periods when the market is high option holders are more likely to exercise early as opposed to times when the market is low. Using an exercise multiple, which is based on a robust theory of stock price behaviour/distribution overcomes these problems.

We have assumed that the exercise factor for these options is 2.5. There have been a number of historical studies that indicate that option holders early exercise options generally at between 2 to 3 times the exercise price, with the higher multiples generally attributable to more senior employees within the company.

Options valuation summary

Based on the inputs and assumptions above, our assessed value of the potential dilutionary impact of the HITIQ Options prior to the Proposed Transaction is set out in the table below.

Table 39 HITIQ Options valuation summary

	Listed Options
Number of options	84,223,208
Total Value	775,958

Source: Management information and RSM analysis

HITIQ Performance Rights and Performance Shares

In addition to the above, HITIQ has:

- 17,490,000 unvested Performance Rights. The Performance Rights vest based on either,
 - for employees (9,280,000 unvested Performance Rights) remaining in employment until 31 December 2025
 - for management (7,650,000 unvested Performance Rights),
 - 1/3 if HITIQ's 30-day VWAP reaches \$0.04 within first 12-months from grant;
 - 1/3 if HITIQ's 30-day VWAP reaches \$0.06 within first 18- months from grant; and
 - 1/3 if HITIQ's 30-day VWAP 30-day VWAP reaches \$0.08 within first 24-months from grant.

On the basis that the above Performance Shares and Performance Rights are unvested, and the recipients are either providing employment services to each the underlying Shares, or the underlying value of HITIQ would need to increase for the Performance Rights to vest, we have not considered the potential dilutionary impact of the above Performance Shares and Performance Rights in our assessment.

For personal use only

E. Industry Overview

In evaluating the industry in which HITIQ operates, we have had regard to the following industries:

- the Concussion Management Technology Industry; and
- the Sports mouthguard industry.

We set out below a brief overview each of the above industries.

Concussion management technology industry⁵

The industry is poised for steady growth, driven by innovation, policy support, and increasing demand for early detection and long-term concussion care solutions.

Key drivers of the concussion management technology industry include:

- rising incidence of traumatic brain injuries (TBIs), especially in sports and military settings.
- increased awareness and education around concussion risks and long-term effects.
- regulatory support and global campaigns (e.g., WHO & FIFA's "Suspect and Protect").

End users within the industry include:

- sports organisations (professional and amateur).
- military and defence sectors.
- hospitals, clinics, and diagnostic centres.
- schools and youth sports programs.

The market size is estimated at US\$7.5b in 2024 and projected to grow at a CAGR of 4.8% to 6.1% through to 2034.

Technological trends in the industry include:

- smart wearables (e.g., sensor-embedded mouthguards, helmets, headbands).
- portable diagnostic tools for sideline and emergency use.
- AI and machine learning for risk assessment and recovery optimisation.
- Virtual reality and digital health platforms for cognitive assessment and remote monitoring

Challenges in the industry include:

- ensuring data accuracy and reliability in real-time environments.
- cost and accessibility of advanced technologies.
- navigating regulatory approvals and clinical validation.

⁵ GMInsights – Concussion Market Size, Growth Outlook 2025-2034, Grandview Research – Concussion Market Size, Share and Trends Report, 2030, Coherent market insights – Concussion Market Size, Trends and YoY Growth Rate

Sports mouthguard industry⁶

The market is expected to grow steadily, driven by innovation, regulatory support, and consumer demand for safety and performance-enhancing gear.

Key drivers of the sports mouthguard industry include:

- rising incidence of sports-related dental injuries (over 5 million teeth avulsed annually).
- high cost of dental treatments (estimated at \$500 million annually).
- growing awareness and safety regulations from sports and dental associations.

The market size is estimated at US\$5.49b in 2022 and projected to reach US\$8.51b by 2030 (CAGR of 5.6%), with North America leading the market due to high disposable income and regulatory mandates.

Technological trends in the industry include:

- smart mouthguards with sensors for tracking head impacts and physiological data.
- use of advanced materials like EVA, natural rubber, and acrylic resins for better fit and durability.
- customisation through 3D scanning and printing.

The market can be broadly segmented into the following product segments:

- Boil & Bite (dominant segment, ~40% market share).
- Stock mouthguards (pre-formed, low-cost).
- Custom-made (clinician-fitted, high protection).

⁶ Grandview Research – Sports Mouthguard Market Size, and Trends

For personal use only

RSM Corporate Australia Pty Ltd

Level 27, 120 Collins Street

Melbourne

VIC 3000

Australia

T +61 (03) 9286 8000

F +61 (03) 9286 8199

rsm.com.au

RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network.

Each member of the RSM network is an independent accounting and consulting firm each of which practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.

The RSM network is administered by RSM International Limited, a company registered in England and Wales (company number 4040598) whose registered office is at 50 Cannon Street, 2nd Floor, London EC4N 6JJ.

The brand and trademark RSM and other intellectual property rights used by members of the network are owned by RSM International Association, an association governed by article 60 et seq of the Civil Code of Switzerland whose seat is in Zug.

Australian Financial Services Licence No. 255847