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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a meeting of members of SomnoMed Limited (the "Company") will be at Level 1, 111 Harrington Street, Sydney, NSW 2000 on Monday 23rd November 2026 at 3.00pm AEDT for the purpose of transacting the business set out in this Notice.

BUSINESS

Item 1 – Financial Statements

To consider and receive the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30th June 2026.

Item 2 – Remuneration Report

To adopt the Remuneration Report for the year ended 30th June 2026.

Voting exclusion statement

The Corporations Act prohibits any votes being cast on Item 2 by or on behalf of a person who is a member of the key management personnel (KMP) of the Company (including the Directors and the Chairman) or a closely related party of that KMP as a proxy, or if that KMP is named in the Remuneration Report in any capacity. However, such a person may cast a vote on Item 2 as a proxy for a person who is permitted to vote if:

(a) the appointment of the proxy specifies the way in which the proxy is to vote on the resolution; or

(b) such a person is the Chairman of the meeting and the appointment of the proxy expressly authorises the Chairman of the meeting to exercise the undirected proxies even if the resolution is connected with the remuneration of a member of the KMP.

Item 3 – Re-election of Director (Mr Benjamin Gisz)

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

"That Benjamin Gisz, being a Director who retires by rotation in accordance with the Constitution of the Company and being eligible for re-election, be re-elected as a Director of the Company."

Item 4 – Re-election of Director (Mr Andrew Price)

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

"That Andrew Price, being a Director who retires by rotation in accordance with the Constitution of the Company and being eligible for re-election, be re-elected as a Director of the Company."

Item 5 - Refresh the Non-Executive Share Option Plan

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

"That, for the purpose of ASX Listing Rule 7.2 (Exception 13 (b)) and for all other purposes, Shareholders approve any issue of securities under the Non-Executive Share Option Plan 2021, a summary of the rules of which is set out in Annexure B of the Explanatory Memorandum, as an exception to Listing Rule 7.1."

Voting Exclusion Statement:

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

(a) any person who is eligible to participate in the Non-Executive Share Option Plan 2021; or

(b) an associate of that person or those persons.

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

(a) a person as proxy or attorney for a person who is entitled to vote on this resolution, in accordance with the directions given to the proxy or attorney to vote on this resolution in that way; or

(b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on this resolution, in accordance with a direction given to the chair to vote on this resolution as the chair decides; or

(c) the 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 this resolution; and

(ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

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Voting Prohibition Statement:

Further, in accordance with the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if the proxy is either:

(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or

(b) a Closely Related Party of such a member.

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

(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this resolution; or

(b) the voter is the chair and the appointment of the chair as proxy:

(i) does not specify the way the proxy is to vote on this resolution; and

(ii) expressly authorises the chair to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Item 6 - Refresh the Employee Share Option Plan

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

"That, for the purpose of ASX Listing Rule 7.2 (Exception 13 (b)) and for all other purposes, Shareholders approve any issue of securities under the Employee Share Option Plan 2021, a summary of the rules of which are set out in Annexure C of the Explanatory Memorandum, as an exception to Listing Rule 7.1."

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Voting Exclusion Statement:

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

(a) any person who is eligible to participate in the Employee Share Option Plan 2021; or

(b) an associate of that person or those persons.

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

(a) a person as proxy or attorney for a person who is entitled to vote on this resolution, in accordance with the directions given to the proxy or attorney to vote on this resolution in that way; or

(b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on this resolution, in accordance with a direction given to the chair to vote on this resolution as the chair decides; or

(c) the 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 this resolution; and

(ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

Further, in accordance with the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if the proxy is either:

(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or

(b) a Closely Related Party of such a member.

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

(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this resolution; or

(b) the voter is the chair and the appointment of the chair as proxy:

(i) does not specify the way the proxy is to vote on this resolution; and

(ii) expressly authorises the chair to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Item 7 – Issue of Options (Mr Michael Gordon)

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, and subject the passing of Item 5, the issue of 400,000 Options to Mr Michael Gordon or his nominee under the Non-Executive Share Option Plan 2021 on the terms described in the Explanatory Notes to this Notice of AGM is approved".

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on the resolution.

Voting exclusion statement:

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

(a) Mr Michael Gordon and his nominee(s), and other persons referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who are eligible to participate in the Non-Executive Share Option Plan 2021; or

(b) an associate of those persons.

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

(a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or

(b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

(c) a 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.

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Item 8 – Issue of Options (Mr Benjamin Gisz)

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes and subject to the passing of Item 5, the issue of 400,000 Options to Mr Benjamin Gisz or his nominee under the Non-Executive Share Option Plan 2021 on the terms described in the Explanatory Notes to this Notice of AGM is approved."

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on the resolution.

Voting exclusion statement:

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

(a) Mr Benjamin Gisz and his nominee(s), and other persons referred to in Listing Rule 10.14.1, 10.14.2, or 10.14.3 who are eligible to participate in the Non-Executive Share Option Plan 2021; or

(b) an associate of those persons.

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

(a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

(c) a 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.

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Item 9 - Issue of Options (Mr Andrew Price)

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes and subject to the passing of Item 5, the issue of 750,000 Options to Mr Andrew Price or his nominee under the Non-Executive Share Option Plan 2021 on the terms described in the Explanatory Notes to this Notice of AGM is approved."

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on the resolution.

Voting exclusion statement:

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

(a) Mr Andrew Price and his nominee(s), and other persons referred to in Listing Rule 10.14.1, 10.14.2, or 10.14.3 who are eligible to participate in the Non-Executive Share Option Plan 2021; or

(b) an associate of those persons.

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

(a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

(c) a 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.

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Item 10 - Issue of Options (Ms Karen Borg)

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of a total of 1,500,000 Options to Ms Karen Borg or her nominee under the Employee Share Option Plan 2021 on the terms described in the Explanatory Notes to this Notice of AGM is approved."

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on the resolution.

Voting exclusion statement:

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

(a) Ms Karen Borg and her nominee(s), and other persons referred to in Listing Rule 10.14.1, 10.14.2, or 10.14.3 who are eligible to participate in the Employee Share Option Plan 2021; or

(b) an associate of those persons.

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

(a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

(c) a 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.

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Appointment of Proxy

(a) A member who is unable to attend and vote at the meeting may appoint a proxy by completing and returning the attached proxy form in the manner provided below. The proxy need not be a member of the Company.

(b) If a member wishes to appoint a proxy, and is entitled to cast 2 or more votes, then the member may appoint 2 proxies, and may specify the proportion or number of votes each proxy may cast.

(c) A proxy form (and the power of attorney (if any) under which it is signed) must be received at the registered office of the Company not less than 48 hours before the time of the holding of the meeting:

- By hand: Boardroom Pty Limited – Level 8, 210 George Street, Sydney NSW 2000
- By mail: Boardroom Pty Limited – GPO Box 3993, Sydney NSW, 2001
- By facsimile: (02) 9290 9655

Corporate Representatives

Corporate members must either:

- appoint a proxy as set out above; or
- appoint a body corporate representative in accordance with the Corporations Act.

The appointment of a body corporate representative must be produced at the meeting.

Entitlement to Vote

For the purpose of the meeting, those members holding shares at 7pm AEDT on Saturday, 21st November 2026 will be voting members at the meeting.

Further Information

This Notice should be read in conjunction with the Explanatory Notes.

By the Order of the Board of Directors.



T. A. Flitcroft
Company Secretary
Dated: 16th October 2026

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EXPLANATORY NOTES ON ITEMS OF BUSINESS

Item 1: Financial Statements

As required by section 317 of the Corporations Act 2001 (Cth) (the "Act"), the Financial Report, the Directors' Report and the Auditor's Report of the Company for the most recent financial year will be laid before the meeting. Shareholders will be provided with a reasonable opportunity to ask questions about or make comments on the management of the Company, however there will be no formal resolution put to the meeting.

Shareholders will also be provided with the opportunity to ask the representative of the Company's auditor questions about the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the auditor in relation to the conduct of the audit.

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Item 2: Remuneration Report

The Directors' Report for the year ended 30 June 2026 contains a Remuneration Report, which sets out the remuneration policy for the Company and reports on the remuneration arrangements in place for Directors and certain senior executives.

The Act requires that the agenda for this Annual General Meeting include a resolution for the adoption of the Remuneration Report. The vote on the resolution is advisory only and is not binding on the Directors or the Company.

Shareholders will be provided with a reasonable opportunity to ask questions about and make comments on the Remuneration Report.

Voting exclusion statement

The Corporations Act prohibits any votes being cast on Item 2 by or on behalf of a person who is a member of the key management personnel (KMP) of the Company (including the Directors and the Chairman) or a closely related party of that KMP as a proxy, or if that KMP is named in the Remuneration Report in any capacity. However, such a person may cast a vote on Item 2 as a proxy for a person who is permitted to vote if:

a) the appointment of the proxy specifies the way in which the proxy is to vote on the resolution; or

b) such a person is the Chairman of the meeting and the appointment of the proxy expressly authorises the Chairman of the meeting to exercise the undirected proxies even if the resolution is connected with the remuneration of a member of the KMP.

The Chairman of the Meeting will vote all undirected proxies IN FAVOUR of Item 2.

Item 3: Re-election of Director

Pursuant to the Company's Constitution, Mr Benjamin Gisz will retire as a Director at the Annual General Meeting and offer himself for re-election.

Ben is a Director and member of the investment team at TDM Growth Partners, an investment firm specialising in long term investments in high growth companies globally. Ben has extensive investing, corporate advisory and financial markets experience, including prior roles with Investec Group and Credit Suisse.

Ben is a current Non-Executive Director at Australian pet supplies ecommerce business Pet Circle and previously served as a Non-Executive Director on the board of ASX listed dental group Pacific Smiles Limited.

Ben holds a Bachelor of Commerce (Finance and Accounting) from the University of Sydney.

If re-elected, Mr Benjamin Gisz will continue as a Director and be subject to retirement by rotation in accordance with the Company's Constitution.

The Board, with exception of Mr Benjamin Gisz, unanimously recommends that Shareholders vote in favour of the election of Mr Benjamin Gisz.

The Chairman of the Meeting will vote all undirected proxies IN FAVOUR of Item 3.

Item 4: Election of Director

Pursuant to the Company's Constitution, Mr Andrew Price will retire as a Director at the Annual General Meeting and offer himself for re-election.

Andrew Price is a seasoned executive in the medical device industry, spent 25 years at ResMed in various senior roles. Prior to finishing his employment with ResMed, Andrew was Chief Supply Chain Officer, leading all functions of the end-to-end supply chain including supplier management, manufacturing, logistics, distribution, quality assurance and regulatory affairs.

Andrew Price held roles at ResMed across product development, project management and business development globally. Mr Price is a director of PolyNovo Limited, an Australian ASX listed medical technology company.

Andrew holds an Industrial Design Degree from University of Technology, Sydney, has completed the Advanced Management Program (AMP) with INSEAD Singapore and is a Graduate of the Australian Institute of Company Directors (GAICD).

If elected, Mr Andrew Price will continue as a Director and be subject to retirement by rotation in accordance with the Company's Constitution.

The Board, with exception of Mr Andrew Price, unanimously recommends that Shareholders vote in favour of the re-election of Mr Andrew Price.

The Chairman of the Meeting will vote all undirected proxies IN FAVOUR of Item 4.

Item 5 - Refresh of Non-Executive Share Option Plan 2021

Overview

The Non-Executive Share Option Plan 2021 was adopted by the Company at the General Meeting on 3 June 2021 and refreshed at the Annual General Meeting on 27 November 2024 for a further 3 years. The Directors considered in 2021 that it was desirable to establish the Non-Executive Share Option Plan 2021 under which eligible participants may be offered the opportunity to subscribe for options in order to increase the range of potential incentives available to them and to strengthen links with the Company and its Shareholders.

While the Non-Executive Share Option Plan 2021 was refreshed in 2024 until the Annual General Meeting in 2027, the Company currently has limited capacity under the Non-Executive Share Option Plan 2021 to issue additional options. As such, the Directors consider it desirable to refresh the Non-Executive Share Option Plan 2021 until the Annual General Meeting in 2029. A summary of the Non-Executive Share Option Plan 2021 is attached at Annexure B.

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Shareholder approval by ordinary resolution is sought for the refreshing of the Non-Executive Share Option Plan 2021 in compliance with the following laws and regulations.

(a) Exception for financial assistance: Section 260C (4) of the Corporations Act requires shareholder approval by ordinary resolution in order to access the special Exception from the prohibition on a company financially assisting the acquisition of shares in itself under section 260A of the Corporations Act. In this case, the possible loan(s) to participants under the Non-Executive Share Option Plan 2021 constitutes financial assistance, which is exempt from the prohibition where the assistance is given under an employee share scheme that has been approved at a general meeting of the company.

(b) Exception for security over own shares: Section 259B (2) of the Corporations Act requires shareholder approval by ordinary resolution in order to access the Exception from the prohibition on a company taking security over shares in itself under section 259B (1) of the Corporations Act. In this case, the possible loan(s) under the Non-Executive Share Option Plan 2021 constitutes such a security, which is exempt from the prohibition where the security is taken under an employee share scheme that has been approved at a general meeting of the company.

(c) Exception under ASX Listing Rule 7.1 and 7.1A: ASX Listing Rule 7.1 requires shareholder approval by ordinary resolution for an issue of equity securities if, over a 12 month period, the amount of equity securities issued is more than 15% of the number of ordinary shares on issue at the start of that 12 month period. ASX Listing Rule 7.1A allows an eligible entity an additional 10% capacity to issue shares if approved by special resolution passed at an annual general meeting. Under Listing Rule 7.2 (Exception 13), for issues under an employee incentive scheme not to count towards the 15% capacity to issue share capital in a 12 month period without Shareholder approval, Shareholder approval of the employee incentive scheme is required:

- every three years; or
- if there is a material change to the terms of an approved employee incentive scheme.

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The Non-Executive Share Option Plan 2021 was approved by Shareholders at its General Meeting on 3 June 2021 and refreshed at the Annual General Meeting in 2024 and the Board now seeks Shareholder approval for it to be refreshed until the 2029 Annual General Meeting. In accordance with the requirements of Listing Rule 7.2 (Exception 13(b)), the following information is provided:

i) A summary of the key terms and conditions of the Non-Executive Share Option Plan 2021 is set out in Annexure B. In addition, a copy of the Non-Executive Share Option Plan 2021 is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Non-Executive Share Option Plan 2021 will also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

ii) Shareholders should note that the Company has issued 2,800,000 options under the Non-Executive Share Option Plan 2021 since it was refreshed in 2024. Of the 2,800,000 Options issued, nil have lapsed, leaving 2,800,000 on issue as of the date of this notice and a maximum of 200,000 that could be issued if the Non-Executive Share Option Plan 2021 is not refreshed.

iii) The maximum number of Options to be issued under the Non-Executive Share Option Plan 2021 in the 3 years following shareholder approval to refresh the Non-Executive Share Option Plan 2021 under Listing Rule 7.2 exception 13(b) is 4,000,000.

iv) The maximum number of options that are issuable under Non-Executive Share Option Plan 2021 and the Employee Share Option Plan 2021 (the "Plans") to persons not otherwise exempt under Division 1A of Part 7.12 of the Corporations Act, when combined with the number of options issued or that may be issued as a result of offers made at any time during the previous 3 years pursuant to the Plans, but disregarding securities issued for nil monetary consideration , or any offer made, or Shares issued by way of or as a result of:

a. an offer to a person situated at the time of receipt of the offer outside Australia; or

b. an offer that did not need disclosure to investors because of section 708 of the Corporations Act (which includes offers to directors); or

c. an offer made under a disclosure document during the previous five years pursuant to the Plans or any other employee incentive scheme of the Company; but disregarding any offer made, or share rights acquired or Ordinary Shares issued by way of or as a result of:

(i) an offer to a person situated at the time of receipt of the offer outside Australia; or

(ii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or

(iii) an offer made under a disclosure document,

must not exceed 5% of the total number of issued shares in the Company at the time of the offer of options.

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As at the date of this Notice, the Company has on issue nil options as a result of offers made during the previous 3 years pursuant to the Plans or any other employee incentive scheme, which were not otherwise exempt under Division 1A of Part 7.12 of the Corporations Act.

This means that the maximum number of Securities that can be issued with a monetary consideration under both the Plans over three years from the date of this Meeting (assuming shareholder approval is obtained) to persons to which an Exception under Division 1A of Part 7.12 of the Corporations Act does not apply is 10,988,412 options.

Shareholders should be aware that the maximum number of options proposed to be issued under the Non-Executive Share Option Plan 2021 stated in C(iii) above is not intended to be a prediction of the actual number of options to be issued under the Non-Executive Share Option Plan 2021 but is specified for the purposes of setting a ceiling on the number of securities approved to be issued for the purposes of Listing Rule 7.2 (Exception 13(b)).

It is not envisaged that the maximum number of options for which approval is sought will be issued immediately following approval.

Any future issues of securities under the Non-Executive Share Option Plan 2021 to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that shareholder approval should be obtained, will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

If Item 5 is passed or not passed

If Item 5 is passed, the Company will be able to issue options under the Non-Executive Share Option Plan 2021 to eligible participants over a period of 3 years. The issue of any options to eligible participants under the Non-Executive Share Option Plan 2021 (up to the maximum number of 4,000,000 Options) will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of securities under the Non-Executive Share Option Plan 2021 to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

If Item 5 is not passed, the Company will still be able to proceed with the issue options under the Non-Executive Share Option Plan 2021 to eligible participants until the Annual General Meeting in 2027 relying on the Listing Rule 7.2 (Exception 13(b)). However, given the existing limited capacity to issue options under the Non-Executive Share Option Plan 2021 resolutions 7, 8 and 9 will not be put and the proposed issue of options in those resolutions will not occur. The Company will then need to find alternative means to incentivise the Directors.

Board Recommendation

Noting that Non-Executive Directors may have a personal interest in the outcome of this Item 5 by virtue of them being eligible to participate in the Non-Executive Share Option Plan 2021, the Board recommends that Shareholders vote in favour of this resolution.

The Chairman of the meeting intends to vote undirected proxies in FAVOUR of Item 5.

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Item 6: Refresh of Employee Share Option Plan 2021

Overview:

The Employee Share Option Plan 2021 was adopted by the Company at the General Meeting on 3 June 2021 and refreshed at the Annual General Meeting on 27 November 2024 for a further 3 years. The Directors considered in 2021 that it was desirable to establish the Employee Share Option Plan 2021 under which eligible participants may be offered the opportunity to subscribe for options in order to increase the range of potential incentives available to them and to strengthen links with the Company and its Shareholders.

While the Employee Share Option Plan 2021 was refreshed in 2024 till the Annual General Meeting in 2027 as the Company currently has limited capacity under the Employee Share Option Plan 2021 to issue additional options, the Directors consider it desirable to refresh the Employee Share Option Plan 2021 until the annual General Meeting in 2029. A summary of the Employee Share Option Plan 2021 is attached at Annexure D.

Shareholder approval by ordinary resolution is sought for the refreshing of the Employee Share Option Plan 2021 in compliance with the following laws and regulations.

(a) Exception for financial assistance: Section 260C (4) of the Corporations Act requires shareholder approval by ordinary resolution in order to access the special Exception from the prohibition on a company financially assisting the acquisition of shares in itself under section 260A of the Corporations Act. In this case, the possible loan(s) to participants under the Executive Share Option Plan 2021 constitutes financial assistance, which is exempt from the prohibition where the assistance is given under an employee share scheme that has been approved at a general meeting of the Company.

(b) Exception for security over own shares: Section 259B (2) of the Corporations Act requires shareholder approval by ordinary resolution in order to access the Exception from the prohibition on a company taking security over shares in itself under section 259B (1) of the Corporations Act. In this case, the possible loan(s) under the Executive Share Option Plan 2021 constitutes such a security, which is exempt from the prohibition where the security is taken under an employee share scheme that has been approved at a general meeting of the company.

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(c) Exception under ASX Listing Rule 7.1 and 7.1A: ASX Listing Rule 7.1 requires shareholder approval by ordinary resolution for an issue of equity securities if, over a 12 month period, the amount of equity securities issued is more than 15% of the number of ordinary shares on issue at the start of that 12 month period. ASX Listing Rule 7.1A allows an eligible entity an additional 10% capacity to issue shares if approved by special resolution passed at an annual general meeting. Under Listing Rule 7.2 (Exception 13), for issues under an employee incentive scheme not to count towards the 15% capacity to issue share capital in a 12 month period without Shareholder approval, Shareholder approval of the employee incentive scheme is required:

- every three years; or
- if there is a material change to the terms of an approved employee incentive scheme.

The Employee Share Option Plan 2021 was approved by Shareholders at its General Meeting on 3 June 2021 and refreshed at the Annual General Meeting in 2024 and the Board now seeks Shareholder approval for it to be refreshed until the 2029 Annual General Meeting. In accordance with the requirements of Listing Rule 7.2 (Exception 13(b)), the following information is provided:

i) A summary of the key terms and conditions of the Employee Share Option Plan 2021 is set out in Annexure D. In addition, a copy of the Employee Share Option Plan 2021 is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Employee Share Option Plan 2021 will also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

ii) Shareholders should note that the Company has issued 11,315,500 options under the Employee Share Option Plan 2021 since it was refreshed in 2024. Of the 11,315,500 Options issued, 60,000 have lapsed, leaving 11,255,500 which have been issued (including 950,000 which have been exercised) as of the date of this notice and a maximum of 2,744,500 that could be issued if the Employee Share Option Plan 2021 is not refreshed.

iii) The maximum number of Options to be issued under the Employee Share Option Plan 2021 in the 3 years following shareholder approval to refresh the Employee Share Option Plan 2021 under Listing Rule 7.2 exception 13(b) is 14,000,000.

iv) The maximum number of options that are issuable under Employee Share Option Plan 2021 and the Non-executive Option Plan 2021 (the "Plans) to persons not otherwise exempt under Division 1A of Part 7.12 of the Corporations Act, when combined with the number of options issued or that may be issued as a result of offers made at any time during the previous 3 years pursuant to the Plans, but disregarding securities issued for nil monetary consideration any offer made, or Shares issued by way of or as a result of:

(a) an offer to a person situated at the time of receipt of the offer outside Australia; or

(b) an offer that did not need disclosure to investors because of section 708 of the Corporations Act (which includes offers to directors); or

(c) an offer made under a disclosure document during the previous five years pursuant to the Plans or any other employee incentive scheme of the Company; but disregarding any offer made, or share rights acquired or Ordinary Shares issued by way of or as a result of:

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(i) an offer to a person situated at the time of receipt of the offer outside Australia; or

(ii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or

(iii) an offer made under a disclosure document,

must not exceed 5% of the total number of issued shares in the Company at the time of the offer of options.

As at the date of this Notice, the Company has on issue nil options as a result of offers made during the previous 3 years pursuant to the Plans or any other employee incentive schemes, which were not otherwise exempt under Division 1A of Part 7.12 of the Corporations Act.

This means that the maximum number of Securities that can be issued with a monetary consideration under both the Plans over three years from the date of this Meeting (assuming shareholder approval is obtained) to persons to which an Exception under Division 1A of Part 7.12 of the Corporations Act does not apply is 10,988,412 options.

Shareholders should be aware that the maximum number of options proposed to be issued under the Employee Share Option Plan 2021 stated in C(iii) above is not intended to be a prediction of the actual number of options to be issued under the Employee Share Option Plan 2021 but is specified for the purposes of setting a ceiling on the number of securities approved to be issued for the purposes of Listing Rule 7.2 (Exception 13(b)).

It is not envisaged that the maximum number of options for which approval is sought will be issued immediately following approval.

Any future issues of securities under the Employee Share Option Plan 2021 to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that shareholder approval should be obtained, will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

If Item 6 is passed or not passed

If Item 6 is passed, the Company will be able to issue options under the Employee Share Option Plan 2021 to eligible participants over a period of 3 years. The issue of any options to eligible participants under the Employee Share Option Plan 2021 (up to the maximum number of 14,000,000 Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of securities under the Employee Share Option Plan 2021 to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained.

If Item 6 is not passed, the Company will still be able to proceed with the issue options under the Employee Share Option Plan 2021 to eligible participants until the Annual General Meeting in 2027 relying on the Listing Rule 7.2 (Exception 13(b)). As such the issue to Ms Karen Borg under resolution 10 could still proceed. If Item 6 is not passed and the Employee Share Option Plan 2021 is not refreshed at the 2027 Annual General Meeting any options issued under the Employee Share Option Plan 2021 after the 2027 Annual General Meeting will be included in the Company's 15% placement capacity under Listing Rule 7.1 for the 12 month period following the issue of those options.

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Board Recommendation

Noting that Employee Directors may have a personal interest in the outcome of this Item 6 by virtue of them being eligible to participate in the Executive Share Option Plan 2021, the Board recommends that Shareholders vote in favour of this resolution.

The Chairman of the meeting intends to vote undirected proxies in FAVOUR of Item 6.

Items 7, 8 and 9: Issue of Options

Background

A. Proposed issue

The Company proposes, subject to obtaining Shareholder approval, to issue:

(a) 400,000 Options to Mr Michael Gordon (or his nominee) under the Non-Executive Share Option Plan 2021 and on the terms and conditions set out below;

(b) 400,000 Options to Mr Benjamin Gisz (or his nominee) under the Non-Executive Share Option Plan 2021 and on the terms and conditions set out below and

(c) 750,000 to Mr Andrew Price (or his nominee) under the Non-Executive Share Option Plan 2021 and on the terms and conditions set out below.

If approved, the offers of Options will be made under section 708 and Division 1A of Part 7.12 of the *Corporations Act 2001* (Cth) (**Corporations Act**).

B. Related party considerations

According to section 208 of the Corporations Act, the giving of a financial benefit to a related party of a public company must be approved by the public company's members, unless the giving of the benefit falls within a relevant exception.

Under section 211 of the Corporations Act, member approval is not required if the benefit is given to an officer of the Company, and to give the remuneration would be reasonable, given the circumstances of the Company and the officer (including the responsibilities involved in their office).

The Board has considered whether the reasonable remuneration exception under section 211 of the Corporations Act will apply to the giving of a financial benefit to Messrs Gordon, Gisz and Price under the Non-Executive Share Option Plan 2021 (because of their participation in the plan and the grant of the Options to them) and has determined that shareholder approval under section 208 of the Corporations Act is not required, as the issue of Options forms part of the remuneration packages for Messrs Gordon, Gisz and Price and is considered reasonable remuneration for each of them for the purposes of section 211 of the Corporations Act.

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Resolutions 7, 8 and 9

Shareholder approval by ordinary resolution is sought for the issue of the Options to Messrs Gordon, Gisz and Price or their nominees in compliance with the following laws and rules:

C. Exception under ASX Listing Rule 7.1

ASX Listing Rule 7.1 requires shareholder approval by ordinary resolution for an issue of equity securities if, over a 12 month period, the amount of equity securities issued is more than 15% of the number of ordinary shares on issue at the start of that 12 month period.

ASX Listing Rule 7.2 Exception 14 provides that an issue of securities made with the approval of the holders of the entity's ordinary securities under rule 10.14 is an exception to the restriction in rule 7.1.

D. Approval under ASX Listing Rule 10.14

ASX Listing Rule 10.11 provides that unless a relevant exception in rule 10.12 applies, an entity must not issue or agree to issue equity securities to a related party without the approval of the holders of its ordinary shares.

As directors of SomnoMed, Messrs Gordon, Gisz and Price are related parties of SomnoMed, and therefore, absent any available exception, any issue or agreement to issue them the Options under the Non-Executive Share Option Plan 2021 will require approval of SomnoMed's ordinary shareholders under Listing Rule 10.14.

ASX Listing Rule 10.12 Exception 8 provides that an issue of equity securities under an employee incentive scheme made, or taken to have been made, with the approval of the holders of the entity's ordinary securities under rule 10.14 is an exception to the requirement in rule 10.11.

Shareholder approval is sought under ASX Listing Rule 10.14 to proceed with the issue of Options to Messrs Gordon, Gisz and Price or their nominees. If shareholder approval is not given then Messrs Gordon, Gisz and Price will not receive the Options and the Company may need to consider alternative ways to incentivise each of them.

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E. ASX Listing Rule 10.15 requirements

ASX Listing Rule 10.15 contains requirements for the content of a notice of meeting sent to Shareholders for the purposes of ASX Listing Rule 10.14 and the following information is set out for that purpose.

(a) **Item 7** - Mr Michael Gordon

Listing Rule	Information required
10.15.1 – The name of the person.	Mr Michael Gordon or his nominee.
10.15.2 – Which category in rules 10.14.1 to 10.14.3 the person falls within and why.	Mr Michael Gordon is a Director and is therefore a related party under 10.14.1. A nominee of Mr Michael Gordon would be a related party under 10.14.2.
10.15.3 – The number and class of securities proposed to be issued to the person.	The maximum number of Options to be issued to Mr Michael Gordon or his nominee is 400,000.
10.15.4 – Details of the director's current total remuneration package.	Mr Michael Gordon's total base remuneration is $50,000 per annum (inclusive of superannuation).
10.15.5 – The number of securities previously issued to the person under the scheme and the average acquisition price (if any) paid for those securities.	An entity associated with Mr Michael Gordon has also been issued with 185,000 Options, issued under the Non-Executive Share Option Plan 2021 for $0.154 per Option, with an exercise price of $2.00 per Option. These options did not vest and have now lapsed. An entity associated with Mr Michael Gordon has also been issued with 500,000 Options, issued under the Non-Executive Share Option Plan 2021. These previous Options were issued for $nil per Option, with an exercise price of $0.60 per Option. All of these Options have vested. An entity associated with Mr Michael Gordon has also been issued with 200,000 Options, issued under the Non-Executive Share Option Plan 2021. These previous Options were issued for $nil per Option, with an exercise price of $1.00 per Option. All of these Options have vested.

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<table>
<tr><th>Listing Rule</th><th>Information required</th></tr>
<tr><td>10.15.6 – A summary of the material terms of the securities, an explanation of why that type of security is being used and the value the entity attributes to that security and its basis.</td><td>Refer to the Annexure A of these Explanatory Notes for a summary of the material terms of the Options.

The grant of the Options represents a cost effective and efficient means for the Company to provide an incentive to the participants.

The indicative average valuation of $0.14 per Option is a theoretical valuation of each Option using the Black-Scholes Model.

The Company's internal management have valued the Options proposed to be granted to Mr Michael Gordon using the Black-Scholes Model. The value of an option or right calculated by the Black-Scholes Model is a function of a number of variables. The valuation of the Options has been prepared using the following assumptions:

<table>
<tr><th>Variable</th><th>Inputs</th></tr>
<tr><td>Share price at grant date</td><td>$0.344</td></tr>
<tr><td>Exercise price</td><td>$0.50</td></tr>
<tr><td>Risk free interest rate</td><td>5.3%</td></tr>
<tr><td>Volatility</td><td>60 %</td></tr>
<tr><td>Time (years to expiry)</td><td>4.0</td></tr>
<tr><td>Vesting date</td><td>16 September 2027</td></tr>
</table>

Any change in the variables applied in the Black Scholes Method calculation between the date of the valuation and the date the Options are granted would have an impact on their value. The input values used in the above table are accurate as at 16 September 2026 but the actual amounts may vary.</td></tr>
<tr><td>10.15.7 – The date or dates on or by which the entity will issue the securities to the person under the scheme.</td><td>It is expected the Options will be issued to Mr Michael Gordon or his nominee within 1 month of shareholder approval being received to make the grant, which is expected to be in December 2026 subject to shareholders approving the issue of Options. No Options will be issued later than 3 years after the date of the shareholder approval.</td></tr>
<tr><td>10.15.8 – The price at which the entity will issue the securities to the person under the scheme.</td><td>Each Option will be issued to Mr Michael Gordon or his nominee for a nil grant price.

Each Option has a $0.50 exercise price.</td></tr>
<tr><td>10.15.9 – A summary of the material terms of the scheme.</td><td>Refer to the Annexure B of these Explanatory Notes for a summary of the material terms of the Non-Executive Share Option Plan 2021.</td></tr>
</table>

Listing Rule	Information required
10.15.10 – A summary of the material terms of any loan that will be made to the person in relation to the acquisition.	N/A
10.15.11 – Statement.	Details of any Options issued under the Non-Executive Share Option Plan 2021 will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Non-Executive Share Option Plan 2021 after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.
10.15.12 – Voting exclusion statement.	Voting exclusion statements apply to Item 7 as set out in the Notice of Meeting.

Board Recommendation

The Board (other than Mr Michael Gordon) recommends that Shareholders vote in favour of this resolution.

The Chairman of the meeting intends to vote undirected proxies in FAVOUR of Item 7.

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(b) **Item 8 -** Mr Benjamin Gisz

Listing Rule	Information required
10.15.1 – The name of the person.	Mr Benjamin Gisz or his nominee.
10.15.2 – Which category in rules 10.14.1 to 1.04.3 the person falls within and why.	Mr Benjamin Gisz is a Director and is therefore a related party under 10.14.1. A nominee of Mr Benjamin Gisz would be a related party under 10.14.2.
10.15.3 – The number and class of securities proposed to be issued to the person.	The maximum number of Options to be issued to Mr Benjamin Gisz or his nominee is 400,000.
10.15.4 – Details of the director's current total remuneration package.	Mr Benjamin Gisz's total base remuneration is $50,000 per annum (inclusive of superannuation).
10.15.5 – The number of securities previously issued to the person under the scheme and the average acquisition price (if any) paid for those securities.	An entity associated with Mr Benjamin Gisz has been issued with 300,000 Options, issued under the Non-Executive Share Option Plan 2021. These previous Options were issued for $nil per Option, with an exercise price of $0.60 per Option. All of these Options have vested. An entity associated with Mr Benjamin Gisz has been issued with 200,000 Options, issued under the Non-Executive Share Option Plan 2021. These previous Options were issued for $nil per Option, with an exercise price of $1.00 per Option All of these Options have vested.

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<table>
<tr><th>Listing Rule</th><th>Information required</th></tr>
<tr><td>10.15.6 – A summary of the material terms of the securities, an explanation of why that type of security is being used and the value the entity attributes to that security and its basis.</td><td>Refer to the Annexure A of these Explanatory Notes for a summary of the material terms of the Options.

The grant of the Options represents a cost effective and efficient means for the Company to provide an incentive to the participants.

The indicative average valuation of $0.14 per Option is a theoretical valuation of each Option using the Black-Scholes Model.

The Company's internal management have valued the Options proposed to be granted to Mr Benjamin Gisz using the Black-Scholes Model. The value of an option or right calculated by the Black-Scholes Model is a function of a number of variables. The valuation of the Options has been prepared using the following assumptions:

<table><tr><th>Variable</th><th>Inputs</th></tr><tr><td>Share price at grant date</td><td>$0.344</td></tr><tr><td>Exercise price</td><td>$0.50</td></tr><tr><td>Risk free interest rate</td><td>5.3%</td></tr><tr><td>Volatility</td><td>60%</td></tr><tr><td>Time (years to expiry)</td><td>4.0</td></tr><tr><td>Vesting date</td><td>16 September 2027</td></tr></table>
Any change in the variables applied in the Black Scholes Method calculation between the date of the valuation and the date the Options are granted would have an impact on their value. The input values used in the above table are accurate as at 16 September 2026 but the actual amounts may vary.</td></tr>
<tr><td>10.15.7 – The date or dates on or by which the entity will issue the securities to the person under the scheme.</td><td>It is expected the Options will be issued to Mr Benjamin Gisz or his nominee within 1 month of shareholder approval being received to make the grant, which is expected to be in December 2026 subject to shareholders approving the issue of Options. No Options will be issued later than 3 years after the date of the shareholder approval.</td></tr>
<tr><td>10.15.8 – The price at which the entity will issue the securities to the person under the scheme.</td><td>Each Option will be issued to Mr Benjamin Gisz or his nominee for a nil grant price.

Each Option has a $0.50 exercise price.</td></tr>
<tr><td>10.15.9 – A summary of the material terms of the scheme.</td><td>Refer to the Annexure B of these Explanatory Notes for a summary of the material terms of the Non-Executive Share Option Plan 2021.</td></tr>
</table>

Listing Rule	Information required
10.15.10 – A summary of the material terms of any loan that will be made to the person in relation to the acquisition.	N/A
10.15.11 – Statement.	Details of any Options issued under the Non-Executive Share Option Plan 2021 will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Non-Executive Share Option Plan 2021 after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.
10.15.12 – Voting exclusion statement.	Voting exclusion statements apply to Resolution 7 as set out in the Notice of Meeting.

Board Recommendation

The Board (other than Mr Benjamin Gisz) recommends that Shareholders vote in favour of this resolution.

The Chairman of the meeting intends to vote undirected proxies in FAVOUR of Item 8.

(c) **Item 9 -** Mr Andrew Price

Listing Rule	Information required
10.15.1 – The name of the person.	Mr Andrew Price or his nominee.
10.15.2 – Which category in rules 10.14.1 to 1.04.3 the person falls within and why.	Mr Andrew Price is a Director and is therefore a related party under 10.14.1. A nominee of Mr Andrew Price would be a related party under 10.14.2.
10.15.3 – The number and class of securities proposed to be issued to the person.	The maximum number of Options to be issued to Mr Andrew Price or his nominee is 750,000
10.15.4 – Details of the director's current total remuneration package.	Mr Andrew Price's total base remuneration is $50,000 per annum (inclusive of superannuation).

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<table>
<tr><th>Listing Rule</th><th>Information required</th></tr>
<tr><td>10.15.5 – The number of securities previously issued to the person under the scheme and the average acquisition price (if any) paid for those securities.</td><td>Mr Andrew Price has been issued with 300,000 Options, issued under the Non-Executive Share Option Plan 2021. These previous Options were issued for $nil per Option, with an exercise price of $0.69 per Option. All of these Options have vested.</td></tr>
<tr><td>10.15.6 – A summary of the material terms of the securities, an explanation of why that type of security is being used and the value the entity attributes to that security and its basis.</td><td>Refer to the Annexure A of these Explanatory Notes for a summary of the material terms of the Options.

The grant of the Options represents a cost effective and efficient means for the Company to provide an incentive to the participants.

The indicative average valuation of $0.14 per Option is a theoretical valuation of each Option using the Black-Scholes Model.

The Company's internal management have valued the Options proposed to be granted to Mr Andrew Price using the Black-Scholes Model. The value of an option or right calculated by the Black-Scholes Model is a function of a number of variables. The valuation of the Options has been prepared using the following assumptions:

<table><tr><th>Variable</th><th>Inputs</th></tr><tr><td>Share price</td><td>$0.344</td></tr><tr><td>Exercise price</td><td>$0.50</td></tr><tr><td>Risk free interest rate</td><td>5.3%</td></tr><tr><td>Volatility</td><td>60%</td></tr><tr><td>Time (years to expiry)</td><td>4.0</td></tr><tr><td>Vesting date</td><td>16 September 2027</td></tr></table>
Any change in the variables applied in the Black Scholes Method calculation between the date of the valuation and the date the Options are granted would have an impact on their value. The input values used in the above table are accurate as at 16 September 2026 but the actual amounts may vary.</td></tr>
<tr><td>10.15.7 – The date or dates on or by which the entity will issue the securities to the person under the scheme.</td><td>It is expected the Options will be issued to Mr Andrew Price or his nominee within 1 month of shareholder approval being received to make the grant, which is expected to be in December 2026 subject to shareholders approving the issue of Options. No Options will be issued later than 3 years after the date of the shareholder approval.</td></tr>
</table>

Listing Rule	Information required
10.15.8 – The price at which the entity will issue the securities to the person under the scheme.	Each Option will be issued to Mr Andrew Price or his nominee for a nil grant price. Each Option has a $0.50 exercise price.
10.15.9 – A summary of the material terms of the scheme.	Refer to the **Annexure B** of these Explanatory Notes for a summary of the material terms of the Non-Executive Share Option Plan 2021.
10.15.10 – A summary of the material terms of any loan that will be made to the person in relation to the acquisition.	N/A
10.15.11 – Statement.	Details of any Options issued under the Non-Executive Share Option Plan 2021 will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Non-Executive Share Option Plan 2021 after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.
10.15.12 – Voting exclusion statement.	Voting exclusion statements apply to Resolution 8 as set out in the Notice of Meeting.

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Board Recommendation

The Board (other than Mr Andrew Price) recommends that Shareholders vote in favour of this resolution.

The Chairman of the meeting intends to vote undirected proxies in FAVOUR of Item 9.

Item 10

Background

A. *Proposed issue*

The Company proposes, subject to obtaining Shareholder approval, to issue a total of 1,500,000 Options to Ms Karen Borg (or her nominee) under the Employee Share Option Plan 2021 and on the terms and conditions set out below.

If approved, the offers of Options will be made under section 708 and Division 1A of Part 7.12 of the *Corporations Act 2001* (Cth) (**Corporations Act**).

B. *Related party considerations*

According to section 208 of the Corporations Act, the giving of a financial benefit to a related party of a public company must be approved by the public company's members, unless the giving of the benefit falls within a relevant exception.

Under section 211 of the Corporations Act, member approval is not required if the benefit is given to an officer of the Company, and to give the remuneration would be reasonable, given the circumstances of the Company and the officer (including the responsibilities involved in their office).

The Board has considered whether the reasonable remuneration exception under section 211 of the Corporations Act will apply to the giving of a financial benefit to Ms Borg under the Employee Share Option Plan 2021 (because of her participation in the plan and the grant of the Options to her) and has determined that shareholder approval under section 208 of the Corporations Act is not required, as the issue of Options forms part of the remuneration package for Ms Borg and is considered reasonable remuneration for the purposes of section 211 of the Corporations Act.

Shareholder approval by ordinary resolution is sought for the issue of the Options to Ms Borg or her nominee in compliance with the following laws and rules:

C. *Exemption under ASX Listing Rule 7.1*

ASX Listing Rule 7.1 requires shareholder approval by ordinary resolution for an issue of equity securities if, over a 12 month period, the amount of equity securities issued is more than 15% of the number of ordinary shares on issue at the start of that 12 month period.

ASX Listing Rule 7.2 Exception 14 provides that an issue of securities made with the approval of the holders of the entity's ordinary securities under rule 10.11 or 10.14 is an exception to the restriction in rule 7.1.

D. *Approval under ASX Listing Rule 10.14*

ASX Listing Rule 10.11 provides that unless a relevant exception in rule 10.12 applies, an entity must not issue or agree to issue equity securities to a related party without the approval of the holders of its ordinary shares.

As a director of SomnoMed, Ms Borg is a related party of SomnoMed, and therefore, absent any available exception, any issue or agreement to issue her the Options under the Employee Share Option Plan 2021 will require approval of SomnoMed's ordinary shareholders **under Listing Rule 10.14.**

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ASX Listing Rule 10.12 Exception 8 provides that an issue of equity securities under an employee incentive scheme made, or taken to have been made, with the approval of the holders of the entity's ordinary securities under rule 10.14 is an exception to the requirement in rule 10.11.

Shareholder approval is sought under ASX Listing Rule 10.14 to proceed with the issue of Options to Ms Borg or her nominee. If shareholder approval is not given then Ms Borg will not receive the Options and the Company may need to consider alternative ways to incentivise her.

E. ***ASX Listing Rule 10.15 requirements***

ASX Listing Rule 10.15 contains requirements for the content of a notice of meeting sent to Shareholders for the purposes of ASX Listing Rule 10.14 and the following information is set out for that purpose.

Item 10 - Ms Karen Borg

Listing Rule	Information required
10.15.1 – The name of the person.	Ms Karen Borg or her nominee.
10.15.2 – Which category in rules 10.14.1 to 1.04.3 the person falls within and why.	Ms Karen Borg is a Director and is therefore a related party under 10.14.1. A nominee of Ms Karen Borg would be a related party under 10.14.2.
10.15.3 – The number and class of securities proposed to be issued to the person.	The maximum number of Options to be issued to Ms Karen Borg is 1,500,000.
10.15.4 – Details of the director's current total remuneration package.	As CEO Ms Borg's current total base remuneration is $682,500 per annum (exclusive of superannuation), with a target short term incentive opportunity of a bonus 50% of total base remuneration for the financial year ending 30 June 2027, subject to achievement of KPI's.
10.15.5 – The number of securities previously issued to the person under the scheme and the average acquisition price (if any) paid for those securities.	Ms Karen Borg or her nominee has also been issued with 185,000 options over Shares (**Options**), issued under the Non-Executive Share Option Plan 2021. These Options were issued for $0.154 per Option, with an exercise price of $2.00 per Option. These options did not vest and have now lapsed. Ms Karen Borg or her nominee has also been issued with 1,925,000 ZEPOs under the Employee Share Option Plan 2021, of which all have vested and of which 1,325,000 have been exercised. Ms Karen Borg or her nominee has also been issued with 1,000,000 options (exerciseable at $0.65 per share) and 700,000 options (exerciseable at $0.70 per share) under the Employee Share Option Plan 2021, of which all have vested and none of which have been exercised.
10.15.6 – A summary of the material terms of the securities, an explanation of why that type of security is being used and the value the entity attributes to that security and its basis.	Refer to the **Annexure C** of these Explanatory Notes for a summary of the material terms of the Options. The grant of the Options represents a cost effective and efficient means for the Company to provide an incentive to the participants.

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<table>
<tr><th>Listing Rule</th><th>Information required</th></tr>
<tr><td></td><td>The indicative average valuation of $0.33 per Option in the 1,500,000 Options is a theoretical valuation of each Option using the Black-Scholes Model.

The Company's internal management have valued the Options proposed to be granted to Ms Karen Borg using the Black-Scholes Model. The value of an option or right calculated by the Black-Scholes Model is a function of a number of variables. The valuation of the Options has been prepared using the following assumptions:

<table>
<tr><th>Variable</th><th>Inputs</th></tr>
<tr><td>Share price at grant date</td><td>$0.33</td></tr>
<tr><td>Exercise price</td><td>$nil</td></tr>
<tr><td>Risk free interest rate</td><td>4.23%</td></tr>
<tr><td>Volatility</td><td>60%</td></tr>
<tr><td>Time (years to expiry)</td><td>6.0</td></tr>
<tr><td>Vesting date</td><td>4 December 2028</td></tr>
</table>

Any change in the variables applied in the Black Scholes Method calculation between the date of the valuation and the date the Options are granted would have an impact on their value. The input values used in the above table are accurate as at 26 August 2026 but the actual amounts may vary.</td></tr>
<tr><td>10.15.7 – The date or dates on or by which the entity will issue the securities to the person under the scheme.</td><td>It is expected the Options will be issued to Ms Karen Borg or her nominee within 1 month of shareholder approval being received to make the grant, which is expected to be in December 2026 subject to shareholders approving the issue of Options. No Options will be issued later than 3 years after the date of the shareholder approval.</td></tr>
<tr><td>10.15.8 – The price at which the entity will issue the securities to the person under the scheme.</td><td>Each Option will be issued to Ms Karen Borg for a nil grant price.

Each of the 1,500,000 Options will have an exercise price of $Nil per option.</td></tr>
<tr><td>10.15.9 – A summary of the material terms of the scheme.</td><td>Refer to the Annexure D of these Explanatory Notes for a summary of the material terms of the Employee Share Option Plan 2021.</td></tr>
<tr><td>10.15.10 – A summary of the material terms of any loan that will be made to the person in relation to the acquisition.</td><td>N/A</td></tr>
</table>

Listing Rule	Information required
10.15.11 – Statement.	Details of any Options issued under the Employee Share Option Plan 2021 will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Employee Share Option Plan 2021 after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.
10.15.12 – Voting exclusion statement.	Voting exclusion statements apply to Resolution 10 as set out in the Notice of Meeting.

Board Recommendation

The Board (other than Ms Karen Borg) recommends that Shareholders vote in favour of this resolution.

The Chairman of the meeting intends to vote undirected proxies in FAVOUR of Item 10.

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Annexure A

A summary of the key Terms of the Options for grants under Non-Executive Share Option Plan 2021 (Items 7,8 and 9)

Listing Rule	Information required
Issue Date	The issue date of the Options will be the date recorded in the register of Optionholders of the Company.
Issue Price	The Options have an issue price of $nil per Option, being equal to the tax value of the Options.
Exercise Price	The exercise price for an Option is $0.50 per option for Options to be issued to Messrs Gordon, Price and Gisz.
Vesting	100% of the Options will vest on the first anniversary of the Grant Date of 16 September 2026 for Messrs Gordon, Price and Gisz (Grant Date)
Change of Control	Subject to the Board determining otherwise, if there is a Change of Control of the Company, all unvested Options will vest.
Expiry Date	The Expiry Date is set as the date that is 4 years following the Grant Date.
Exercise Period	Options will be exercisable at any time from the Vesting Date until the Expiry Date.
Leaver	Subject to a Default Event occurring, if the Participant becomes a Leaver then: • Vested Options will remain exercisable for 90 days (or a longer period approved by the Board), after which they will lapse; and • unless becoming a Leaver is due to death, Permanent Incapacity or Retirement, or the Board approves otherwise, all Unvested Options will immediately lapse.
Transfer restriction	No Participant may transfer any Options except with the prior written consent of the Board.

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Annexure B

Summary of key terms of the Non-Executive Share Option Plan 2021

Term	
Eligibility	The Board may, in its discretion, determine the non-executive directors, consultants or contractors of the Company or its subsidiaries that will be eligible to participate in the Non-Executive Share Option Plan.
Offer	The Board may make an Offer to eligible participants on such terms and conditions as the Board decides from time to time.
Loans	The Board may offer a loan to an eligible participant to fund payment of: any amount payable on acquisition of the Options; and/or any amount payable on exercise of the Options.
Vesting Conditions	Any Vesting Conditions applicable to the Options will be specified in the Offer.
Vesting	Each Option, once vested, will give the relevant participant the right to exercise the Option and to receive an Ordinary Share in the Company. In certain circumstances, the Board may decide to waive any of the vesting conditions applicable to the Options, including: • where the participant becomes a Leaver (ie ceases their employment, engagement or appointment with the Company or a subsidiary of the Company) as a result of the participant's death, Permanent Incapacity or Retirement; • in any other circumstances determined by the Board in its absolute discretion; or • on a Change of Control occurring, provided that any specific conditions set by an Offer are met.
Exercise	Vested Options may be exercised by paying the exercise price (if any) for the Option. As an alternative to paying the exercise price, the Board may permit a participant to exercise their Options through a cashless exercise mechanism, which sets off the exercise price against Options of equivalent value held by the participant.

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Annexure B (continued)

Summary of key terms of the Non-Executive Share Option Plan 2021

Term	
Lapse of an Option	Options will lapse on the earlier of: • the participant becoming a Leaver in certain circumstances; • following satisfaction of any Forfeiture Conditions specified in a participant's Offer, or on a Default Event (which includes a participant resigning, committing fraud or breaching their duties, among other acts), if the Board determines that the Options will lapse; • if any Vesting Conditions are not achieved by the relevant time; • if the Board determines that Vesting Conditions have not been met and cannot reasonably be met before the Expiry Date; and the Expiry Date as specified in an Offer.
Shares	Shares issued on exercise of Options will rank in all respects *pari passu* with ordinary shares in the Company.
Participation Rights / Reorganisation	Options do not confer a right for a participant to participate in new issues of shares or other securities in the Company, including by way of bonus issues, rights issues or otherwise. If the issued capital of the Company is reorganised, the number of shares to be delivered in respect of each Option or the amount payable, if any, by a participant in respect of shares to be delivered to a participant will be reorganised in accordance with the ASX Listing Rules as applicable to the Options at the time of the reorganisation.

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Annexure C

A summary of the key Terms of the Options for grants under Employee Share Option Plan 2021 (Item 10)

Listing Rule	Information required
Issue Date	The issue date of the Options will be the date recorded in the register of Optionholders of the Company.
Issue Price	The Options have an issue price of $nil per Option, being equal to the tax value of the Options.
Exercise Price	The exercise price for an Option is $nil per Option
Vesting	For Options granted to Karen Borg (the CEO) in 2026, the Options will vest on 4 December 2028, subject to the Employee being employed by the company on the Vesting date and not under notice of termination or dismissal, and there are no share price hurdles. For Options granted to employees, other than Karen Borg, in 2026, the Options will vest on 4 December 2028, subject to the Employee being employed by the company on the Vesting date and not under notice of termination or dismissal, and there are no share price hurdles.
Change of Control	Subject to the Board determining otherwise, if there is a Change of Control of the Company, all unvested Options will vest.
Expiry Date	For Options granted to Karen Borg (the CEO) in 2026 the Expiry Date is 6 December 2032 For Options granted in 2026 to employees other than Karen Borg (the CEO) the Expiry Date is 6 December 2032
Exercise Period	Options will be exercisable at any time from the Vesting Date until the Expiry Date.
Leaver	Subject to a Default Event occurring, if the Participant becomes a Leaver then: • Vested ZEPO's will remain exercisable until the earlier of the ZEPOs being exercised by the employee within 4 years of the Vesting Date or they automatically exercise at the end of that period; • unless becoming a Leaver is due to death, Permanent Incapacity or Retirement, or the Board approves otherwise, all Unvested Options will immediately lapse.
Transfer restriction	No Participant may transfer any Options except with the prior written consent of the Board.

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Annexure D

Summary of key terms of the Employee Share Option Plan 2021

Term	
Eligibility	The Board may, in its discretion, determine the employees or executive directors of the Company or its subsidiaries that will be eligible to participate in the Employee Share Option Plan.
Offer	The Board may make an Offer to eligible participants on such terms and conditions as the Board decides from time to time.
Loans	The Board may offer a loan to an eligible participant to fund payment of: any amount payable on acquisition of the Options; and/or any amount payable on exercise of the Options.
Vesting Conditions	Any Vesting Conditions applicable to the Options will be specified in the Offer.
Vesting	Each Option, once vested, will give the relevant participant the right to exercise the Option and to receive an Ordinary Share in the Company. In certain circumstances, the Board may decide to waive any of the vesting conditions applicable to the Options, including: • where the participant becomes a Leaver (ie ceases their employment, engagement or appointment with the Company or a subsidiary of the Company) as a result of the participant's death, Permanent Incapacity or Retirement; • in any other circumstances determined by the Board in its absolute discretion; or • on a Change of Control occurring, provided that any specific conditions set by an Offer are met.

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Annexure D (continued)

Summary of key terms of the Employee Share Option Plan 2021

Term	
Exercise	Vested Options may be exercised by paying the exercise price (if any) for the Option. As an alternative to paying the exercise price, the Board may permit a participant to exercise their Options through a cashless exercise mechanism, which sets off the exercise price against Options of equivalent value held by the participant.
Lapse of an Option	Options will lapse on the earlier of: • the participant becoming a Leaver in certain circumstances; • following satisfaction of any Forfeiture Conditions specified in a participant's Offer, or on a Default Event (which includes a participant resigning, committing fraud or breaching their duties, among other acts), if the Board determines that the Options will lapse; • if any Vesting Conditions are not achieved by the relevant time; • if the Board determines that Vesting Conditions have not been met and cannot reasonably be met before the Expiry Date; and the Expiry Date as specified in an Offer.
Shares	Shares issued on exercise of Options will rank in all respects *pari passu* with ordinary shares in the Company.
Participation Rights / Reorganisation	Options do not confer a right for a participant to participate in new issues of shares or other securities in the Company, including by way of bonus issues, rights issues or otherwise. If the issued capital of the Company is reorganised, the number of shares to be delivered in respect of each Option or the amount payable, if any, by a participant in respect of shares to be delivered to a participant will be reorganised in accordance with the ASX Listing Rules as applicable to the Options at the time of the reorganisation.

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