



XREALITY GROUP LIMITED

21 October 2025

Dear Shareholder

Notice of 2025 Annual General Meeting

On behalf of the Directors of xReality Group Limited ABN 39 154 103 607 (ASX:XRG), I am pleased to invite you to attend the Annual General Meeting (**AGM**) at 12.00pm on 21 November 2025.

The meeting will be held in person, at the offices of Accru Felsers at Level 9, 1 Chifley Square, Sydney.

The Notice of Meeting for the AGM is now available on our website at www.xrgroup.com.au/investors. It details the formal business to be dealt with at the Meeting. The documents accompanying the Notice of Meeting for the AGM, including the explanatory memorandum and proxy form. These are also available for download at www.xrgroup.com.au/investors.

A printed copy of the Notice of Meeting including the accompanying documents will not be sent to you unless you request a copy by contacting us at enquiries@boardroomlimited.com.au.

We strongly encourage you to read the Notice of Meeting (including the accompanying documents) and to participate in the meeting. You should also consider directing your proxy to vote by on each resolution by marking either the "for" box, the "against" box or the "abstain" box on the proxy form.

The Notice of Meeting includes instructions on how to vote and we encourage you to do so ahead of the meeting by using the proxy form. We are also happy to receive any questions for the meeting, by submitting them to info@xrgroup.com.au by 10:00am on 19 November 2025.

Receiving your communications from us by email is the best way to stay informed and keep in touch about your shareholding, so we encourage you to take this opportunity to switch to paperless communications. If you have already provided an email address, you will now receive all your security communications electronically. We recommend that you visit www.InvestorServe.com.au to check that your preferences are up to date.

Thank you for your continued support of xReality Group Limited.

Yours faithfully

John Diddams
Chairman



XREALITY GROUP LIMITED

XREALITY GROUP LTD ABN 39 154 103 607

NOTICE OF ANNUAL GENERAL MEETING

**The Annual General Meeting of the Company will be held at
the Nixon Boardroom of Accru Felsers
Level 9, 1 Chifley Square, Sydney NSW 2000
on 21 November 2025 at 12:00pm (AEDT).**

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 accountant, solicitor or other professional adviser prior to voting.

Shareholders are urged to attend or vote by lodging the proxy form attached to this Notice.

If you wish to attend the Meeting in person, please register your attendance by email to

info@xrgroup.com.au by 20 November 2025

XREALITY GROUP LTD ABN 39 154 103 607

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of shareholders of xReality Group Ltd ABN 39 154 103 607 ("**Company**") will be held at the Nixon Boardroom of Accru Felsers, Level 9, 1 Chifley Square, Sydney NSW 2000, on 21 November 2025 at 12:00pm (AEDT) ("**Meeting**").

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

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)* that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 7:00pm (AEDT) on 19 November 2025.

Terms and abbreviations used in this Notice (including the Explanatory Memorandum) are defined in Schedule 1.

AGENDA

1. ANNUAL REPORT

To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2025, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as a non-binding resolution:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report as contained in the Company's Annual Report for the year ended 30 June 2025."

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

Note: This resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

3. RESOLUTION 2 – ELECTION OF KIM HOPWOOD AS DIRECTOR

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

"That, for the purposes of clause 11.5 of the Constitution and ASX Listing Rule 14.4 and for all other purposes, Kim Hopwood, who retires by rotation and being eligible, offers himself for re-election as a Director of the Company."

4. RESOLUTION 3 – ELECTION OF PHILIP COPELAND AS DIRECTOR

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

"That, for the purposes of clause 11.5 of the Constitution and ASX Listing Rule 14.4 and for all other purposes, Philip Copeland, who retires by rotation and being eligible, offers himself for re-election as a Director of the Company."

5. RESOLUTION 4 - APPROVAL OF 10% PLACEMENT CAPACITY

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

"That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Note: This resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

6. RESOLUTION 5 – ISSUE OF FY24 LTI OPTIONS TO WAYNE JONES

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

"That, for the purposes of Listing Rule 10.14, and for all other purposes, approval is given for the issue of 7,000,000 Incentive Options to Wayne Jones under the Indoor xReality Group Limited Employee Option Plan approved by shareholders on 21 November 2023, on the terms and conditions set out in the Explanatory Memorandum."

Note: This resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

7. RESOLUTION 6 – ISSUE OF FY24 LTI OPTIONS TO KIM HOPWOOD

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

"That, for the purposes of Listing Rule 10.14, and for all other purposes, approval is given for the issue of 5,000,000 Incentive Options to Kim Hopwood under the Indoor xReality Group Limited Employee Option Plan approved by shareholders on 21 November 2023, on the terms and conditions set out in the Explanatory Memorandum."

Note: This resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

8. RESOLUTION 7 – ISSUE OF FY25 STI SHARES TO WAYNE JONES

To consider and, if thought fit, to pass 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 issue of 1,979,167 Shares to Wayne Jones or his nominee, as set out in the Explanatory Memorandum."

Note: This resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

9. RESOLUTION 8 – ISSUE OF FY25 STI SHARES TO KIM HOPWOOD

To consider and, if thought fit, to pass 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 issue of 1,666,667 Shares to Kim Hopwood or his nominee, as set out in the Explanatory Memorandum."

Note: This resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

MEETING PROTOCOL

Discussion and asking questions

Discussion will take place on the business of the Meeting as set out above.

The Explanatory Memorandum provides further information relating to the items of business of the Meeting. Securityholders will have the opportunity to ask questions at the Meeting, including an opportunity to ask questions of the Company's auditor.

To ensure that as many Securityholders as possible have the opportunity to speak, Securityholders are requested to observe the following guidelines:

- Please keep questions as brief as possible and relevant to the matters being discussed.
- If a Securityholder has more than one question, please ask all questions at the same time.

Securityholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. Please email your question to info@xrgroup.com.au. An opportunity for discussion will be provided on each item of business prior to Securityholders being asked to vote.

Voting

Voting at the Meeting

Voting on the Resolutions at this Meeting will be conducted by poll.

Voting by Proxy

Instructions for voting by proxy are detailed in the Explanatory Memorandum and on the Proxy Form included at the end of this notice.

Dated: 21 October 2025

By order of the Board



Stephen Tofler

Company Secretary

IMPORTANT VOTING INFORMATION

VOTING EXCLUSIONS

Voting exclusion for Resolution 1 - Adoption of Remuneration Report

A vote on this Resolution must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this resolution, and:

- (c) the person is appointed as a proxy that specifies the way the proxy is to vote on this resolution; or
- (d) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this resolution, but expressly authorises the Chairman to exercise the proxy even if this resolution is connected with the remuneration of a member of the Key Management Personnel.

Voting exclusion for Resolution 2 – Election of Kim Hopwood

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of:

- (a) Kim Hopwood; and
- (b) any associates of Kim Hopwood.

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

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Voting exclusion for Resolution 3 – Election of Philip Copeland

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- (c) Philip Copeland; and
- (d) any associates of Philip Copeland.

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

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Voting exclusion for Resolution 4 - Approval of 10% Placement Capacity

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

- (a) any person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- (b) an associate of that person or those persons in (a) above.

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

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- if the Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

As at the date of this Notice, the Company has no specific plans to issue securities under the Placement Capacity under ASX Listing Rule 7.1A and therefore it is not known who (if any) may participate in a potential issue of securities under the Placement Capacity (if any) under ASX Listing Rule 7.1A. Accordingly, as at the date of this Notice, the Company is not aware of any person who would be excluded from voting on this resolution.

Voting exclusion for Resolution 5 – Issue of FY24 LTI Options to Wayne Jones

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) Mr Wayne Jones; and
- (b) any associate of Mr Wayne Jones.

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

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Voting exclusion for Resolution 6 – Issue of FY24 LTI Options to Kim Hopwood

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

- (a) Mr Kim Hopwood; and
- (b) any associate of Mr Kim Hopwood.

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

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Voting exclusion for Resolution 7 – Issue of FY25 STI Shares to Wayne Jones

The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (a) Mr Wayne Jones 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); and
- (b) any associate of Mr Wayne Jones.

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

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Voting exclusion for Resolution 8 – Issue of FY25 STI Shares to Kim Hopwood

The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (a) Mr Kim Hopwood 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); and
- (b) any associate of Mr Kim Hopwood.

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

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the Nixon Boardroom of Accru Felters, Level 9, 1 Chifley Square, Sydney NSW 2000, on 21 November 2025 at 12:00pm (AEDT).

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

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

2. ACTION TO BE TAKEN BY SHAREHOLDERS

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

Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Returning the Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company 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. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 12:00pm (AEDT) on 19 November 2025, being at least 48 hours before the Meeting.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

3. ANNUAL REPORT

In accordance with section 317(1) of the Corporations Act, the Annual Report must be laid before the Annual General Meeting. There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <http://www.xrgroup.com.au/investors/annual-reports/>;

- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the Company's auditor questions about the conduct of the audit and 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 in the Annual Report and the independence of the Company's auditor in relation to the conduct of the audit, and
- (d) ask questions about, or make comments on, the Remuneration Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the content of the Auditor's Report;
- (b) the conduct of the audit;

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

4. RESOLUTION 1 – REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act, the Company must put the adoption of the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors of the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

However, if the Remuneration Report receives a 'no' vote of 25% or more ("**Strike**") at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board (except a managing director).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than a managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report for the year ended 30 June 2024 was adopted by shareholders at the 2024 Annual General Meeting without a Strike. Accordingly, if Resolution 1 receives a Strike, there will not be any further resolution put to shareholders at the Meeting.

A voting exclusion statement for Resolution 1 is included in the Voting Exclusions.

5. RESOLUTION 2 – ELECTION OF KIM HOPWOOD AS DIRECTOR

Resolution 2 seeks approval for the election of Kim Hopwood as a Director with effect from the end of the Meeting.

The Company's Constitution provides that one-third of the Directors, excluding the Managing Director, must retire from office at the close of each annual general meeting of the Company. The retiring director is determined as that director that has been longest in office since their last election. A retiring Director is eligible for re-election.

Kim Hopwood was last elected on 21 November 2023 and accordingly retires from office in accordance with the above requirements and submits himself for re-election.

Kim Hopwood brings over 20 years of experience across technology, media, management and operations. Kim started his career as a network engineer at Cisco Systems where he achieved his CCIE. Kim then co-founded digital agency Pusher in 2004 as Managing Director, which he sold to global communications group Publicis in 2014. Kim remained as Publicis Australia's Managing Director of Digital until late 2017.

Kim started working with XRG in 2012 as a supplier, then freelance consultant before joining full time in 2019. Kim holds the position of Chief Operating Officer, overseeing XRG's corporate strategy, technology, current and future products.

Directors' recommendation

The Board (with Kim Hopwood abstaining) unanimously supports the re-election of Kim Hopwood and recommends that Shareholders vote in favour of this resolution.

The Chairman intends to exercise all available proxies in favour of this resolution.

6. RESOLUTION 3 – ELECTION OF PHILIP COPELAND AS DIRECTOR

Resolution 3 seeks approval for the election of Philip Copeland as a Director with effect from the end of the Meeting.

The Company's Constitution provides that one-third of the Directors, excluding the Managing Director, must retire from office at the close of each annual general meeting of the Company. The retiring director is determined as that director that has been longest in office since their last election. A retiring Director is eligible for re-election.

Philip Copeland was last elected on 21 November 2023 and accordingly retires from office in accordance with the above requirements and submits himself for re-election.

Philip Copeland is an experienced senior leader in the enterprise software-as-a-service (SaaS) sector with a successful track record scaling enterprise SaaS businesses into global markets across highly regulated industries including government and financial services. Philip's extensive experience includes being former CEO and co-founder of Avoka Technologies, a digital business enablement platform. Founded in Australia, Avoka rapidly expanded to the global markets with a core focus on the US. Avoka was acquired by Temenos in 2018 for \$US245M. Phil resides in Colorado, USA and continues to guide the company as it executes its North American and international growth strategy.

Directors' recommendation

The Board (with Philip Copeland abstaining) unanimously supports the re-election of Philip Copeland and recommends that Shareholders vote in favour of this resolution.

The Chairman intends to exercise all available proxies in favour of this resolution.

7. RESOLUTION 4 - APPROVAL OF 10% PLACEMENT CAPACITY

Background

Listing Rule 7.1A enables eligible entities, subject to shareholder approval by special resolution, to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting ("**10% Placement Capacity**"). The 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Capacity. The number of Equity Securities to be issued under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

This resolution is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) on the resolution.

The purpose of this resolution is to provide the Company with flexibility to meet future business and financial needs. The Board believes that it is advantageous to have the ability to act promptly with respect to potential opportunities and that approval of the 10% Placement Capacity is desirable in order to have the securities available, as needed, for possible future financing transactions, strategic transactions, or other general corporate purposes that are determined to be in the Company's best interests.

Approval of this resolution would enable the Company to issue Shares without the expense and delay of holding a general meeting, except as may be required by applicable law or regulations. The cost, prior notice requirements, and delay involved in obtaining shareholder approval at the time a corporate action may become necessary could eliminate the opportunity to effect the action or could reduce the expected benefits.

If approved, subject to the limitations described below with respect to the 10% Placement Capacity, the Company will generally be permitted to issue up to 25% of its issued capital without any further shareholder approval, unless such shareholder approval is required by applicable law or the ASX Listing Rules. There is no current intention, definitive plans, understandings, agreements, or arrangements to issue securities for any purpose other than those as set out in this Notice or as previously disclosed and approved (if required) by Shareholders. The Directors believe that the approval of this resolution will enable the Company to promptly and appropriately respond to business opportunities or to raise additional equity capital.

If this resolution is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities under Listing Rule 7.1.

Listing Rule 7.1A

The effect of this resolution will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

In accordance with Listing Rule 7.3A, specific information is provided as follows:

(a) Equity Securities to be issued

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the company i.e., currently only ordinary Shares of the Company may be issued using this facility.

(b) Formula for calculating 10% Placement Capacity

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

A is the number of fully paid ordinary Shares on issue at the commencement of the relevant period:

plus the number of Shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;

plus the number of fully paid Shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:

- The convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
- The issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;

plus the number of Shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:

- the agreement was entered into before the commencement of the relevant period; or
- the agreement or issue was approved, or taken to be approved under the Listing Rules, under Listing Rule 7.1 or 7.4;

plus the number of Shares issued in the relevant period with Shareholder approval under Listing Rule 7.1 or 7.4;

plus the number of partly paid Shares that become fully paid in the relevant period;

less the number of fully paid Shares cancelled in the relevant period.

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

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement to issue that are not approved by Shareholders under Listing Rule 7.4.

(c) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1. At the date of the Notice, the Company has on issue 745,407,925 Shares and currently has the capacity to issue 15,507,613 Equity Securities under Listing Rule 7.1.

Subject to shareholder approval being granted, as sought under this resolution, the Company would have the additional capacity to issue 111,811,189 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

(d) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A.2 must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- the date on which the price at which the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 10 Trading Days of the date in the paragraph above, the date on which the Equity Securities are issued.

(e) 10% Placement Period

Shareholder approval of the 10% Placement Capacity under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- the date that is 12 months after the date of the annual general meeting at which the approval is obtained, being 21 November 2026;
- the time and date of the Company's next annual general meeting; or
- the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(the "10% Placement Period").

(f) Dilution Risk

If this resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, the existing Shareholders' economic and voting power in the Company will be diluted as shown in the below table. There is a risk that:

- the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date this resolution is approved; and
- the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of the Notice.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.031 50% decrease in Issue Price	\$0.061 Issue Price	\$0.092 50% increase in Issue Price
Current Variable A 745,407,925 Shares	10% Voting Dilution	74,540,793 Shares	74,540,793 Shares	74,540,793 Shares
	Funds raised	\$2,273,494.17	\$4,546,988.34	\$6,820,482.52
50% increase in current Variable A Shares) 1,118,111,888	10% Voting Dilution	111,811,189 Shares	111,811,189 Shares	111,811,189 Shares
	Funds raised	\$3,410,241.26	\$6,820,482.52	\$10,230,723.77
100% increase in current Variable A Shares) 1,490,815,850	10% Voting Dilution	149,081,585 Shares	149,081,585 Shares	149,081,585 Shares
	Funds raised	\$4,546,988.34	\$9,093,976.69	\$13,640,965.03

The table also shows:

- two examples where variable 'A' has increased by 50% and 100%. Variable 'A' is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or exercise of options or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting); and
- two examples of where the issue price of Shares has decreased by 50% and increased by 50% as against the current market price.

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
- (ii) No Options (including any Options issued under the 10% Placement Capacity) are exercised into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.
- (vii) The issue price is \$0.060, being the closing price of the Shares on ASX on 8 October 2025.

(g) Purpose

The Company may seek to issue the Equity Securities for cash consideration for the following purposes:

- to fund the acquisition of new assets and investments where permitted under the Listing Rules; or
- to use the funds raised towards general corporate purposes, including investment in growth and diversification initiatives, reduction of interest bearing debt and funding enhanced marketing efforts to drive revenue.

The Company will comply with the disclosure obligations under the Listing Rules upon issue of any Equity Securities.

As of the date of this Notice, the Company has not formed an intention as to the parties which it may approach to participate in an issue of securities under ASX Listing Rule 7.1A including whether such an issue would be made to existing Shareholders or to new investors.

(h) Allocation Policy

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

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

The subscribers under the 10% Placement Capacity have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

(i) Cash Consideration only

The Company will only issue Equity Securities under the 10% Placement for cash consideration.

Listing Rule 7.3A.6

The Company has previously obtained Shareholder approval under Listing Rule 7.1A with the last approval being at its 2024 Annual General Meeting held on 21 November 2024.

In the twelve months preceding the date of this Meeting, the Company has not issued any Shares under the approval obtained at its 2024 Annual General Meeting in respect of Listing Rule 7.1A.

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of additional Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of this resolution. The Chairman intends to exercise all available proxies in favour of this resolution.

A voting exclusion statement for this Resolution is included in the Voting Exclusions.

8. RESOLUTION 5 – ISSUE OF FY24 LTI OPTIONS TO WAYNE JONES

General

On 22 May 2024 the Company agreed, subject to obtaining Shareholder approval, to issue a total of 7,000,000 Options (**Incentive Options**) to Wayne Jones pursuant to the Plan and on the terms and conditions set out below. Approval is being sought pursuant to Listing Rule 10.14.

Wayne Jones is entitled to participate in the Plan. The terms and conditions of the Incentive Options are identical to the terms and conditions of the Employee Options the key terms of which are summarised in Schedule 2.

Background

The Incentive Options contemplated by Resolution 5 will be issued to Wayne Jones to align his long-term goals with that of shareholders and to establish an incentive for ongoing dedicated services to the Company. These Incentive Options are intended to provide remuneration to the CEO that is linked to the performance of the Company. The benefit would only be received from the Incentive Options upon the Share price exceeding the exercise price of the Incentive Options and thereby warranting their exercise. The exercise price of the Incentive Options is \$0.05, being a premium of 145% to the 5-day VWAP to 22 May 2024. This means that the options had nil value at the date of agreement by the Board. 50% of the Options vest on 1 December 2025 and the remaining Options vest on 1 June 2027.

Under the Company's current circumstances, the Directors (Wayne Jones abstaining) consider that the incentive noted above, represented by the issue of Incentive Options, is a cost effective and efficient reward and incentive to provide as opposed to alternative forms of incentive such as the payment of cash compensation only

Section 208 of the Corporations Act

Section 208 of the Corporations Act states that a public company cannot give a "financial benefit" (including an issue of Shares and Options) to a "related party" of the Company unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply, or the holders of ordinary securities have approved the giving of the financial benefit to the related party in a general meeting. The Incentive Options are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

Requirements under section 219 of the Corporations Act

As required by section 219 of the Corporations Act, the following information is provided in relation to Resolution 5:

- (a) the related party is Wayne Jones by virtue of being a Director of the Company;
- (b) the maximum number of Incentive Options (being the nature of the financial benefit being provided) to be granted to the Executive Director is 7,000,000 Options;
- (c) The financial benefit of the Options has been valued at the closing price of the Shares on the date of resolution, being 22 May 2024 as nil.
- (d) Details of Wayne Jones' annualised remuneration as set out in the 2025 Remuneration Report is as follows:

Salary	\$300,000
Non-Monetary	\$1,493
Superannuation	\$34,500
Share Based Payments	\$145,000
Total:	\$480,993

- (e) The terms and conditions of the Incentive Options are identical to the terms and conditions of the Employee Options the key terms of which are summarised in Schedule 2.
- (f) If all of the Incentive Options under Resolution 5 were exercised, and no other Shares were issued by the Company, the shareholding of existing shareholders would, based on the current issued capital of the Company and prior to the exercise of any other Options issued under the Plan, be diluted by approximately 0.94%.
- (g) The Directors do not consider that there are any opportunity costs to the Company or benefits foregone by the Company in granting the Services Rights.
- (h) No funds will be raised from the issue of the Incentive Options. Funds raised in the event of exercise of the Incentive Options will be applied towards working capital requirements or in any other manner that the Board considers appropriate at the relevant time. However, there is no guarantee that any of the Incentive Options will be exercised at any future time.
- (i) Wayne Jones, as the recipient of the Incentive Options, has a material personal interest in the outcome of the Resolution. No other Director has a material personal interest in the outcome of Resolution 5.
- (j) See below for Directors' recommendation.

Listing Rule 10.14

Listing Rule 10.14 provides that a company must not issue equity securities to a director or an associate of a director of the company under an employee incentive scheme without the approval of holders of ordinary securities. Further, Listing Rule 7.2 (Exception 14) states that approval pursuant to Listing Rule 7.1 is not required if shareholder approval is obtained under Listing Rule 10.14.

Accordingly, Shareholder approval is sought under Listing Rule 10.14 to permit the issue of 7,000,000 Incentive Options to Wayne Jones (and/or his nominees) as related parties of the Company on the terms set out in this Explanatory Statement and Schedule 2.

The issue of the Incentive Options under Resolution 5 will not affect the capacity of the Company to issue securities in the next 12 months under Listing Rule 7.1 or Listing Rule 7.1A, as those Incentive Options (once issued) will be excluded from the calculations under those Listing Rules.

If Resolution 5 is passed, the Company will be able to proceed with the Issue and implement the long-term incentive outlined in the Background above.

If Resolution 5 is not passed, the Company will not be able to proceed with the Issue and the Company will need to pay an equivalent cash consideration in lieu of the Incentive Options, at 1 December 2025 and at 1 June 2027.”

For the purposes of Listing Rule 10.14, the following information is provided to Shareholders in relation to Resolution 3:

- (a) the Incentive Options will be issued to Wayne Jones or his Nominee.
- (b) Wayne is an executive director of the Company and as such falls within Listing Rule 10.14.1.
- (c) the maximum number of Incentive Options to be granted to Wayne Jones is 7,000,000.
- (d) Details of Wayne’s remuneration are set out above.
- (e) The Incentive Options are issued for no cash consideration. The terms of the Incentive Options are identical to the Employee Options the key terms of which are set out in Schedule 2.
- (f) No persons referred to in Listing Rule 10.14 have received any securities under the Plan.
- (g) Wayne Jones is the only person referred to in Listing Rule 10.14 entitled to participate in the Incentive Options under the Plan.
- (h) No loan has been provided to Wayne Jones with respect to the Incentive Options.
- (i) The Incentive Options will be issued as soon as possible after approval of this resolution and in any event, no later than 12 months after the date of approval (or such later date to the extent permitted by any ASX waiver of the ASX Listing Rules)
- (j) Details of any securities issued under this employee incentive scheme will be published in the Company’s annual report relating to the period they are issued in, along with a statement that approval for the issued was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the employee incentive scheme after this resolution is approved and who are not named in the notice of meeting will not participate until approval is obtained under that rule.
- (k) The Company is proposing to issue these Options at 145% premium to the 5-day VWAP at 22 May 2024, the date of agreement by the Board, meaning that they have a nil value as at that date.

Directors’ Recommendations

The primary purpose of the grant of the Incentive Options is to provide a performance linked incentive component in the remuneration package to motivate and reward the performance of

Wayne Jones in his role as an executive of the Company.

Wayne, as a recipient of the Incentive Options, has a material personal interest in the outcome of the Resolution that applies specifically to him. No other Director has a material personal interest in the outcome of Resolution 5.

Wayne Jones expresses no opinion and makes no recommendation in respect of the issue of the Incentive Options to him (and/or his nominee) as he has a material personal interest in the outcome of Resolution 5.

Each of the other Directors recommend that Shareholders vote in favour of the issue of the Incentive Options to Wayne Jones (and/or his nominee) for the reasons set out in this Explanatory Statement and on the basis that, in their opinion, the proposed issue of Incentive Options:

- (a) provides a long-term incentive to Wayne Jones linked to the future success of the Company;
- (b) is a fair and reasonable alternative to additional cash payment for performance;
- (c) recognises the contribution Wayne Jones has and will continue to make to the Company; and
- (d) is in line with the remuneration benefits paid to other executive directors of other companies operating in the Company's industry and business environment.

9. RESOLUTION 6 – ISSUE OF FY24 LTI OPTIONS TO KIM HOPWOOD

General

On 22 May 2024 the Company agreed, subject to obtaining Shareholder approval, to issue a total of 5,000,000 Options (**Incentive Options**) to Kim Hopwood pursuant to the Plan and on the terms and conditions set out below. Approval is being sought pursuant to Listing Rule 10.14.

Kim Hopwood is entitled to participate in the Plan. The terms and conditions of the Incentive Options are identical to the terms and conditions of the Employee Options the key terms of which are summarised in Schedule 2.

Background

The Incentive Options contemplated by Resolution 6 will be issued to Kim Hopwood to align his long term goals with that of Shareholders and to establish an incentive for ongoing dedicated services to the Company. These Incentive Options are intended to provide remuneration to the COO that is linked to the performance of the Company. The benefit would only be received from the Incentive Options upon the Share price exceeding the exercise price of the Incentive Options and thereby warranting their exercise. The exercise price of the Incentive Options is \$0.05, being a premium of 145% to the 5 day VWAP to 22 May 2024. This means that the options had nil value at the date of agreement by the Board. 50% of the Options vest on 1 December 2025 and the remaining Options vest on 1 June 2027.

Under the Company's current circumstances, the Directors (Kim Hopwood abstaining) consider that the incentive noted above, represented by the issue of Incentive Options, is a cost effective and efficient reward and incentive to provide as opposed to alternative forms of incentive such as the payment of cash compensation only

Section 208 of the Corporations Act

Section 208 of the Corporations Act states that a public company cannot give a "financial benefit" (including an issue of Shares and Options) to a "related party" of the Company unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply, or the holders

of ordinary securities have approved the giving of the financial benefit to the related party in a general meeting. The Incentive Options are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

Requirements under section 219 of the Corporations Act

As required by section 219 of the Corporations Act, the following information is provided in relation to Resolution 6:

- (k) the related party is Kim Hopwood by virtue of being a Director of the Company;
- (l) the maximum number of Incentive Options (being the nature of the financial benefit being provided) to be granted to the Executive Director is 5,000,000 Options;
- (m) The financial benefit of the Options has been valued at the closing price of the Shares on the date of resolution, being 22 May 2024 as nil.
- (n) Details of Kim Hopwood' annualised remuneration as set out in the 2025 Remuneration Report is as follows:

Salary	\$210,000
Superannuation	\$24,150
Share Based Payments	\$101,500
Total:	\$335,650

- (o) The terms and conditions of the Incentive Options are identical to the terms and conditions of the Employee Options, the key terms of which are summarised in Schedule 2.
- (p) If all of the Incentive Options under Resolution 6 were exercised, and no other Shares were issued by the Company, the shareholding of existing shareholders would, based on the current issued capital of the Company and prior to the exercise of any other Options issued under the Plan, be diluted by approximately 0.67%.
- (q) The Directors do not consider that there are any opportunity costs to the Company or benefits foregone by the Company in granting the Services Rights.
- (r) No funds will be raised from the issue of the Incentive Options. Funds raised in the event of exercise of the Incentive Options will be applied towards working capital requirements or in any other manner that the Board considers appropriate at the relevant time. However, there is no guarantee that any of the Incentive Options will be exercised at any future time.
- (s) Kim Hopwood, as the recipient of the Incentive Options, has a material personal interest in the outcome of the Resolution. No other Director has a material personal interest in the outcome of Resolution 6.
- (t) See below for Directors' recommendation.

Listing Rule 10.14

Listing Rule 10.14 provides that a company must not issue equity securities to a director or an associate of a director of the company under an employee incentive scheme without the approval of holders of ordinary securities. Further, Listing Rule 7.2 (Exception 14) states that approval pursuant to Listing Rule 7.1 is not required if shareholder approval is obtained under Listing Rule 10.14.

Accordingly, Shareholder approval is sought under Listing Rule 10.14 to permit the issue of 5,000,000 Incentive Options to Kim Hopwood (and/or his nominees) as related parties of the Company on the terms set out in this Explanatory Statement and Schedule 2.

The issue of the Incentive Options under Resolution 6 will not affect the capacity of the Company to issue securities in the next 12 months under Listing Rule 7.1 or Listing Rule 7.1A, as those Incentive Options (once issued) will be excluded from the calculations under those Listing Rules.

If Resolution 6 is passed, the Company will be able to proceed with the Issue and implement the long-term incentive outlined in the Background above.

If Resolution 6 is not passed, the Company will not be able to proceed with the Issue and the Company will need to pay an equivalent cash consideration in lieu of the Incentive Options, at 1 December 2025 and at 1 June 2027.”

For the purposes of Listing Rule 10.14, the following information is provided to shareholders in relation to Resolution 6:

- (a) the Incentive Options will be issued to Kim Hopwood or his Nominee.
- (b) Kim is an executive director of the Company and as such falls within Listing Rule 10.14.1.
- (c) the maximum number of Incentive Options to be granted to Kim Hopwood is 5,000,000.
- (d) Details of Kim’s remuneration are set out above.
- (e) The Incentive Options are issued for no cash consideration. The terms of the Incentive Options are identical to the Employee Options, the key terms of which are set out in Schedule 2.
- (f) No persons referred to in Listing Rule 10.14 have received any securities under the Plan.
- (g) Kim Hopwood is the only person referred to in Listing Rule 10.14 entitled to participate in the Incentive Options under the Plan.
- (h) No loan has been provided to Kim Hopwood with respect to the Incentive Options.
- (i) The Incentive Options will be issued as soon as possible after approval of this resolution and in any event, no later than 12 months after the date of approval (or such later date to the extent permitted by any ASX waiver of the ASX Listing Rules).
- (j) Details of any securities issued under this employee incentive scheme will be published in the Company’s annual report relating to the period they are issued in, along with a statement that approval for the issued was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the employee incentive scheme after this resolution is approved and who are not named in the notice of meeting will not participate until approval is obtained under that rule.
- (k) The Company is proposing to issue these Options at 145% premium to the 5-day VWAP at 22 May 2024, the date of agreement by the Board, meaning that they have a nil value as at that date.

Directors' Recommendations

The primary purpose of the grant of the Incentive Options is to provide a performance linked incentive component in the remuneration package to motivate and reward the performance of Kim Hopwood in his role as an executive of the Company.

Kim, as a recipient of the Incentive Options, has a material personal interest in the outcome of the Resolution that applies specifically to him. No other Director has a material personal interest in the outcome of Resolution 6.

Kim Hopwood expresses no opinion and makes no recommendation in respect of the issue of the Incentive Options to him (and/or his nominee) as he has a material personal interest in the outcome of Resolution 6.

Each of the other Directors recommend that shareholders vote in favour of the issue of the Incentive Options to Kim Hopwood (and/or his nominee) for the reasons set out in this Explanatory Statement and on the basis that, in their opinion, the proposed issue of Incentive Options:

- (e) provides a long-term incentive to Kim Hopwood linked to the future success of the Company;
- (f) is a fair and reasonable alternative to additional cash payment for performance;
- (g) recognises the contribution Kim Hopwood has and will continue to make to the Company; and
- (h) is in line with the remuneration benefits paid to other executive directors of other companies operating in the Company's industry and business environment.

10. RESOLUTION 7 – ISSUE OF FY25 STI SHARES TO WAYNE JONES

General

Following the Remuneration and Nominations Committee meeting on 16 August 2025, the Board acknowledged that certain KPI's had been achieved, and approved the payment of the short-term incentives for FY25 to the key management personnel. This included \$95,000 to Wayne Jones, which was agreed to be paid in Shares. Accordingly, based on a share price of \$0.048 at that date, Resolution 7 seeks Shareholder approval to issue 1,979,167 Shares to Wayne Jones or his nominee for FY25.

Background

As shown in the Remuneration Report, key management personnel remuneration includes a component of short-term incentive aligned with Shareholders interests. Where the agreed targets have been met, the Company pays these incentives in cash or Shares. As appropriate, the Board will pay in Shares rather than cash, to assist the Company's cash position.

Under the Company's current circumstances, the Directors (with Wayne Jones abstaining) consider that the incentive noted above, represented by the issue of Shares, is a cost effective and efficient reward and incentive to provide as opposed to alternative forms of incentive such as the payment of cash compensation only.

Section 208 of the Corporations Act

Section 208 of the Corporations Act states that a public company cannot give a "financial benefit" (including an issue of Shares and options) to a "related party" of the Company unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply, or the holders of ordinary securities have approved the giving of the financial benefit to the related party in a general meeting. The Shares are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

Requirements under section 219 of the Corporations Act

As required by section 219 of the Corporations Act and Listing Rule 10.11, the following information is provided in relation to Resolution 7:

- (a) the maximum number of Shares (being the nature of the financial benefit being provided) to be granted to Wayne Jones is 1,979,167 Shares for FY25;
- (b) The financial benefit of the Shares has been valued at the closing price of the Shares on the date of the respective resolution, being 16 August 2025 for Resolution 7.
- (c) The Directors do not consider that there are any opportunity costs to the Company or benefits foregone by the Company in granting the Shares.
- (d) No funds will be raised from the issue of the Shares.
- (e) Wayne Jones, as recipient of the Shares, has a material personal interest in the outcome of the Resolution. No other Director has a material personal interest in the outcome of Resolution 7.

Listing Rule 10.11

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

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the entity;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holding in the entity and who has nominated a director to the board pursuant to a relevant agreement which gives them the right or expectation to do so;
- (d) an associate of a person referred to in paragraphs (a), (b), or (c) above; or
- (e) a person whose relationship with the entity or a person referred to in any of paragraphs (a) to (d) above is such that, in ASX's opinion the issue or agreement should be approved by securityholders,

unless it obtains the approval of its ordinary security holders.

It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances. The Company therefore seeks the required Shareholder approval for the issue of the Shares, under and for the purposes of Listing Rule 10.11.

If Resolution 7 is passed, the Company will be able to proceed with the issue of the Shares and Wayne Jones will receive the relevant Shares as opposed to alternative forms of incentive such as the payment of cash compensation.

If Resolution 7 is not passed, the Company will not proceed with the issue of the relevant Shares and will be required to pay Wayne Jones with an alternative form of incentive which will be a payment of cash compensation.

Specific Disclosure required by Listing Rule 10.13

Pursuant to Listing Rule 10.13, the Company provides the following further information in respect of Resolution 7:

- (a) the Shares under Resolution 7 are not being issued under an employee incentive plan and will be issued to Wayne Jones;
- (b) Wayne Jones is a Director and related party of the Company under Listing Rule 10.11.1;
- (c) the total number of Shares to be granted to Wayne Jones is 1,979,167;
- (d) the Shares will be issued as soon as practicable after the date of the Meeting, and in any case no later than one (1) 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), and it is intended that the Shares will all be granted on the same date;
- (e) The Company is of the view that, the proposed issue of Shares:
 - (i) is a fair and reasonable remuneration in lieu of cash payment; and
 - (ii) is in line with the remuneration benefits paid to other executive directors of other companies operating in the Company's industry and business environment.
- (f) the Shares are valued at the closing price of the Shares on the date of the respective resolutions, being 16 August 2025 for Resolution 7;
- (g) the purpose of the issue of the Shares are meant to be a replacement of, not in addition to, cash based remuneration;
- (h) the Director's current total annual remuneration package (before the issue of the Shares under Resolutions 7) is \$324,000 plus superannuation; and
- (i) the Shares will be issued for nil consideration and therefore no loans will be created or funds are to be raised for the issue of the Shares.

Directors' Recommendations

The primary purpose of the grant of the Shares is the remuneration of Wayne Jones for the short-term incentive being that agreed for FY25.

Wayne Jones expresses no opinion and makes no recommendation in respect of the issue of the Shares to him (and/or his nominee) as he has a material personal interest in the outcome of Resolution 7.

Each of the other Directors recommend that shareholders vote in favour of the issue of the Shares to Wayne Jones (and/or his nominee) for the reasons set out in this Explanatory Statement, and intend to vote in favour of the resolution.

11. RESOLUTION 8 – ISSUE OF FY25 STI SHARES TO KIM HOPWOOD

General

Following the Remuneration and Nominations Committee meeting on 16 August 2025, the Board acknowledged that certain KPI's had been achieved, and approved the payment of the short-term incentives for FY25 to the key management personnel. This included \$80,000 to Kim Hopwood, which was agreed to be paid in Shares. Accordingly, based on a share price of \$0.048 at that date, Resolution 8 seeks Shareholder approval to issue 1,666,667 Shares to Kim Hopwood or his nominee for FY25.

Background

As shown in the Remuneration Report, key management personnel remuneration includes a

component of short-term incentive aligned with Shareholders interests. Where the agreed targets have been met, the Company pays these incentives in cash or Shares. As appropriate, the Board will pay in Shares rather than cash, to assist the Company's cash position.

Under the Company's current circumstances, the Directors (with Kim Hopwood abstaining) consider that the incentive noted above, represented by the issue of Shares, is a cost effective and efficient reward and incentive to provide as opposed to alternative forms of incentive such as the payment of cash compensation only.

Section 208 of the Corporations Act

Section 208 of the Corporations Act states that a public company cannot give a "financial benefit" (including an issue of Shares and options) to a "related party" of the Company unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply, or the holders of ordinary securities have approved the giving of the financial benefit to the related party in a general meeting. The Shares are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

Requirements under section 219 of the Corporations Act

As required by section 219 of the Corporations Act and Listing Rule 10.11, the following information is provided in relation to Resolution 8:

- (f) the maximum number of Shares (being the nature of the financial benefit being provided) to be granted to Kim Hopwood is 1,666,667 Shares for FY25;
- (g) The financial benefit of the Shares has been valued at the closing price of the Shares on the date of the respective resolution, being 16 August 2025 for Resolution 8.
- (h) The Directors do not consider that there are any opportunity costs to the Company or benefits foregone by the Company in granting the Shares.
- (i) No funds will be raised from the issue of the Shares.
- (j) Kim Hopwood, as recipient of the Shares, has a material personal interest in the outcome of the Resolution. No other Director has a material personal interest in the outcome of Resolution 8.

Listing Rule 10.11

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

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the entity;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holding in the entity and who has nominated a director to the board pursuant to a relevant agreement which gives them the right or expectation to do so;
- (d) an associate of a person referred to in paragraphs (a), (b), or (c) above; or
- (e) a person whose relationship with the entity or a person referred to in any of paragraphs (a) to (d) above is such that, in ASX's opinion the issue or agreement should be approved by securityholders,

unless it obtains the approval of its ordinary security holders.

It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances. The Company therefore seeks the required Shareholder approval for the issue of the Shares, under and for the purposes of Listing Rule 10.11.

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Shares and Kim Hopwood will receive the relevant Shares as opposed to alternative forms of incentive such as the payment of cash compensation.

If Resolution 8 is not passed, the Company will not proceed with the issue of the relevant Shares and will be required to pay Kim Hopwood with an alternative form of incentive which will be a payment of cash compensation.

Specific Disclosure required by Listing Rule 10.13

Pursuant to Listing Rule 10.13, the Company provides the following further information in respect of Resolution 8:

- (j) the Shares under Resolution 8 are not being issued under an employee incentive plan and will be issued to Kim Hopwood;
- (k) Kim Hopwood is a Director and related party of the Company under Listing Rule 10.11.1;
- (l) the total number of Shares to be granted to Kim Hopwood is 1,666,667;
- (m) the Shares will be issued as soon as practicable after the date of the Meeting, and in any case no later than one (1) 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), and it is intended that the Shares will all be granted on the same date;
- (n) The Company is of the view that, the proposed issue of Shares:
 - (iii) is a fair and reasonable remuneration in lieu of cash payment; and
 - (iv) is in line with the remuneration benefits paid to other executive directors of other companies operating in the Company's industry and business environment.
- (o) the Shares are valued at the closing price of the Shares on the date of the respective resolutions, being 16 August 2025 for Resolution 8;
- (p) the purpose of the issue of the Shares are meant to be a replacement of, not in addition to, cash based remuneration;
- (q) the Director's current total annual remuneration package (before the issue of the Shares under Resolutions 7) is \$272,000; and
- (r) the Shares will be issued for nil consideration and therefore no loans will be created or funds are to be raised for the issue of the Shares.

Directors' Recommendations

The primary purpose of the grant of the Shares is the remuneration of Kim Hopwood for the short-term incentive being that agreed for FY25.

Kim Hopwood expresses no opinion and makes no recommendation in respect of the issue of the Shares to him (and/or his nominee) as he has a material personal interest in the outcome of Resolution 8.

Each of the other Directors recommend that shareholders vote in favour of the issue of the Shares to Kim Hopwood (and/or his nominee) for the reasons set out in this Explanatory Statement, and intend to vote in favour of the resolution.

SCHEDULE 1: DEFINITIONS

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

\$ or A\$ means Australian Dollars.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2025.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting convened by the Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means xReality Group Ltd ABN 39 154 103 607.

Constitution means the constitution of the Company.

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

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Eligible Employees means persons who are employees entitled to receive options under the Plan.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Financial Report means the annual financial report prepared under chapter 2M of the Corporations Act of the Company and its controlled entities.

Incentive Options means an Option issued under the xReality Group Ltd Employee Share Option Plan and entitles the holder to subscribe for one Share.

Group means the Company and its controlled entities.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting dated 21 October 2025 which comprises of the notice, Explanatory Memorandum and Proxy Form.

Option means an option which entitles the holder to subscribe for one Share.

Proxy Form means the proxy form attached to the Notice.

Plan means the employee share option plan (or **ESOP**) of the Company adopted by the Company and announced on ASX from time to time.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution contained in the Notice.

Share means an ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means the volume weighted average price of the Shares as defined in the Listing Rules.

SCHEDULE 2: KEY TERMS OF XREALITY GROUP LIMITED EMPLOYEE INCENTIVE OPTION PLAN

The principal terms of the Plan are summarised below:

(a) Eligible Participants

Under the Plan, an option ("**Option**") is right to subscribe for or acquire a fully paid ordinary share in the capital of the Company ("**Share**"). The Board at its sole discretion may invite any eligible person selected by it to complete an application in relation to a specified number of Options allocated to that eligible person by the Board. The Board may offer Options to any eligible person it determines and determine the extent of that person's participation in the Plan ("**Participant**").

An offer by the Board is required to specify, among other things, the date and total number of Options granted, the exercise price and the exercise period for the Options and any other matters the Board determines necessary, including the vesting conditions attaching to the Options.

(b) 5% Limited

The Plan has been prepared to comply with ASIC Class Order [CO 14/1000] and as such, offers under the Plan are limited to the 5% capital limit set out in the Class Order.

(c) Option Rights

Unless the Board determines otherwise, Options granted under the Plan are not capable of being transferred or encumbered by a Participant. Options do not carry any voting or dividend rights however shares issued to Participants on the exercise of an Option carry the same rights and entitlements as other shares on issue. The Company will not seek quotation of any Options on the ASX however will seek quotation for shares issued on the exercise of Options.

(d) Exercise of Options

At the sole and absolute discretion of the Board, and in general terms, Options granted under the Plan may only be exercised if particular exercise or vesting conditions have been met, the exercise price has been paid to the Company and the Options are exercised within the exercise period relating to the Option. An Option granted under the Plan may not be exercised once it has lapsed.

(e) Cashless Exercise Facility

Under the terms of the Plan, a Participant may request to pay the exercise price for an Option by setting off the exercise price against the number of shares which they are entitled to receive upon exercise ("**Cashless Exercise Facility**"). By using the Cashless Exercise Facility, the holder will receive shares to the value of the surplus after the exercise price has been set off. Any such request must be expressly made by the Participant in their exercise notice. The Board may approve or refuse the request in its sole and absolute discretion.

(f) Cash Payment

Instead of issues shares to a Participant on exercise of an Option, subject to compliance with the Corporations Act, the ASX Listing Rules and the terms of any offer made under the Plan, the Board may in its absolute discretion elect to pay a cash amount to the Participant equal to the current market value of the share to be issued less the exercise price in respect of the Option.

(g) Change of Control Event

On the occurrence of a change of control event, being, in general terms, an unconditional takeover bid under Chapter 6 of the Corporations Act, a court sanctioned scheme of arrangement or any other merger involving the Company occurs which results a person acquiring voting power sufficient to control the composition of the Board, the Board may in its sole discretion determine that all or a percentage of unvested Options will vest and become exercisable in accordance with the Plan Rules.

(h) Cessation of Employment

If a Participant ceases to be a director, employee or a contractor of any member of the Company's group, being associated bodies corporate of the Company, due to his or her resignation, redundancy or dismissal prior to the relevant vesting date of the Options, the Options will lapse, unless the Board exercises its

discretion otherwise.

If a Participant ceases to be a director, employee or a contractor of any member of the Company's group, being associated bodies corporate of the Company, due to his or her resignation, redundancy or dismissal on or after the relevant vesting date of the Options, the expiry date may be adjusted to 30 days after the termination date (or a later date determined by the Board).

(i) Fraudulent Behaviour

If, in the opinion of the Board, a Participant has acted fraudulently or dishonestly, the Board may determine that any Option granted to that Participant should lapse, and the Option will lapse accordingly.

(j) Reconstruction of Share Capital

In the event of any reconstruction of the share capital of the Company, the number of Options to which each Participant is entitled and/or the exercise price of those Options must be reconstructed in accordance with the ASX Listing Rules. Options must be reconstructed in a manner which is fair with respect to the Participants and the holders of other securities in the Company, subject to the ASX Listing Rules.

(k) Participation Rights

Holds of Options under the Plan may only participate in a new issue of securities by the Company if they have first exercised their Options within the relevant exercise period and become a shareholder of the Company prior to the relevant record date and are then only entitled to participate in relation to shares of which they are a registered holder.

(l) Compliance with Laws

Options may not be granted and/or shares may not be allotted and issued, acquired, transferred or otherwise dealt with under the Plan if to do so would contravene the Corporations Act or any other applicable laws or regulations.

The Plan Rules contain customary and usual terms having regard to Australian law for dealing with administration, variation and termination of the Plan.