



NSX Limited
1 Bligh Street, Sydney NSW 2000
ABN 33 089 447 058

T +61 2 9233 0100
E info@nsx.com.au
W nsx.com.au

NSX Limited

ACN 089 447 058

Notice of Annual General Meeting 2022

Thursday 24 November 2022, 11.00am (AEDT)

To be held at the ClearPay registered office by Virtual Conference Link.



NOTICE OF ANNUAL GENERAL MEETING 2022 AND EXPLANATORY NOTES

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION

You should read the whole of this document before you decide whether and how to vote on the Resolutions in the Notice of Annual General Meeting.

IMPORTANT NOTICES

The Explanatory Notes in this document are intended to provide Securityholders with information to assess the merits of the proposed Resolutions contained in this Notice of Annual General Meeting and are to be read in conjunction with the Notice of Annual General Meeting.

Defined terms

Terms used in the Notice of Annual General Meeting and the Explanatory Notes are defined in the Glossary at the end of the Explanatory Notes.

Read this document

The Notice of Annual General Meeting and the Explanatory Notes are important. You should read each document in its entirety before deciding how to vote on the Resolutions. If you have any doubt regarding what you should do, you should consult your investment, financial or other professional advisers.

Forward-looking statements

Certain statements in the Explanatory Notes may constitute "forward-looking statements" for the purposes of applicable securities law. You should be aware that there are a number of risks (known and unknown), uncertainties and assumptions and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements, express or implied, by such statements. Factors that could cause or contribute to such differences include the general trading and economic conditions affecting the Company. The past performance of the Company is not necessarily representative of future performance.

None of the Company or their respective directors, officers and advisers, or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in the Explanatory Notes will actually occur. Securityholders are cautioned not to place undue reliance on these forward-looking statements.

All subsequent written and oral forward-looking statements attributable to the Company or any person acting on their behalf are qualified by the above cautionary statement.

NOTICE OF ANNUAL GENERAL MEETING 2022

NSX Limited ACN 089 447 058 ("NSX" or "the Company") will hold its 22nd Annual General Meeting at **11:00 AM** (AEDT) on **Thursday 24 November 2022**, SecurityHolder and Board attendance and registration will be via weblink only which will be provided up to **10:30 AM** (AEDT) on the day prior to the meeting by sending an emailed request to the Company Secretary at **cosec@nsx.com.au** and including your registered Security Holder Name and Address. Questions by Securityholders should be submitted to the Board at the same time.

ORDINARY BUSINESS

Receipt and tabling of financial statements and reports

To receive, consider and discuss the:

- a) Director's Report;
- b) Remuneration Report;
- c) Financial Report; and
- d) Auditor's Report.

for the Company and its controlled entities for the year ended 30 June 2022.

Note: Reports are tabled at the meeting. Securityholders are not required to vote on this item except for the Remuneration Report listed as Resolution 1. Sufficient time will be allowed at the meeting to discuss the reports and to ask questions of the Directors and the Company auditor (PKF).

Resolution 1 – Approval of the adoption of the Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

"That the Remuneration Report for the financial year ended 30 June 2022, being part of the Directors' Report is adopted."

Voting Exclusion Statement and Notes on Resolution 1:

- a) *The vote on this item is advisory only and does not bind the Directors or the Company.*
- b) *However, the outcome of the vote and comments made by Securityholders on the Remuneration Report at the meeting will be taken under advisement by the Directors when formulating future remuneration policies.*
- c) *Key Management Personnel and Closely Related Parties of the Key Management Personnel are excluded from voting on this Resolution.*
- d) *However, a person described in paragraph (c) above may cast a vote on this Resolution if:*
 - a. *the person does so as a proxy that specifies how the proxy is to vote on the Resolution; or*
 - b. *the person is the Chair and has been appointed as a proxy (expressly or by default) without being directed how to vote on the Resolution; and*
 - c. *in either case, the vote is not cast on behalf of a person described in (c) above.*
- e) *The Chair will cast any undirected votes for this Resolution.*

Resolution 2 – Approval of the re-election of Ms Kelly Humphreys as a Director

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

“That Ms Kelly Humphreys, being a Director of the Company, who retires by rotation in accordance with the Company’s Constitution, and being eligible, offers themselves for re-election, is re-elected as a Director of the Company.”

Resolution 3 – Approval of election of Mr Barnaby Egerton-Warburton as a Director

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

“That Mr Barnaby Egerton-Warburton, being a Director of the Company, having been appointed as an additional director to the Board since the previous Annual General Meeting and being eligible, offers themselves for election, is elected as a Director of the Company.”

Resolution 4 – Approval of the Securities Issuance under the Performance Rights Plan

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

“That, for the purposes of ASX Listing Rule 7.2, Exception 13, and for all other purposes, approval is given for the Company to adopt and issue securities under an employee incentive scheme, titled Performance Rights Plan, on the terms set out in the Explanatory Notes.”

Voting Exclusion Statement and Notes on Resolution 4:

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 and 10.14.3, who is eligible to participate in the employee incentive scheme, or an associate of that person or those persons. However, the Company need not disregard a vote if it is cast by:

- a person as a proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the directions given to the proxy or attorney to vote on Resolution 4 in that way; or
- the person chairing the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the chair to vote on Resolution 4 as the chair 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 the person excluded from voting, on Resolution 4; and*
 - *the holder votes on Resolution 4 in accordance with the directions given by the beneficiary to the holder to vote in that way.*

Voting Prohibition Statement on Resolution 4:

In accordance with section 250BD of the Corporations Act, a vote on Resolution 4 must not be cast by a person appointed as a proxy as the basis of that appointment, where that person is either a member of the Key Management Personnel or a Closely Related Party of such a member.

However, a vote may be cast by such person as the basis of that appointment if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- the appointment specifies how the proxy is to vote; or
- the person appointed as proxy is the person chairing the Meeting and the appointment does not specify how the chair is to vote but expressly authorises the chair to exercise the proxy even if Resolution 4 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 5 – Issue of Performance Rights to Scott Evans

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

“Approve the issue of 222,222 Performance Rights to Scott Evans, or their nominee, on the terms and conditions as described within the Explanatory Notes of this Notice of Meeting.”

Voting Exclusion Statement and Notes on Resolution 5:

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

- a) Mr Evans (and his nominee/s) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- 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 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 this Resolution, in accordance with a direction given to the chair to vote on this 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:
 - a. 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
 - b. the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.
- d) The Chair will cast any undirected votes for this Resolution.

Resolution 6 – Approval of an increase in share placement capacity under ASX Listing Rule 7.1A

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

“That for the purposes of ASX Listing Rule 7.1A and for all other purposes, the issue of up to 10% of the Company’s share capital (at the time of issue) calculated in accordance with Listing Rule 7.1A, and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement and Notes:

- a) The Company will, in accordance with ASX Listing Rule 14.11 of the Listing Rules, disregard any votes cast in respect of this resolution by a person (and any such associates of such a person) who may participate in the 10% placement facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of securities, if this Resolution is passed.
- b) However, the Company will not disregard any votes on the resolution if:
 - I. It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
 - II. It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a directions on the proxy form to vote as the proxy decides.
- c) At this point in time, there is no potential allottee to who securities may be issued under this resolution.

Authorised by order of the Board

Scott Evans

Company Secretary
20 October 2022

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES

The accompanying Explanatory Notes form part of this Notice of Annual General Meeting and should be read in conjunction with it. Unless the context otherwise requires, terms which are defined in the Explanatory Notes have the same meaning when used in this Notice of Annual General Meeting.

RECORD DATE

The Board has determined that, for the purposes of the meeting, Shares will be taken to be held by the persons who are registered as a Securityholder as at **7.00pm (AEDT) on Tuesday 22 November 2022**. Accordingly Share transfers registered after that time will be disregarded in determining entitlement to attend and vote at the meeting.

POLL

Subject to any voting exclusions, on a poll, Securityholders will have one vote for every Share held. On a show of hands, every person present and qualified to vote has one vote and if one proxy has been appointed, that proxy will have one vote on a show of hands. If a Securityholder appoints more than one proxy, neither proxy may vote on a show of hands, but both proxies will be entitled to vote on a poll.

Note: The Chair will call a poll on all resolutions.

REPRESENTATIVES

A body corporate may appoint an individual as its representative to exercise any of the powers the body corporate may exercise at meetings of Securityholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the meeting evidence of their appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

PROXIES

A proxy form accompanies this Notice of Annual General Meeting.

If you are entitled to attend and cast a vote at the meeting, you may appoint a person as your proxy to attend and vote for you at the meeting and that appointment may specify the proportion or number of votes that the proxy may exercise. If you are entitled to cast 2 or more votes at the meeting, you may appoint up to 2 proxies. If you appoint 2 proxies but do not specify the proportion or number of your votes that each proxy may exercise, each proxy may exercise half of your votes. A proxy does not need to be a Securityholder.

If the proxy form is signed under a power of attorney, you must also lodge the power of attorney with the Company not less than 48 hours before the meeting, unless you have previously sent the power of attorney to the Company.

If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolutions by marking either “**For**”, “**Against**” or “**Abstain**” on the proxy form for that Resolution.

To appoint a proxy (or proxies) you must complete the attached proxy form and lodge it so that it is received by the Company not less than 48 hours before the meeting (i.e. by **11:00 AM (AEDT) on Tuesday 22 November 2022**) at the following address, fax number or vote online (see methods of voting on the next page).

METHODS OF VOTING

BY MAIL -	Share Registry – Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia
BY FAX -	+ 61 2 9290 9655
IN PERSON -	Share Registry – Boardroom Pty Limited, Grosvenor Place, Level 8, 210 George Street, Sydney NSW 2000 Australia

LODGE PROXY ONLINE – <https://www.votingonline.com.au/nsxagm2022>

ATTENDING THE MEETING

Attendance is only available by weblink to registered SecurityHolders and the Board.

You must lodge your vote or proxy in advance of the meeting by **11.00 am Tuesday 22 November 2022**.

If you have lodged an online proxy, you are still entitled to attend the Meeting by weblink. You must register your interest to attend the meeting by weblink on or before **11:00 am Tuesday 22 November 2022** by sending an email to the Company Secretary at cosec@nsx.com.au and include your registered Security Holder Name and Address details in the email request.

SUBMITTING QUESTIONS

It is preferred that if you have any questions of the Board that they be submitted in writing to the Company Secretary by email at cosec@nsx.com.au on or before **11:00 am Tuesday 22 November 2022**.

APPOINTMENT OF THE CHAIR OR OTHER KEY MANAGEMENT PERSONNEL AS YOUR PROXY

Due to the voting exclusions and requirements referred to in the Notice of Annual General Meeting, if you intend to appoint any Director or other Key Management Personnel or their Closely Related Parties, other than the Chair, as your proxy, you should direct your proxy how to vote on Resolution 1 (Adoption of Remuneration Report) by marking either "For", "Against" or "Abstain" on the proxy form for the relevant item of business. If you do not direct

such a proxy how to vote on that Resolution, they will not be able to vote an undirected proxy and your vote will not be counted. This does not apply to the Chair, who is able to vote undirected proxies.

HOW THE CHAIR OF THE MEETING WILL VOTE UNDIRECTED PROXIES

You should note that if you appoint the Chair as your proxy, or the Chair is appointed your proxy by default, you will be taken to authorise the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the Remuneration Report of a member of the Company's Key Management Personnel. Instructions are provided in the proxy form distributed with the Notice of Annual General Meeting.

If you appoint the Chair of the Meeting as your proxy and you wish to vote differently to how the Chair of the Meeting intends to vote on any of the items you must mark either of the boxes "For", "Against" or "Abstain" on the proxy form for the relevant Resolution.

The Chair of the Meeting intends to vote undirected proxies in favour of all the Resolutions.

NON-CHAIR DIRECTED PROXIES

Non-Chair proxy holders are required to cast all of their directed proxies on all Resolutions as directed on a poll if they vote. If a nominated proxy does not vote on a poll, the proxy will automatically default to the Chair, who has a duty to vote all directed proxies on a poll (sections 250BB and 250BC of the *Corporations Act*).

EXPLANATORY MEMORANDUM

These Explanatory Notes have been prepared for the Securityholders to provide information about the items of business to be considered at the Annual General Meeting of the Company to be held at **11:00 AM (AEDT) on Thursday 24 November 2022**.

The Company recommends that Securityholders read this Explanatory Memorandum in full and in conjunction with the Notice before making any decisions in relation to the proposed Resolution.

Overview of Explanatory Notes

Sections 1 through 8 of these Explanatory Notes provides information relating to the Ordinary Business described in the Notice of Annual General Meeting, including Resolutions 1 through 6, relevant disclosures and annexures.

Resolutions 1 through 5 are Ordinary Resolutions. Resolution 6 is a Special resolution.

Section 8 sets out the glossary of terms used in these Explanatory Notes.

The information contained in these Explanatory Notes is important and should be read carefully by all Securityholders.

1. FINANCIAL STATEMENTS AND REPORTS

1.1 Securityholder questions and comments

The *Corporations Act* requires that the Financial Report, the Directors' Report, the Remuneration Report and the Auditor's Report for the Company for the year ended 30 June 2022 be laid before the meeting.

There is no requirement in the *Corporations Act* or the Company's Constitution for Securityholders to approve those reports.

The Chair will allow a reasonable opportunity for Securityholders to ask questions or make comments about those reports and the business and operations of the Company.

Securityholders will also be given a reasonable opportunity to ask the 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.

1.2 How to obtain a copy of the Annual Report to Securityholders 2022

Securityholders are able to access an electronic version of the Company's 2021 Annual Report on the NSX website at <https://www.nsx.com.au/about/investor-relations/financial-reporting/>

Alternatively, a hardcopy of the Company's 2022 Annual report can be requested by contacting the Company Secretary via email at cosec@nsx.com.au during business hours.

2. REMUNERATION REPORT

2.1 Resolution 1 – Adoption of the Remuneration Report

Securityholders are required to vote on the Remuneration Report.

The Remuneration Report is contained within the Directors' Report of the Annual Report, including the required presentation of the remuneration tables referred to in the report and set out in the notes of the financial statements.

The vote on this item is advisory only and does not bind the Directors or the Company. However, the outcome of the vote and comments made by Securityholders on the Remuneration Report at the meeting will be taken under advisement by the Directors when formulating future remuneration policies.

In addition, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Securityholders will be required to vote at the second of those AGMs on a resolution (a "Spill" Resolution) to determine whether another meeting should be held within 90 days at which all the Directors (other than the Managing Director) must present themselves for re-election. Securityholders are not required to vote on a spill resolution at this Meeting.

The Company encourages all Securityholders to cast their votes on this Resolution.

2.2 What majority of votes is required for Resolution 1 to be passed?

An Ordinary Resolution is required for Resolution 1 to be passed. That is 50% or more of the votes counted either by a show of hands or in a poll.

2.3 Who can vote on Resolution 1 (Voting Exclusions)?

Subject to the Constitution and *Corporations Act*, all Securityholders can vote on Resolution 1 except Key Management Personnel and their Closely Related Parties.

If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1 by marking either “**For**”, “**Against**” or “**Abstain**” on the proxy form for that Resolution.

2.4 Undirected proxies

The Chair of the meeting will exercise any undirected proxies for this Resolution and any subsequent “Spill” resolution even though the Resolution is directly or indirectly connected with the remuneration of a member of the Key Management Personnel. Any undirected proxies held by other Key Management Personnel or any of their Closely Related Parties will not be voted on this Resolution.

2.5 Directors' recommendation

The Directors unanimously recommend that the Securityholders pass Resolution 1.

3. RE-ELECTION OF DIRECTOR

3.1 Resolution 2 – Re-election of Ms Kelly Humphreys as a Director

In accordance with ASX Listing Rules 14.4 and 14.5 and articles 12.3 and 12.4 of the Company’s Constitution, a Director must not hold office without re-election past the third annual general meeting following the Director’s appointment or three years whichever is longer and one-third of the existing Directors must retire by rotation irrespective of when they were appointed. A Director who retires in accordance with these requirements may offer themselves for re-election. Kelly Humphreys, being a Director meeting these conditions, retires by rotation and offers herself for re-election.

3.2 Information about Ms Kelly Humphreys

Positions held:	Independent and Non-executive Director of NSX Limited Independent and Non-executive Director of National Stock Exchange of Australia Limited Chair of Audit & Risk Committee
Qualifications:	Master of Management, Diploma in Financial Services and a graduate member of Australian Institute of Company Directors.
Appointed:	18 June 2020
Directorships held in other listed entities	Non-Executive Director of Raiz Invest Limited (ASX: RZI).
Interests in NSX Limited shares:	500,000 shares
Experience:	Ms Humphreys is an experienced Non-Executive Director with existing Board and committee roles spanning industry sectors including financial service, health, regulation, and education. Kelly has extensive executive experience in financial services and a depth of technical expertise in operations, risk management and governance. She brings a strong commercial approach to achieving objectives in complex regulatory environments and working effectively to deliver growth and improved performance.

Kelly is also a Non-Executive Director of Latrobe Private Health and the Accident Compensation Conciliation Service and a Commissioner of the Victorian Building Authority.

3.3 What majority of votes is required for Resolution 2 to be passed?

An Ordinary Resolution is required for Resolution 2 to be passed. That is 50% or more of the votes counted either by a show of hands or in a poll.

3.4 Who can vote on Resolution 2?

Subject to the Constitution, all Securityholders can vote on Resolution 2. If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 2 by marking either “**For**”, “**Against**” or “**Abstain**” on the proxy form for that Resolution.

3.5 Directors' recommendation

The Directors unanimously recommend that Securityholders vote in favour of Resolution 2.

4. ELECTION OF DIRECTOR

4.1 Resolution 3 - Election of Barnaby Egerton-Warburton as a Director

In accordance with article 12.7 of the Company's Constitution, Directors may appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing Directors. Under ASX rule 14.4 and article 12.8 of the Company's Constitution, a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without election) past the next Annual General Meeting of the Company. A director is then eligible for election. Barnaby Egerton-Warburton, being a Director meeting these conditions, offers themselves for election.

4.2 Information about Mr Barnaby Egerton-Warburton

Positions held:	Independent and Non-executive Director of NSX Limited.
Qualifications:	B.Economics (Murdoch)
Appointed:	12 April 2022
Directorships held in other listed entities	Previously a director of Southern Cross Payments Ltd (formerly iSignthis Ltd) ASX: SP1
Interests in NSX Limited shares:	Nil

Experience:

Mr Barnaby is a director of the NSX JV entity, ClearPay Pty Ltd.

Barnaby has over 25 years of investment banking, international investment and market experience with position at JP Morgan (New York, Sydney, Hong Kong), BNP Equities (New York) and Prudential Securities (New York). He is a founder and partner of Modena. Barnaby has a broad range of experience across start-up funding, trade sales, buyouts, M&A and IPO's. Barnaby sits on multiple ASX listed boards.

4.3 What majority of votes is required for Resolution 3 to be passed?

An Ordinary Resolution is required for Resolution 3 to be passed. That is 50% or more of the votes counted either by a show of hands or in a poll.

4.4 Who can vote on Resolution 3?

Subject to the Constitution, all Securityholders can vote on Resolution 3. If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 3 by marking either “**For**”, “**Against**” or “**Abstain**” on the proxy form for that Resolution.

4.5 Directors' recommendation

The Directors unanimously recommend that Securityholders vote in favour of Resolution 3.

5. RESOLUTION 4: EMPLOYEE PERFORMANCE PLAN

5.1 General

Resolution 4 seeks Shareholder approval, pursuant to ASX Listing Rule 7.2, Exception 13, for the adoption of an employee incentive scheme titled "Performance Rights Plan" and to enable issues of Performance Rights under the Performance Rights Plan.

The Performance Rights Plan provides for the issuance of Performance Rights which, upon a determination by the Board that the performance conditions attached to the Performance Rights have been met, will result in the issue of one fully paid ordinary share in the Company for each Performance Right.

As set out above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. ASX Listing Rule 7.2 (Exception 13) provides that ASX Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as exception to AS Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to issue Performance Rights under the Performance Rights Plan to eligible participants over a period of 3 years. The issue of any Performance Rights to eligible participants under the Performance Rights Plan (up to the maximum number of Performance Rights stated in section 5.3 below) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

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

If Resolution 4 is not passed, the Company will be to proceed with the issue of Performance Rights under the Performance Rights Plan to eligible participants, but any issues of Performance Rights will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue.

5.2 Reasons for the Performance Rights Plan

To achieve its corporate objectives, the Company needs to attract and retain its key staff. The Board believes that grants made to eligible participants under the Performance Rights Plan provide a powerful tool to underpin the Company's employment and engagement strategy, and that the Performance Rights Plan:

- a) enables the Company to recruit, incentivise and retain Key Management Personnel and other eligible employees needed to achieve the Company's business objectives;
- b) links the rewards of key staff with the achievements of strategic goals and the long-term performance of the Company;
- c) aligns the financial interests of participants of the Performance Rights Plan with those of Securityholders; and
- d) provides incentives to participants of the Performance Rights Plan to focus on superior performance that creates Securityholder value.

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

5.3 Outline of terms of the Performance Rights Plan

A summary of the key terms and conditions of the Performance Rights Plan is set out below to be effective once approved by shareholders. In addition, a copy of the Performance Rights Policy is available for review by SecurityHolders on the NSX website at nsx.com.au/about/governance/constitution-and-policies.

Participation

Carefully designed, performance linked, equity plans are widely considered to be very effective in providing long term incentives to staff. As well, they are used to attract and retain staff by providing them with the opportunity to participate in the creation of a valuable personal asset – a financial stake in the Company.

As part of the Company's strategy, the Board wishes to be in a position to grant Performance Rights under the Performance Rights Plan to employees (including Directors), to achieve the objectives outlined above. A Performance Right is a right to be issued a Share upon satisfaction of certain performance conditions that are attached to the Performance Right, as determined by the Board. In accordance with the requirements of the ASX Listing Rules, prior Shareholder approval will be required before any Director or related party of the Company can participate in the Performance Rights Plan.

Overview of the Performance Rights Plan rules and terms and conditions

The Board is cognisant of general SecurityHolder concern that long-term equity based rewards for staff should be linked to the achievement by the Company of a performance condition. Performance Rights granted under the Performance Rights Plan to eligible participants will be subject to performance conditions as determined by the Board from time to time. These performance conditions must be satisfied in order for the Performance Rights to vest. Upon Performance Rights vesting and the employee being advised that the vesting conditions have been met, Shares will be issued to the employee exercising the Performance Rights.

The Board considers the Performance Rights Plan a crucial mechanism to encourage and retain high level executive and employee performance. The Board intends to implement the Performance Rights Plan, and set the performance conditions, in a manner designed to incentivise and reward high level executive and employee performance.

The main features of the Performance Rights Plan are summarised as follows:

Eligible Participants: The eligible participants under the Performance Rights Plan are full time or part time employees (including Directors) of the Company and its subsidiaries, a contractor or casual employee who works a pro-rata equivalent of 40% or more of a comparable full-time position for the Company or its subsidiaries, or any other person determined by the Board to be an eligible employee for the purposes of the Plan ("**Eligible Employees**").

In accordance with the ASX Listing Rules, prior Shareholder approval will be required before any Director or related party of the Company can participate in the Performance Rights Plan and be granted Performance Rights.

Limits on Entitlements: The Company may issue such number of Performance Rights, where the number of Shares that may be acquired on conversion of those Performance Rights when added to the total number of Shares or Performance Rights that have already been issued pursuant to the Performance Rights Plan or other incentive scheme in the previous three years, will not exceed 3% of the total number of issued Shares at the time of the issue.

If relying on an ASIC class order to grant Performance Rights, the Company will ensure that it complies with any limit on the number of Performance Rights that may be issued as required by such ASIC class order.

Individual Limits: The Performance Rights Plan does not set out a maximum number of Shares that may be issued to any one person or company.

Consideration Payable: Performance Rights will be issued for no consideration and no amount will be payable upon exercise thereof.

Offer and Performance Conditions: The Performance Rights issued under the Performance Rights Plan to Eligible Employees may be subject to performance conditions, determined by the Board from time to time and expressed in a written offer letter (Offer) made by the Company to the Eligible Employee which is subject to acceptance by the Eligible Employee within a specified period. The performance conditions may include one or more of (i) service to the Company of a minimum period of time (ii) achievement of specific performance conditions by the participant and/or by the Company (iii) a vesting period following satisfaction of performance conditions before the Performance Rights vest, or (iv) such other performance conditions as the Board may determine and set out in the Offer. The Board in its absolute discretion determines whether performance conditions have been met.

Milestone Date, Expiry Date & Lapse: Performance Rights will have an expiry date as the Board may determine in its absolute discretion and specify in the Offer. The Board is not permitted to extend an expiry date without Shareholder approval.

The performance conditions of Performance Rights will have a milestone date as determined by the Board in its absolute discretion and will be specified in the Offer. The Board shall have discretion to extend a milestone date where the Board (in its sole discretion) considers that unforeseen circumstances or events have caused a delay in achieving the performance condition by the milestone date. The Board shall not be permitted to extend the milestone date beyond the expiry date of the Performance Rights.

If a performance condition of a Performance Right is not achieved by the earlier of the milestone date or the expiry date then the Performance Rights will lapse. A Performance Right will also lapse if the Board determines the participant ceases to be an Eligible Employee for the purposes of the Performance Rights Plan for any reason (other than as a result of retirement, disability, bona fide redundancy or death).

Retirement, Disability, Redundancy or Death: Under the Performance Rights Plan, upon the retirement, total and permanent disability, bona fide redundancy or death of a participant, the Board shall determine, in its discretion, whether those Performance Rights which have not satisfied the performance condition but have not lapsed, shall in whole or in part be deemed to have become vested Performance Rights or be deemed to have lapsed.

Forfeiture: If a participant acts fraudulently or dishonestly or is in breach of his or her obligations to the Company, the Board will have the discretion to deem any Performance Rights to have lapsed and deem any Performance Rights that have become Shares to be forfeited. In the event the underlying Shares have been sold by the participant, the participant will be required to pay all or part of the net proceeds of that sale to the Company.

Assignment: Without prior approval of the Board, Performance Rights may not be transferred, assigned or novated, except, upon death, a participant's legal personal representative may elect to be registered as the new holder of such Performance Rights and exercise any rights in respect of them.

Takeover Bid or Change of Control: All Performance Rights automatically vest in the event of:

- a) a Court ordering a meeting to be held in relation to a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation
- b) with any other company or companies and the SecurityHolders of the Company approve the proposed compromise or arrangement at such meeting;
- c) a takeover bid (as defined in the Corporations Act) is announced, has become unconditional and the person making the takeover bid has a relevant interest in 50% or more of the shares in the Company; or placement
- d) any person acquires a relevant interest in 50.1% or more of the shares in the Company by any other means.

Alteration in Share Capital: Appropriate adjustments will be made to the number of Performance Rights in accordance with the ASX Listing Rules in the event of a reconstruction of the share capital of the Company, such as a share consolidation, share split or other reduction of capital.

Pro Rata Issue of Securities: If, during the term of any Performance Rights, the Company makes a pro rata issue of securities to the Company's SecurityHolders by way of a rights issue, the holder thereof shall be entitled to participate in the rights issue on the same terms as the Company's SecurityHolders as if the holder held that number of Shares equal to the number of Shares issuable to the holder if all of the holder's Performance Rights were exercised prior to the record date for determining entitlement under the pro rata issue.

A holder will not be entitled to any adjustment to the number of Shares he or she is entitled to under any Performance Rights or adjustment to any Performance Condition which is based, in whole or in part, upon the Company's Share price, as a result of the Company undertaking a rights issue.

Bonus Issue: If, during the term of any Performance Rights, the Company completes a bonus issue, the number of Shares each Performance Rights holder is then entitled to, shall be increased by that number of securities which the holder would have been issued if the Performance Rights then held by the holder were exercised immediately prior to the record date for the bonus issue.

Participation in other Opportunities: There are no participation rights or entitlements inherent in the Performance Rights though the Company will use its reasonable endeavours to ensure that each holder is given an opportunity to participate on the same basis as if his or her Performance Rights had been exercised.

Termination, Suspension or Amendment: The Board may terminate, suspend or amend the Performance Rights Plan at any time subject to any resolution of the Company required by the ASX Listing Rules.

5.4 Technical information required by ASX Listing 7.2

A summary of the terms of the scheme.	A summary of the Performance Rights Plan to be adopted at section 5.3.
The number of securities issued under the scheme since the entity was listed or the date of the last approval under this rule.	Last plan approved by SecurityHolders on 30 April 2020. 2,872,930 performance rights remain unvested to employees as part of the current plan.
The maximum number of equity securities proposed to be issued under the scheme following the approval.	The aggregate maximum number of equity securities proposed to be issued under the Performance Rights Plan is the number equal to 3% of the issued capital of the Company as at the date of adoption of the Performance Rights Plan.
A voting exclusion statement.	A voting exclusion statement is included in Resolution 4 of this Notice.
Vesting date	Various dates over the 3 year period
Conversion	Each Performance Right is convertible on a one-to-one basis into one Share.

6. RESOLUTION 5: APPROVAL TO ISSUE PERFORMANCE RIGHTS TO SCOTT EVANS

6.1 Resolution 5 – Approval to Issuer Performance Rights to Scott Evans

The Company has agreed, subject to obtaining SecurityHolder approval, to issue 222,222 Performance Rights (**CoSec Performance Rights**) to Mr Scott Evans, the Company Secretary (or his nominee) pursuant to the terms and conditions set out below.

The CoSec Performance Rights to be issued to Mr Evans will be issued on the terms and conditions set out below and in Section 10 of this Notice. The issue of the CoSec Performance Rights is a non-cash form of remuneration and will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Evans.

6.2 Information about the issue of CoSec Performance Rights

Mr Evans is the Company Secretary of the Company and has been Company Secretary since 2006. Up until 30 June 2017 Mr Evans was General Manager and Company Secretary performing a wide range of activities in relation to those roles. Mr Evans was originally employed in this full time role by the Company in September 2001 and since 1 July 2017 as an independent contractor performing various training, special project and consulting tasks as well as company secretary on a part time basis.

Mr Evans long term experience and knowledge of the operations of the Company and helping to mentor NSX staff is seen by the Board as invaluable and the issue of the CoSec Performance Rights is a way of rewarding and maintaining that knowledge without additional cash out lay by the Company.

Mr Evans currently owns 108,667 fully paid ordinary shares in the Company and 83,334 performance rights issued last year due to convert on 25 November 2022. The value of the CoSec Performance Rights is \$10,000 at an issue price of \$0.045 (previous September 2022 entitlement offer price). If approved, the vesting date will 24 November 2023.

6.3 Outline of terms of the Performance Rights Plan

The performance plan on the same terms and conditions as that afforded to other staff as per resolution 5. A summary of the key terms and conditions of the Performance Rights Plan is set out below to be effective once approved by shareholders. In addition, a copy of the Performance Rights Policy is available for review by SecurityHolders on the NSX website at nsx.com.au/about/governance/constitution-and-policies.

Participation

Carefully designed, performance linked, equity plans are widely considered to be very effective in providing long term incentives to staff. As well, they are used to attract and retain staff by providing them with the opportunity to participate in the creation of a valuable personal asset – a financial stake in the Company.

As part of the Company's strategy, the Board wishes to be in a position to grant Performance Rights under the Performance Rights Plan to employees (including Directors), to achieve the objectives outlined above. A Performance Right is a right to be issued a Share upon satisfaction of certain performance conditions that are attached to the Performance Right, as determined by the Board. In accordance with the requirements of the ASX Listing Rules, prior Shareholder approval will be required before any Director or related party of the Company can participate in the Performance Rights Plan.

Overview of the Performance Rights Plan rules and terms and conditions

The Board is cognisant of general SecurityHolder concern that long-term equity based rewards for staff should be linked to the achievement by the Company of a performance condition. Performance Rights granted under the Performance Rights Plan to eligible participants will be subject to performance conditions as determined by the Board from time to time. These performance conditions must be satisfied in order for the Performance Rights to vest. Upon Performance Rights vesting and the employee being advised that the vesting conditions have been met, Shares will be issued to the employee exercising the Performance Rights.

The Board considers the Performance Rights Plan a crucial mechanism to encourage and retain high level executive and employee performance. The Board intends to implement the Performance Rights Plan, and set the performance conditions, in a manner designed to incentivise and reward high level executive and employee performance.

The main features of the Performance Rights Plan are summarised as follows:

Eligible Participants: The eligible participants under the Performance Rights Plan are full time or part time employees (including Directors) of the Company and its subsidiaries, a contractor or casual employee who works a pro-rata equivalent of 40% or more of a comparable full-time position for the Company or its subsidiaries, or any other person determined by the Board to be an eligible employee for the purposes of the Plan ("**Eligible Employees**").

In accordance with the ASX Listing Rules, prior Shareholder approval will be required before any Director or related party of the Company can participate in the Performance Rights Plan and be granted Performance Rights.

Limits on Entitlements: The Company may issue such number of Performance Rights, where the number of Shares that may be acquired on conversion of those Performance Rights when added to the total number of Shares or Performance Rights that have already been issued pursuant to the Performance Rights Plan or other incentive scheme in the previous three years, will not exceed 3% of the total number of issued Shares at the time of the issue.

If relying on an ASIC class order to grant Performance Rights, the Company will ensure that it complies with any limit on the number of Performance Rights that may be issued as required by such ASIC class order.

Individual Limits: The Performance Rights Plan does not set out a maximum number of Shares that may be issued to any one person or company.

Consideration Payable: Performance Rights will be issued for no consideration and no amount will be payable upon exercise thereof.

Offer and Performance Conditions: The Performance Rights issued under the Performance Rights Plan to Eligible Employees may be subject to performance conditions, determined by the Board from time to time and expressed in a written offer letter (Offer) made by the Company to the Eligible Employee which is subject to acceptance by the Eligible Employee within a specified period. The performance conditions may include one or more of (i) service to the Company of a minimum period of time (ii) achievement of specific performance conditions by the participant and/or by the Company (iii) a vesting period

following satisfaction of performance conditions before the Performance Rights vest, or (iv) such other performance conditions as the Board may determine and set out in the Offer. The Board in its absolute discretion determines whether performance conditions have been met.

Milestone Date, Expiry Date & Lapse: Performance Rights will have an expiry date as the Board may determine in its absolute discretion and specify in the Offer. The Board is not permitted to extend an expiry date without Shareholder approval.

The performance conditions of Performance Rights will have a milestone date as determined by the Board in its absolute discretion and will be specified in the Offer. The Board shall have discretion to extend a milestone date where the Board (in its sole discretion) considers that unforeseen circumstances or events have caused a delay in achieving the performance condition by the milestone date. The Board shall not be permitted to extend the milestone date beyond the expiry date of the Performance Rights.

If a performance condition of a Performance Right is not achieved by the earlier of the milestone date or the expiry date then the Performance Rights will lapse. A Performance Right will also lapse if the Board determines the participant ceases to be an Eligible Employee for the purposes of the Performance Rights Plan for any reason (other than as a result of retirement, disability, bona fide redundancy or death).

Retirement, Disability, Redundancy or Death: Under the Performance Rights Plan, upon the retirement, total and permanent disability, bona fide redundancy or death of a participant, the Board shall determine, in its discretion, whether those Performance Rights which have not satisfied the performance condition but have not lapsed, shall in whole or in part be deemed to have become vested Performance Rights or be deemed to have lapsed.

Forfeiture: If a participant acts fraudulently or dishonestly or is in breach of his or her obligations to the Company, the Board will have the discretion to deem any Performance Rights to have lapsed and deem any Performance Rights that have become Shares to be forfeited. In the event the underlying Shares have been sold by the participant, the participant will be required to pay all or part of the net proceeds of that sale to the Company.

Assignment: Without prior approval of the Board, Performance Rights may not be transferred, assigned or novated, except, upon death, a participant's legal personal representative may elect to be registered as the new holder of such Performance Rights and exercise any rights in respect of them.

Takeover Bid or Change of Control: All Performance Rights automatically vest in the event of:

- e) a Court ordering a meeting to be held in relation to a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation
- f) with any other company or companies and the SecurityHolders of the Company approve the proposed compromise or arrangement at such meeting;
- g) a takeover bid (as defined in the Corporations Act) is announced, has become unconditional and the person making the takeover bid has a relevant interest in 50% or more of the shares in the Company; or placement
- h) any person acquires a relevant interest in 50.1% or more of the shares in the Company by any other means.

Alteration in Share Capital: Appropriate adjustments will be made to the number of Performance Rights in accordance with the ASX Listing Rules in the event of a reconstruction of the share capital of the Company, such as a share consolidation, share split or other reduction of capital.

Pro Rata Issue of Securities: If, during the term of any Performance Rights, the Company makes a pro rata issue of securities to the Company's SecurityHolders by way of a rights issue, the holder thereof shall be entitled to participate in the rights issue on the same terms as the Company's SecurityHolders as if the holder held that number of Shares equal to the number of Shares issuable to the holder if all of the holder's Performance Rights were exercised prior to the record date for determining entitlement under the pro rata issue.

A holder will not be entitled to any adjustment to the number of Shares he or she is entitled to under any Performance Rights or adjustment to any Performance Condition which is based, in whole or in part, upon the Company's Share price, as a result of the Company undertaking a rights issue.

Bonus Issue: If, during the term of any Performance Rights, the Company completes a bonus issue, the number of Shares each Performance Rights holder is then entitled to, shall be increased by that number of securities which the holder would have been issued if the Performance Rights then held by the holder were exercised immediately prior to the record date for the bonus issue.

Participation in other Opportunities: There are no participation rights or entitlements inherent in the Performance Rights though the Company will use its reasonable endeavours to ensure that each holder is given an opportunity to participate on the same basis as if his or her Performance Rights had been exercised.

Termination, Suspension or Amendment: The Board may terminate, suspend or amend the Performance Rights Plan at any time subject to any resolution of the Company required by the ASX Listing Rules.

6.4 Technical information required by ASX Listing 7.2

A summary of the terms of the scheme.	A summary of the Performance Rights Plan to be adopted at section 6.3.
The number of securities issued under the scheme since the entity was listed or the date of the last approval under this rule.	83,334 performance rights have been issued to Mr Evans since the start of the plan.
The maximum number of equity securities proposed to be issued under the scheme following the approval.	The aggregate maximum number of equity securities proposed to be issued under the Performance Rights Plan is the number equal to 3% of the issued capital of the Company as at the date of adoption of the Performance Rights Plan.
A voting exclusion statement.	A voting exclusion statement is included in Resolution 5 of this Notice.
Vesting date	The vesting date is to be 24 November 2023.
Conversion	Each Performance Right is convertible on a one to one basis into one Share.

6.5 What majority of votes is required for Resolution 5 to be passed?

An Ordinary Resolution is required for Resolution 5 to be passed. That is 50% or more of the votes counted either by a show of hands or in a poll.

If Resolution 5 is not passed, Mr Evans will not receive the CoSec Performance Rights.

6.6 Who can vote on Resolution 5? (voting exclusions)

Subject to the Constitution and voting exclusions, all Securityholders can vote on Resolution 5 except for Mr Evans. If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 5 by marking either “**For**”, “**Against**” or “**Abstain**” on the proxy form for that Resolution.

A voting exclusion applies to this resolution.

6.7 Directors' recommendation

The Directors recommend that Securityholders vote in favour of Resolution 5.

7. RESOLUTION 6: INCREASE IN SHARE PLACEMENT CAPACITY

7.1 Placement capacity under ASX Listing Rules 7.1 and 7.1A

ASX Listing Rule 7.1A enables small to mid-cap listed companies to seek Securityholder approval by Special Resolution to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue by way of placements over a 12 month period (10% Placement Facility).

This is in addition to the existing 15% placement capacity permitted by Listing Rule 7.1.

Resolution 6 is seeking approval of Securityholders by Special Resolution for the issue of such number of equity securities as calculated under the formula in ASX Listing Rule 7.1A.2, at an issue price as permitted by ASX Listing Rule 7.1A.3 to such persons as the Board may determine and on the terms described in this Explanatory Memorandum.

7.2 Previous Financial Year 2020/2021

The Company issued shares at the following times since 24 November 2021:

Date	Type of Issue	Number of Shares Issued	Issue Price
Various dates prior to 1 July 2022	Employee Performance Rights	2,872,930	\$0.065 (as approved by Securityholders)
4 July 2022	Conversion of performance rights	181,434	\$0.065 per share
25 August 2022	Placement (LR 7.1 and 7.1A)	58,888,891	\$0.045 per share
30 September 2022	Issue under 1:5 Entitlement Offer	19,147,460	\$0.045 per share
Current shares on issue		360,830,864	-
Shortfall of shares	Shares that can be placed by the Board within 3 months of the close of the entitlement offer	49,189,347	\$0.045 per share

The Company previously sought approval for the 10% placement facility at the 2021 AGM which was approved by Securityholders.

7.3 Eligibility

A company is eligible to seek Securityholder approval for this additional placement capacity if it satisfies both of the following criteria at the date of the AGM:

- a) It has a market capitalisation of AU\$300 million or less; and
- b) Is not included in the S&P/ASX 300 Index.

The Company currently satisfies both the above criteria, and it is anticipated that it will continue to satisfy both these criteria at the date of the AGM as well.

7.4 Number of shares that can be issued (7.1A.2)

The number of shares which may be issued or the Company may agree to issue, under the approval sought by Resolution 6 is calculated in accordance with the following formula as set out in ASX Listing Rule 7.1A.2:

(A x D) – E

Where:

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

- a) plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;

- b) plus the number of partly paid shares that became fully paid in the 12 months;
- c) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the Company's 15% placement capacity without Securityholder approval;
- d) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in ASX Listing Rule 7.1 when calculating the Company'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 12 months before the date of the issue or agreement to issue that are not issued with the approval of Securityholders under ASX Listing Rule 7.1 or 7.4.

7.5 Issue Price (7.1A.3)

For the purposes of ASX Listing Rule 7.3A.1, the following information is provided:

The minimum price at which the ordinary shares will be issued will be no less than 75% of the volume weighted average price for ordinary shares calculated over the 15 trading days on which trades are recorded immediately before:

- a) the date on which the price at which the securities are to be issued is agreed; or
- b) if the securities are not issued within 5 trading days of the date in paragraph (a) above, the date on which the securities are issued.

7.6 Statement of risk and dilution to existing shareholdings (7.3A.2)

The existing ordinary Securityholders face the risk of economic and voting dilution as a result of the issue of equity shares which are the subject of this resolution, to the extent that such shares are issued; including:

- a) the market price of ordinary shares may be significantly lower on the issue date than on the date on which this approval is being sought; and
- b) the ordinary shares may be issued at a price that is at a discount to the market price for those ordinary shares on the issue date.

The following table gives examples of the potential dilution of existing ordinary Securityholders on the basis of the current market price of the Company's ordinary shares and the current number of ordinary shares as at the date of this Notice of Meeting and Explanatory Memorandum (Variable A) calculated in accordance with the formula in ASX Listing Rule 7.1A(2) as at the date of this Notice of Meeting and Explanatory Memorandum.

The following dilution table also shows:

- a) examples of where Variable A has increased by 50%, and by 100%, respectively. The number of ordinary securities on issue may increase as a result of issues or ordinary securities that do not require Securityholder approval (for example the pro-rata entitlement issue or script issue under a takeover offer) or future specific requirements under Listing Rule 7.1 that are approved at a future Securityholders meeting; and
- b) examples of where the issue price of ordinary securities has decreased by 50%, and increased by 100%, respectively, as against the current market price.

Dilution Table

Share Capital (Variable 'A' in Listing Rule 7.1A.2)		Dilution Table		
		50% Decrease in Issue price	Current Issue Price	100% increase in Issue Price
Price		0.023	0.045	0.090
Current Issued Shares	Number of Shares	36,083,086	36,083,086	36,083,086
360,830,864	Funds \$	811,869	1,623,739	3,247,478
50% Increase in Shares	Number of Shares	54,124,630	54,124,630	54,124,630
541,246,296	Funds \$	1,217,804	2,435,608	4,871,217
100% Increase in shares	Number of Shares	72,166,173	72,166,173	72,166,173
721,661,728	Funds \$	1,623,739	3,247,478	6,494,956

The dilution table has been prepared on the following hypothetical assumptions. The Company does not represent that they will necessarily occur.

- The table assumes that the Company issues the maximum number of ordinary shares available under ASX Listing Rule 7.1A.
- The table assumes that no options or performance rights are exercised for ordinary shares before the date of the issue of ordinary shares under ASX Listing Rule 7.1A.
- The table does not show an example of dilution that may be issued to a particular Securityholder by reason of placements under the 10% Placement Facility based on that Securityholder's interest at the date of the meeting.
- The table shows the effect of an issue of ordinary shares under ASX Listing Rule 7.1A, not under the Company's 15% placement capacity under ASX Listing Rule 7.1.
- The issue price of AU\$0.045 being the offer price under the 1:5 Entitlement Offer.

7.7 Date of Issue of shares (7.3A.3)

The date by which the Company may issue the ordinary shares is the period commencing on the date of the AGM (to which this Notice of Meeting relates i.e. 24 November 2022) at which approval is obtained and expiring on the first to occur of the following:

- the date which is 12 months after the date of the AGM at which approval is obtained (i.e. 24 November 2023); and
- the date of the approval by Securityholders of the Company's ordinary shares of a transaction under ASX Listing Rule 11.1.2 or 11.2. The approval under ASX Listing Rule 7.1A will cease to be valid in the event that holders of the Company's ordinary shares approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

7.8 Purpose of the 10% placement (7.3A.4)

The Company may seek to issue Shares under the 10% Placement for either:

- a cash issue price. In this case, the Company may use the funds for working capital or for other corporate purposes; or
- non-cash consideration, such as for the acquisition of new assets or investments, subject to any applicable ASX requirements.

In either case, the cash issue price or the value of the non-cash consideration must comply with the minimum issue price noted above.

7.9 Allocation policy (7.3A.5)

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

- a) The methods of raising funds that are available to the Company;
- b) The effect of the issue of the Equity Securities on the control of the Company. Allocation will be subject to takeover thresholds;
- c) The financial situation and solvency of the Company; and
- d) The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Securityholders and/or new Securityholders who are not related parties or associates of a related party of the Company.

7.10 Allotment of shares in previous 12 months (7.3A.6)

As required by Listing Rule 7.3A.6(a) the total number of securities issued preceding the date of the meeting and the percentage they represent of the Company's securities on issue at the commencement of that 12 month period are presented in the table below:

Date	Type of Issue	Number of Shares Issued	Issue Price
Various dates prior to 1 July 2022	Employee Performance Rights	2,872,930	\$0.065 (as approved by Securityholders)
4 July 2022	Conversion of performance rights	181,434	\$0.065 per share
25 August 2022	Placement (LR 7.1 and 7.1A)	58,888,891	\$0.045 per share
30 September 2022	Issue under 1:5 Entitlement Offer	19,147,460	\$0.045 per share
Current shares on issue		360,830,864	-
Shortfall of shares	Shares that can be placed by the Board within 3 months of the close of the entitlement offer	49,189,347	\$0.045 per share

7.11 Voting exclusions (7.3A.7)

The Voting Exclusion Statement is set out under the Resolution in the Notice of Meeting. At the date of the Notice, the proposed allottees of any Securities which may be issued in accordance with this resolution are not as yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue.

Where it is not known who will participate in the proposed issue (as is the case in respect of the Securities which may be issued in accordance with this resolution), Securityholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.

7.12 Special resolution requirements

Resolution 6 is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes cast by Securityholders entitled to vote on Resolution 6 must be in favour of the resolution.

7.13 Director Recommendation

The Directors believe that Resolution 6 will provide the Company with flexibility to raise capital quickly if advantageous terms are available, and is in the best interests of the Company. The Directors recommend that Securityholders vote in favour of this Resolution.

8. GLOSSARY

\$ and cents means an amount in Australian currency.

Annual Report means the Company's Annual Financial Report, Directors' Report, Remuneration Report and Auditor's Report for the financial year ended 30 June 2021.

ASX means ASX Limited ACN 008 624 691 or the securities market which it operates, as the case may be.

Board means the board of directors of the Company of NSX Limited.

Closely Related Party means, as defined in the *Corporations Act*, a closely related party of a member of the Key Management Personnel being:

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

Company means NSX Limited ABN 33 089 447 058.

Constitution means the constitution of the Company at the date of these Explanatory Notes.

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

Directors means the directors of the Company.

Explanatory Notes means these Explanatory Notes.

Key Management Personnel means those people described as Key Management Personnel in the Company's Remuneration Report and includes all Directors.

Listing Rule means a listing rule of the ASX.

Notice of Annual General Meeting means the Notice of Annual General Meeting accompanying these Explanatory Notes.

Ordinary Resolution means a simple majority (at least 50%) of those Securityholders present and entitled to vote either in person or by proxy at the meeting, either on a show of hands or on a poll if one is called in accordance with applicable requirements.

Performance Rights means performance rights in the capital of the Company

Performance Rights Plan means the "NSX Limited Employee Incentive Plan – Performance Rights".

Resolution means a resolution in the Notice of Annual General Meeting which requires Securityholder approval.

Share means a fully paid ordinary share in the Company or an equivalent paid up value of a partly paid share.

Securityholder means any person holding Shares.

Special resolution means a majority of at least 75% of those Securityholders present and entitled to vote either in person or by proxy at the meeting, either on a show of hands or on a poll if one is called in accordance with applicable requirements.



All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am (AEDT) on Tuesday, 22 November 2022.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/nsxagm2022>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am (AEDT) on Tuesday, 22 November 2022.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** <https://www.votingonline.com.au/nsxagm2021>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person**

Until 28 October 2022 Boardroom Pty Limited Level 12, 225 George Street, Sydney NSW 2000 Australia	From 31 October 2022 Boardroom Pty Limited Level 8, 210 George Street Sydney NSW 2000 Australia
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Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **NSX Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held **Online** and at **Level 7 232 Victoria Parade, Melbourne VIC 3002 on Thursday, 24 November 2022 at 11:00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1 & 5, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 & 5 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1 & 5). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS
* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Approval of the adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of the re-election of Ms Kelly Humphreys as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of election of Mr Barnaby Egerton-Warburton as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of the Securities Issuance under the Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Performance Rights to Scott Evans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of an increase in share placement capacity under ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2022