



Nanoveu Limited

ABN 97 624 421 085

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

**For the Annual General Meeting to be held on
Friday, 31st of May 2018 at 2.30 pm (WST) at
The Celtic Club, 48 Ord Street, West Perth WA 6005**

As this is an important document, please read it carefully.

**The 2018 Annual Report has been sent separately to those members who have elected
to receive a printed copy of the Annual Report.
The 2018 Annual Report is also available on the Company's website at www.nanoveu.com.**

*If you are unable to attend the Annual General Meeting, please complete
the proxy form enclosed and return it in accordance with the
instructions set out on that form.*

TIME AND PLACE OF MEETING AND HOW TO VOTE

Venue

The Annual General Meeting of the Shareholders of Nanoveu Limited ("Anson" or the "Company") will be held at:

**The Celtic Club, 48 Ord Street, West Perth WA 6005
Commencing at 2.30 pm (WST) on Friday, 31st of May 2019**

How to Vote

You may vote by attending the Meeting in person, by proxy or corporate representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 2.30 pm (WST).

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- In person: Automic – Level 5, 126 Phillip Street, Sydney NSW 200
- Online: lodging your proxy vote securely at <https://investor.automic.com.au/#/loginsah> ; or
- By mail: GPO Box 5193, Sydney NSW, 2001.

so it is received **not later than 2.30 pm (WST) on Wednesday, 29th of May 2019**, being not later than 48 hours before the commencement of the Annual General Meeting. Any proxy received after that time will not be valid for the scheduled Annual General Meeting.

Your proxy form is enclosed.

Appointment of proxy

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder of the Company.
2. If you wish to appoint the Chairman of the Meeting as your proxy, mark the appropriate box on the proxy form. If you appoint the Chairman of the Meeting as your proxy, he or she can only cast your votes on Resolution 1 if you expressly authorise him to do so by marking the box on the proxy form. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy.
3. You are entitled to appoint up to two persons as proxies to attend the Annual General Meeting and vote on a poll. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company's share registry on +61 2 9698 5414 or you may photocopy the proxy form.
4. To appoint a second proxy you must on each proxy form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both proxy forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.
5. For the purposes of the Corporations Act, the Directors have set a snapshot time and date to determine the identity of those entitled to attend and vote at the Annual General Meeting. The **snapshot time and date is 5.00 pm (WST) on Wednesday, 29th of May 2019**.

Votes on Resolutions

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

Voting restrictions that may affect your proxy appointment

Due to the voting exclusions that may apply to certain items of business, the Key Management Personnel and their Closely Related Parties will not be able to vote your proxy on Resolution 1 (Remuneration Report) unless you have directed them how to vote or, in the case of the Chairman, if you expressly authorise him.

Chairman voting undirected proxies

The Chairman will vote undirected proxies on, and in favour of, all of the proposed resolutions, except that in respect of Resolution 1 (Remuneration Report), the Chairman will only do so where expressly authorised by the Shareholder having marked the appropriate box on the proxy form.

Corporate representatives

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

Questions from Shareholders

At the Annual General Meeting the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.

Mr Phil Murdoch of BDO Audit (WA) Pty Ltd, as the auditor responsible for preparing the auditor's report for the year ended 31 December 2018 (or his or her representative) will attend the Annual General Meeting. The Chairman will also allow a reasonable opportunity for Shareholders 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 financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have in writing no later than **5.00 pm (WST) on Wednesday, 29th of May 2019** to the Company's share registry:

- by email : [Hello@automic.com.au](mailto>Hello@automic.com.au)

The Company will distribute a list setting out the questions directed to the auditor received in writing by 5.00 pm (WST) on Wednesday, 29th of May 2019, being questions which the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the financial report for the year ended 31 December 2018. The Chairman will allow reasonable opportunity to respond to the questions set out in this list.

NANOVEU LIMITED
ABN 97 624 421 085

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Nanoveu Limited ("Nanoveu" or the "Company") will be held at The Celtic Club, 48 Ord Street, West Perth WA 6005, at 2.30 pm (WST) on Friday, 31st of May 2019.

AGENDA

BUSINESS

The Explanatory Statement which accompanies and forms part of this Notice describes the matters to be considered as ordinary business and special business. Certain abbreviations and other defined terms are used throughout this Notice. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in the Glossary contained in the Explanatory Statement.

ORDINARY BUSINESS

Annual Accounts

To receive and consider the financial report of the Company for the year ended 31 December 2018 and the reports by the Directors and Independent Auditor.

Resolution 1: Remuneration Report

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

"That the Remuneration Report contained in the Directors' Report for the year ended 31 December 2018 be adopted by the Company."

- Although this resolution is advisory only, this resolution shall be determined as if it were an ordinary resolution.
- This resolution does not bind the Directors or the Company.
- The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.
- If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution ("spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election. For further information, please refer to the Explanatory Statement.

Voting exclusion: The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of Key Management Personnel whose remuneration is disclosed in the Remuneration Report and any Closely Related Parties of those persons, or as a proxy by a member of Key Management Personnel or Closely Related Party, unless the vote is cast as a proxy for a person who is entitled to vote on Resolution 1 in accordance with their instructions on the proxy form or by the Chairman of the Meeting pursuant to an express authorisation on the proxy form.

Resolution 2: Re-election of Mr Michael van Uffelen as a Director

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

"That for the purposes of Listing Rule 14.4 and clause 14.2 of the Company's Constitution, Mr van Uffelen, being a Director of the Company who retires by rotation and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 3: Re-election of Mr Steven Apedaile as a Director

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

"That for the purposes of Listing Rule 14.4 and clause 14.4 of the Company's Constitution, Mr Apedaile, being a Director appointed as an additional Director on 14 May 2018, retires and, being eligible, is elected as a Director of the Company."

Resolution 4: Re-election of Mr David Nicol as a Director

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

"That for the purposes of Listing Rule 14.4 and clause 14.4 of the Company's Constitution, Mr Nicol, being a Director appointed as an additional Director on 17 July 2018, retires and, being eligible, is elected as a Director of the Company."

SPECIAL BUSINESS

Resolution 5: Issue of Performance Rights to Mr Alfred Chong under the Employee Share 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 10.14 and chapter 2E of the Corporations Act approval is given to issue 1,900,000 Performance Rights to Mr Chong or his nominee under the Employee Share Plan on the terms and conditions set out in the Explanatory Statement."

Voting exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Chong or his nominee and any associate of Mr Chong or his nominee. However, the Company need not disregard a vote if 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 it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6: Issue of Performance Rights to Mr Michael van Uffelen under the Employee Share 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 10.14 and chapter 2E of the Corporations Act, approval is given to issue 1,350,000 Performance Rights to Mr van Uffelen or his nominee under the Employee Share Plan on the terms and conditions set out in the Explanatory Statement."

Voting exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr van Uffelen or his nominee and any associate of Mr van Uffelen or his nominee. However, the Company need not disregard a vote if 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 it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 7: Issue of Performance Rights to Mr Steven Apedaile under the Employee Share 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 10.14 and chapter 2E of the Corporations Act, approval is given to issue 250,000 Performance Rights to Mr Apedaile or his nominee under the Employee Share Plan on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Apedaile or his nominee and any associate of Mr Apedaile or his nominee. However, the Company need not disregard a vote if 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 it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 8: Issue of Performance Rights to Mr David Nicol under the Employee Share 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 10.14 and chapter 2E of the Corporations Act, approval is given to issue 250,000 Performance Rights to Mr Nicol or his nominee under the Employee Share Plan on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Apedaile or his nominee and any associate of Mr Apedaile or his nominee. However, the Company need not disregard a vote if 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 it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Snapshot Date

The Directors have determined that for the purposes of regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the persons eligible to attend and vote at the Meeting are those persons who were Shareholders at **5.00 pm (WST) on Wednesday, 29th of May 2019**.

Incorporation of Explanatory Statement

The Explanatory Statement attached to this Notice of Meeting, is hereby incorporated into and forms part of this Notice of Meeting.

DATED THIS 30th DAY OF APRIL 2019

BY ORDER OF THE BOARD

Mr Michael van Uffelen

Director and Company
Secretary

EXPLANATORY STATEMENT

This Explanatory Statement and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

Certain abbreviations and other defined terms are used throughout this Explanatory Statement. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in the Glossary contained in this Explanatory Statement.

This Explanatory Statement has been prepared for the Shareholders of Nanoveu Limited in connection with the Annual General Meeting of the Company to be held on Friday, 31st of May 2019.

1. ANNUAL ACCOUNTS

The Corporations Act requires that the Annual Report (which includes the financial report, directors' report and auditors' report) be tabled at the Annual General Meeting.

Shareholders will be given an opportunity to ask questions and make comments about the Annual Report of the Company generally, but there will be no formal resolution submitted in respect of the Annual Report.

2. RESOLUTION 1 – REMUNERATION REPORT

The Remuneration Report is set out in the Directors' Report in the Company's 2018 Annual Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. In accordance with section 250R(3) of the Corporations Act, the vote on the Resolution is advisory only and does not bind the Directors or the Company.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

It is noted that this is the first annual general meeting of the Company.

A voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. Key Management Personnel and their closely related parties may not vote on this Resolution and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairman and expressly authorises the Chairman to exercise the proxy. The Chairman will use any such proxies to vote in favour of Resolution 1.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Remuneration Report).

3. RESOLUTION 2 – RE-ELECTION OF A DIRECTOR (MICHAEL VAN UFFELEN)

3.1. Background

Resolution 2 seeks approval for the re-election of Mr van Uffelen as a Director. Mr van Uffelen was appointed as a non-executive Director on the formation of the Company on 14 February 2018.

In accordance with Listing Rule 14.4 and clause 14.2 of the Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office by rotation and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

Mr van Uffelen retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-election.

3.2. Qualifications and other material directorships

Michael is an experienced Director, CFO and Company Secretary actively engaged in managing companies and providing corporate advisory services.

Michael holds a Bachelor of Commerce degree from the University of Western Australia and is a Chartered Accountant. He has over 30 years company and business management experience gained with major accounting firms, an investment bank, and private and public companies, in Australia and internationally.

Mr van Uffelen is also a director of Anson Resources Limited and Tian Poh Resources Limited.

3.3. Independence

If elected the board considers Mr van Uffelen will not be an independent director as he also provides Chief Financial Officer and Company Secretarial services to the Company.

3.4. Directors' Recommendation

All the Directors (other than Mr van Uffelen) recommend that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RE-ELECTION OF A DIRECTOR (STEVEN APEDAILE)

4.1 Background

Resolution 3 seeks approval for the re-election of Mr Apedaile as a Director.

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Apedaile, having been appointed by other Directors on 14 May 2018 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

4.2 Qualifications and other material directorships

Mr Apedaile has worked in the accounting profession for nearly 30 years, 25 of which were spent in Hong Kong with the first 7 years with KPMG Hong Kong and then 18 years with Horwath Hong Kong. Steven has experience in all facets of international business, corporate finance and forensic accounting services.

Mr Apedaile is a founding director and a former managing director of an ASX listed company and is a Fellow of the UK Institute of Chartered Accountants in England and Wales and is a Member of the Australian Institute of Company Directors.

Mr Apedaile does not currently hold any other directorships.

4.3 Independence

If elected the board considers Mr Apedaile to be an independent director.

4.4 Directors' Recommendation

All the Directors (other than Mr Apedaile) recommend that Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 – RE-ELECTION OF A DIRECTOR (DAVID NICOL)

5.1 Background

Resolution 3 seeks approval for the re-election of Mr Nicol as a Director.

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Nicol, having been appointed by other Directors on 17 July 2018 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

5.2 Qualifications and other material directorships

Mr Nicol is a seasoned director and advisor for technology-based companies. He currently serves on four boards, two privately held and two public, both of the latter for which he chairs the Audit Committees.

Mr Nicol has held executive positions with three public companies - Verisign, Illuminet, and United Telecom/Sprint - and six early-stage, private companies: Strongwatch (surveillance systems), Solutionary (IT network security), Sipera (VOIP security), ITN (network signalling), International Micronet (LAN/WAN systems) and iLAN (LAN systems & consulting). He has held the positions of President, COO, CFO and EVP/SVP. Beyond P&L responsibilities, his leadership roles have included strategic planning, business development, acquisitions, business planning, operations planning, product management, product development/support, financial planning, and fund raising/IR. Earlier activities included management consulting (F100 enterprises), MBA-level business school professor and aeronautical engineering (LTV Aerospace, North Am. Aviation and Boeing).

Mr Nicol is also a director of Evolving Systems, Inc and CCUR Holdings, Inc.

5.3 Independence

If elected the board considers Mr Nicol to be an independent director.

5.4 Directors' Recommendation

All the Directors (other than Mr Nicol) recommend that Shareholders vote in favour of Resolution 4.

6. RESOLUTIONS 5, 6, 7 AND 8 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTORS UNDER THE EMPLOYEE SHARE PLAN

The Company has agreed, subject to obtaining Shareholder approval, to issue Performance Rights under the Company's Employee Share Plan to the Directors or their nominated associates. The terms of the Plan are summarised in Schedule A.

6.1 Background

Resolutions 5 to 8 seek shareholder approval in accordance with Listing Rule 10.14 and Chapter 2E of the Corporations Act for the grant of a total of 3,750,000 Performance Rights to Directors (or their nominees) under the Employee Share Plan.

The primary purpose of the issue of Performance Rights to Directors is to provide a market linked incentive package in their capacity as Directors and to provide effective consideration for their ongoing commitment and contribution to the Company as Directors of the Company.

6.2 Reason approval required

Shareholder approval is required under Listing Rule 10.14 and section 208 of the Corporations Act because the Directors are related parties of the Company.

If Shareholder approval is given under Listing Rule 10.14, approval is not required under Listing Rule 7.1.

Furthermore, Shareholder approval of the issue of Performance Rights means that the grant will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

6.3 Specific Information required by ASX Listing Rule 10.15 and section 219 of the Corporations Act

Listing Rule 10.15 and section 219 of the Corporations Act require that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval for issue of Performance Rights to Directors:

- (a) 3,750,000 Performance Rights will be offered to the Directors (or their nominees) as follows:

Tranche	Number of Performance Rights by Director			
	Alfred Chong	Michael van Uffelen	Steven Apedaile	David Nicol
Tranche B	400,000	200,000	35,000	35,000
Tranche C	200,000	117,000	15,000	15,000
Tranche D	200,000	117,000	15,000	15,000
Tranche E	200,000	116,000	15,000	15,000
Tranche F	300,000	200,000	-	-
Tranche G	300,000	300,000	85,000	85,000
Tranche H	300,000	300,000	85,000	85,000
Totals	1,900,000	1,350,000	250,000	250,000

- (b) The Performance Rights will be issued no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver). Each Performance Right will vest as one Share on the vesting date.
- (c) The Performance Rights will be issued for nil cash consideration and nil issue price. Accordingly, no funds will be raised from the issue of the Performance Rights.
- (d) The vesting of the Performance Rights is subject to the following performance hurdles being achieved as follows in relation to the Company's operations:

Tranche	Performance Hurdle	Number of Performance Rights by Director			
		Alfred Chong	Michael van Uffelen	Steven Apedaile	David Nicol
B	First sales of EyeFyx products achieved by 31 March 2021	400,000	200,000	35,000	35,000
C	Completion of iPhone Series X production of at least 100,000 units	200,000	117,000	15,000	15,000
D	Completion of production of the first three Android models of at least 100,000 units	200,000	117,000	15,000	15,000
E	Completion of gaming software development kit or launch of first five 3D games introduced to market	200,000	116,000	15,000	15,000
F	Securing distribution in China with sales of at least 100,000 units	300,000	200,000	-	-

G	\$1m of sales revenue across all products by 31 December 2019 as validated from audited / reviewed financial reports	300,000	300,000	85,000	85,000
H	\$5m of sales revenue across all products by 31 December 2020 as validated from audited / reviewed financial reports	300,000	300,000	85,000	85,000

- (e) 50% of each tranche of Performance Rights vest on achievement of the respective performance hurdle and 50% vest 12 months after achievement of the respective hurdle as long as the respective Director continuously remains a director of the Company 12 months after achievement of the respective hurdle.
- (f) The shares to be issued in the event of vesting of the Performance Rights shall rank pari-passu in all respects with other fully paid ordinary shares in the Company.
- (g) Any unvested Performance Rights will lapse 7 years after their date of issue.
- (h) The offer of Performance Rights pursuant to Resolutions 2 to 4 to the specified Director is subject to Shareholders passing Resolution 2 to 4, re-electing that Director.
- (i) No securities have been issued under the Employee Share Plan since it was last approved in the prospectus dated 30 August 2018:
- (j) The Directors of the Company are eligible to participate in the Employee Share Plan (see section (a) Eligibility, of the Employee Share Plan disclosed in Schedule A for further details).
- (k) No loans are being provided in relation to the Performance Rights.
- (l) The Directors have an interest in Resolutions 5 to 8 and therefore believe it inappropriate to make a recommendation.
- (m) A voting exclusion statement is included in the Notice.
- (n) The Company has determined the undiscounted value of 1 Performance Right as 8.0 cents as at 29 April 2019, based on the last traded price of the Company's shares on ASX prior to that date. As the Performance Rights have no market based performance hurdles attached to their vesting no discount has been applied in relation to the performance hurdles. This valuation imputes a total value of \$300,000 to the Performance Rights.
- (o) The value of the Performance Rights is amortised over the period during which the respective performance hurdle may be achieved. In the event the performance hurdle is achieved before the

end of the vesting period, the remaining unamortised value is immediately expensed.

(p) The current relevant interests of the Directors in the Company's securities are as follows:

Name of Director	Shares	Performance Rights¹
Alfred Chong	42,832,558	200,000
Michael van Uffelen	-	500,000
Steven Apedaile	255,280	200,000
David Nicol	363,000	200,000

(1) The Performance Rights convert to ordinary shares subject to the successful listing of the Company's Shares on the Official List simultaneous with completion of the Acquisition; and continuous service of the holder in their capacity as a Director or Executive of the Company, or in a role as otherwise agreed by the Board of the Company, for a period of two (2) years following the date of listing.

(q) Remuneration of the Directors in the twelve months to 31 December 2018 was as follows:

	Salary / Director Fees	Share Based Payment	Total
	\$	\$	\$
Alfred Chong	190,843	9,935	200,778
Michael van Uffelen	58,559	24,939	83,498
Steven Apedaile	4,526	9,935	14,461
David Nicol	4,526	9,935	14,461

(r) The proposed remuneration of the Directors for the twelve months to 31 December 2019 is:

	Salary / Director Fees	Share Based Payment¹	Total
	\$	\$	\$
Alfred Chong	229,308	86,034	315,342
Michael van Uffelen	124,560	92,174	216,734
Steven Apedaile	52,560	25,722	78,282
David Nicol	52,560	27,159	79,719

(1) The value of share based payments includes the amortisation of the value of performance rights, which are valued at grant date and amortised over the period during which the respective hurdle may be achieved unless this hurdle is achieved before the expiry of this period in which case the remaining unamortised value of the performance rights is immediately expensed.

(s) The dilution effect if all of the Performance Rights are issued and vest, and all options are exercised

is as follows:

Current number of Shares on issue	132,530,203
Current number of options on issue	2,231,328
Number of Performance Rights to be issued for prior years	1,100,000
Number of Performance Rights to be issued for current year	3,750,000
Dilution effect if all Performance Rights vest	2.76%

- (o) Historical share price information for the last twelve months is as follows:

	Price	Date
Highest	18.5 cents	30 November 2018
Lowest	7.3 cents	7 January 2019
Last	8.0 cents	27 March 2019

- (o) Other than the information above and otherwise in this Explanatory Statement, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolutions 5 to 8.

GLOSSARY

“\$” means Australian dollars.

“Annual Report” means the Company’s annual report including the reports of the Directors and the auditor and the financial statements of the Company for the year ended 31 December 2018, which can be downloaded at the Company’s website at www.nanoveu.com.

“ASIC” means the Australian Securities and Investments Commission.

“Associate” has the meaning given to it by Division 2 of Part 1 of the Corporations Act.

“ASX” means ASX Limited ACN 008 624 691 or the Australian Securities Exchange as the context requires.

“Board” means the board of Directors.

“Business Day” means any ASX Business day that is not a Saturday, Sunday or public holiday in Western Australia.

“Closely Related Party” means, in relation to a member of Key Management Personnel:

- (a) a spouse or child of the member;
- (b) a child of the member’s spouse;
- (c) a dependent of the member or the member’s spouse;
- (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 dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the regulations as defined in the Corporations Act.

“Company” or “Nanoveu” means Nanoveu Limited (ABN 97 624 421 085).

“Constitution” means the Company's Constitution.

“Corporations Act” means the Corporations Act 2001 (Cth).

“Directors” mean the directors of the Company.

“Employee Share Plan” means the Company’s Employee Share Plan summarised in Schedule A to the Explanatory Statement.

“Explanatory Statement” means the explanatory statement accompanying the Notice of Meeting.

“Key Management Personnel” means those 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” or “Annual General Meeting” means a meeting of the Shareholders, holders or Directors;

“Notice”, “Notice of Meeting” or “Notice of Annual General Meeting” means this Notice of General Meeting including the Explanatory Statement.

“Performance Hurdle” means:

- (i) Tranche B Performance Rights: First sales of EyeFyx products achieved by 31 March 2021;

- (ii) Tranche C Performance Rights: Completion of iPhone Series X production of at least 100,000 units;
- (iii) Tranche D Performance Rights: Completion of production of the first three Android models of at least 100,000 units;
- (iv) Tranche E Performance Rights: Completion of gaming software development kit or launch of first five 3D games introduced to market;
- (v) Tranche F Performance Rights: Securing distribution in China with sales of at least 100,000 units;
- (vi) Tranche G Performance Rights: \$1m of sales revenue by 31 December 2019; and
- (vii) Tranche H Performance Rights: \$5m of sales revenue by 31 December 2020.

“Performance Right” means the right issued or to be issued a Share under the Plan subject to the Performance Hurdles.

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

“Shareholders” means the holder of the Share.

“Shares” means fully paid ordinary shares in the Company.

“WST” means Australian Western Standard Time.

SCHEDULE A – SUMMARY OF EMPLOYEE SHARE PLAN

Outlined below is a summary of the key terms of the Company's Performance Rights and Option Plan (**Plan**) are as follows:

- (a) Eligibility: Participants in the Plan consist of:
 - (i) a Director (whether executive or non-executive) of the Company and any associated body corporate of the Company (each a Group Company);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a group company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (Class Order); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the Offer if an arrangement has been entered into that will result in the person becoming a under subparagraphs (i), (ii) or (iii) above,

who is declared by the Board to be eligible to receive grants of Options or Performance Rights (together, Awards) under the Plan (Eligible Participant).
- (b) Offer: The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for Awards, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines (Offer).
- (c) Limit on Offers: Where the Company has relied or intends relying on the Class Order to make an Offer, the Company must have reasonable grounds to believe, when making an Offer, that the number of Shares to be received on exercise of Awards offered under an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.
- (d) Issue price: Unless the Awards are quoted on the ASX, Awards issued under the Plan will be issued for no more than nominal cash consideration.
- (e) Exercise Price: The Board may determine the Option exercise price (if any) for an Option offered under that Offer in its absolute discretion. To the extent the ASX Listing Rules specify or require a minimum price, the Option Exercise Price in respect of an Option offered under an Offer must not be less than any minimum price specified in the ASX Listing Rules.
- (f) Vesting Conditions: In respect of any Award, any condition set out in the Offer which must be satisfied (unless waived in accordance with the Plan) before that Award can be exercised or any other restriction on exercise of that Award specified in the Offer or in the Plan (Vesting Conditions).
- (g) Vesting: The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Awards have been granted under the Plan or their nominee where the Awards have been granted to the nominee of the Eligible Participant (Relevant Person)), resolve to waive any of the Vesting Conditions applying to Awards due to:
 - (i) special circumstances arising in relation to a Relevant Person in respect of those Awards, being:

- (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total or permanent disability of a Relevant Person; or
 - (II) retirement or redundancy of a Relevant Person;
 - (B) a Relevant Person suffering severe financial hardship;
 - (C) any other circumstance stated to constitute “special circumstances” in the terms of the relevant Offer made to and accepted by the Participant; or
 - (D) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the Relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant; or
- (ii) a change of control occurring; or
 - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (h) Lapse of an Award: An Award will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Award occurring;
 - (ii) a vesting condition in relation to the Award is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the vesting condition and vest the Award;
 - (iii) in respect of an unvested Award only, a Relevant Person ceases to be an Eligible Participant, unless the Board:
 - (A) exercises its discretion to vest the Award; or
 - (B) in its absolute discretion, resolves to allow the unvested Award to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of a vested Award only, a Relevant Person ceases to be an Eligible Participant and, where required by the Board in its absolute discretion, the vested Performance Right is not exercised within a one (1) month period (or such other period as the Board determines) as notified by the Board to the Participant after the date the Relevant Person ceases to be an Eligible Participant;
 - (v) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant;
 - (vi) the Company undergoes a change of control or a winding up resolution or order is made, and the Award does not vest; and
 - (vii) the expiry date of the Award.
- (i) Not transferrable Awards are only transferrable in special circumstances or a change of control, and in either case with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death to the Participant’s legal personable representative or upon bankruptcy to the Participant’s trustee in bankruptcy.

- (j) Shares: All shares issued on exercise of an Award under the Plan will rank equally in all respects with the shares of the same class for the time being on issue except as regards any rights attaching to such shares by reference to a record date prior to the date of their issue.
- (k) Sale Restrictions: The Board may, in its discretion, determine at any time up until exercise of Awards, that a restriction period will apply to some or all of the shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Awards up to a maximum of five (5) years from the grant date of the Awards. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.
- (l) No Participation Rights: There are no participation rights or entitlements inherent in the Awards and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Awards without exercising the Award.
- (m) Change in exercise price of number of underlying securities: An Award does not confer the right to a change in exercise price or in the number of underlying Shares over which the Award can be exercised.
- (n) Reorganisation: If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of an Award are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (o) Trust: The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Awards, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Plan to effect the establishment of such a trust and the appointment of such a trustee.

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

Holder Number:

Vote by Proxy: NVU

Your proxy voting instruction must be received by **2.30pm (WST) on Wednesday 29 May 2019**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

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

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

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

YOUR NAME AND ADDRESS

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

VOTING UNDER STEP 1 - APPOINTING A PROXY

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

DEFAULT TO THE CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

