

VGI HEALTH TECHNOLOGY LIMITED
ACN 111 082 485
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2022 Annual General Meeting of the members of VGI Health Technology Limited (**VTL** or **Company**) will be held as a virtual meeting at 10:00am on Wednesday 30 November 2022 (**Meeting**). Shareholders are encouraged to participate via the Company's online platform, or by the appointment of a proxy. Please see page 3 for details outlining the process which Shareholders should follow to participate in the Meeting.

In accordance with the Corporations Act, the Company is not sending hard copies of the Notice of Meeting to Shareholders. The Notice of Meeting, and the 2022 Financial Report, can be viewed and downloaded from this website link:

www.nsx.com.au

Please see page 3 for further details regarding the despatch of this Notice of Meeting to Shareholders. The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the 2022 Annual General Meeting. The Explanatory Memorandum forms part of this Notice of Meeting.

Certain terms and abbreviations used in this Notice of Meeting and Explanatory Memorandum are defined in the Glossary of the Explanatory Memorandum.

ORDINARY BUSINESS

FINANCIAL REPORT

To receive and consider the Annual Financial Statements, the Directors' Report and Audit Report of the Company and its Controlled Entities for the financial period ended 30 June 2022.

To consider, and if thought fit, to pass with or without modification, the following resolutions.

1. RESOLUTION 1 – REMUNERATION REPORT

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

- 1.1 *'That the Remuneration Report contained in the Annual Report for the financial year ended 30 June 2022 be adopted.'*
- 1.2 Note: the vote on this Resolution 1 is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution 1.

Voting Exclusion Statement

Pursuant to section 250R of the Corporations Act, a vote must not be cast, and the Company will disregard any votes cast (in any capacity) on Resolution 1, by or on behalf of:

- (a) A member of the Key Management Personnel (KMP), details of whose remuneration are included in the Remuneration Report for the year ended 30 June 2022; or

- (b) a Closely Related Party of a KMP.

However, a person described above may cast a vote as a proxy on Resolution 1 if it is not cast on behalf of a person described above and either:

- (a) the proxy is appointed by writing that specifies how the proxy is to vote on the resolution proposed in Resolution 1; or
- (b) the chairman of the meeting is appointed as proxy and the appointment of the chairman does not specify the way in which the chairman is to vote and expressly authorises the chairman to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Please note, in accordance with sections 250R(4) and 250R(5) of the Corporations Act, the chairman will not vote any undirected proxies in relation to Resolution 1 unless the shareholder expressly authorises the chairman to vote in accordance with the chairman's stated voting intentions. Please note that if the chairman of the meeting is your proxy (or becomes your proxy by default), by completing the attached proxy form, you will expressly authorise the chair to exercise your proxy on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of Key Management Personnel for the Company, which includes the chairman.

If you appoint the chairman as your proxy, you can direct the chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box on the proxy form.

2. RESOLUTION 2 – AMENDMENT TO TERMS OF OPTIONS

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

“That approval is given for the Company to amend the terms of the options previously issued to Directors and Key Management Personnel on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 2, by any person who holds Options that are the subject of the approval under this Resolution and any of their associates.

However, the Company need not disregard a vote cast on this Resolution if:

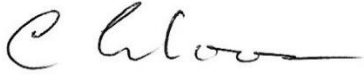
- (a) It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) It is cast by the chairperson of the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

If you appoint the chairman as your proxy, you can direct the chairman to vote for or against or abstain from voting on Resolution 2 by marking the appropriate box on the proxy form.

EXPLANATORY MEMORANDUM

An Explanatory Memorandum in respect of the Resolutions set out above is **enclosed** with this Notice of Meeting. Expressions defined in the Explanatory Memorandum have the same meaning when used in this Notice of Meeting

By Order of the Board

A handwritten signature in black ink, appearing to read 'C. Chow', written in a cursive style.

Company Secretary
25 October 2022

DISPATCH OF NOTICE OF MEETING

In accordance the Corporations Act 2001, the Company will not be mailing physical copies of this Notice of Meeting to Shareholders. This Notice of Meeting and the 2022 Financial Report will be despatched to Shareholders in the following manner:

- If the Share Registry has a record of a Shareholders email address, the Company will send an email to that Shareholder which will contain this Notice of Meeting and the 2022 Financial Report; or
- If the Share Registry does not have a record of a Shareholders email address, the Company will mail a letter to that Shareholder's registered address, containing a URL website address by which that Shareholder can access and download a copy of this Notice of Meeting, and the 2022 Financial Report, electronically.

HOW TO PARTICIPATE IN THE ANNUAL GENERAL MEETING

Shareholders intending to attend the Annual General Meeting via the Zoom facility are required to register their intention to do so by 10:00am on Monday 28 November 2022 by sending an email to the Company Secretary with their full name and registered address at:

catriona.glover@vgiht.com

Once your details have been verified, shareholders will receive an email containing a link to enable them to participate in the Zoom meeting.

Shareholders who attend the Annual General Meeting via Zoom will be able to vote in real time using the online voting facility. All resolutions will be conducted and determined on a poll. The Company's auditors will scrutineer the poll.

VOTING ENTITLEMENTS

In accordance with section 1074E(2)(g) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations 2001 (Cth), persons holding shares at 10:00 am (Sydney time) on Monday 28 November 2022 will be treated as Shareholders. This means that if you are not the registered holder of a relevant Share at that time you will not be entitled to attend and vote in respect of that Share at the meeting.

PROXIES

A Shareholder who is entitled to attend and vote at the General Meeting may appoint up to two proxies to attend and vote on behalf of that Shareholder. A Proxy Form is included with this Notice. If you require an additional Proxy Form, please contact Link Market Services.

If a Shareholder appoints two proxies, the appointment of the proxies may specify the proportion or the number of that Shareholder's votes that each proxy may exercise. If the appointment does not specify, each proxy may exercise half of the votes. Fractions of votes will be disregarded. The Proxy Form must be signed by the Shareholder or their duly appointed attorney, or in the case of a body corporate, executed in accordance with the corporation's constitution, or signed by a duly authorised officer or attorney. A proxy need not be a Shareholder of the Company.

To be effective, the Company must receive the completed Proxy Form signed by the Shareholder and, if the form is signed by the Shareholder's attorney or authorised officer of a corporation, the authority under which the Proxy Form is signed (or a certified copy of the authority) by no later than 10:00 am (Sydney time) on Monday 28 November 2022 by post or fax to the Company's share registrar, Link Market Services, as listed below.

BY MAIL:	BY FAX:
VGI Health Technology Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235	VGI Health Technology Limited C/- Link Market Services Limited Fax: +61 2 9287 0309

BODY CORPORATE REPRESENTATIVES

- A corporation, by resolution of its directors, may authorise a person to act as its representative to vote at the meeting.
- A representative appointed by a corporation may be entitled to execute the same powers on behalf of the corporation as the corporation could exercise if it were an individual shareholder of the Company.
- To evidence the authorisation, either a certificate of body corporate representative executed by the corporation or under the hand of its attorney or an equivalent document evidencing the appointment will be required.
- The certificate or equivalent document must be produced prior to the meeting.

VOTING BY PROXIES

Where more than one proxy is appointed, neither proxy is entitled to vote on a show of hands. A proxy may decide whether to vote on any motion, except where the proxy is required by law or the constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with the direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit. If a proxy abstains from voting and the directions on the proxy require that person to vote, the votes not exercised by the proxy will be given to the Chairman to vote in accordance with the directions on the Proxy Form.

Subject to the statement below, if a Shareholder appoints the Chairman of the General Meeting as the Shareholder's proxy and does not specify how the Chairman is to vote on an item of business, the Chairman will vote, as proxy for that Shareholder, in favour of that item on a poll.

Please read the directions on the Proxy Form carefully, especially if you intend to appoint the Chairman of the General Meeting as your proxy.

UNDIRECTED PROXIES

The Chairman will vote undirected proxies in favour of all resolutions on the agenda for the General Meeting. The Company recommends that Shareholders who submit proxies should consider giving 'how to vote' directions to their proxyholder on each Resolution.

If you complete a proxy form that authorises the Chairman to vote on your behalf as proxyholder, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, you will be expressly authorising the chair to exercise your proxy in accordance the Chairman's stated voting intention on all resolutions even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

If you wish to appoint the Chairman as your proxyholder but you do not want to put him in the position to cast your votes in accordance with Chairman's stated voting intention, you can direct the Chairman by completing the appropriate box on the Proxy Form, to vote for, against or abstain from voting on the Resolutions.

VGI HEALTH TECHNOLOGY LIMITED

ACN 111 082 485

EXPLANATORY MEMORANDUM

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Company's Annual Report be adopted. The Remuneration Report is set out in the Company's Statutory Annual Report and is also available on the Company's website

<https://vgiht.com/wp-content/uploads/2022/08/40510-NSX-Annual-Report-2022-Annual-Report.pdf>

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second Annual General Meeting (Spill Resolution), to approve calling a general meeting (Spill Meeting). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second Annual General Meeting. All of the Directors who were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

At the 2021 Annual General Meeting the vote was less than 25% against the adoption at the Company's Remuneration Report. Accordingly, if at least 25% of the votes cast on Resolution 1 are against adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to Shareholders.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any equity-based compensation.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

1.2 Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters may not vote on this Resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy, even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair intends to use any such proxies to vote in favour of the Resolution.

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

1.3 Board Recommendation

The Board recommends that you vote in favour of this Resolution.

2. RESOLUTION 2 – APPROVAL TO CHANGES IN TERMS OF OPTIONS ISSUED TO DIRECTORS AND KEY MANAGEMENT PERSONNEL

2.1 Background

As at the date of this Notice, the Company has issued a total of 7,500,000 Options to Directors and Key Management Personnel, as set out below:

Option Holder	No. of Options	Exercise Price	Exercise Period	Vesting dates
Lou Panaccio (Tercus Pty Ltd atf Panaccio Superannuation Fund) - Director	3,000,000	\$0.30	5 years from issue date. Issue date: 14 October 2020	1/3 - 14 Oct 21 1/3 - 14 Oct 22 1/3 - 14 Oct 23
Dr Glenn Tong (KR and GT Nominees atf Tong Family Trust) - Director	1,500,000	\$0.30	5 years from issue date. Issue date: 14 October 2020	1/3 - 14 Oct 21 1/3 - 14 Oct 22 1/3 - 14 Oct 23
Steven Yu (Valorton Group Pty Ltd) - Director	1,500,000	\$0.30	5 years from issue date. Issue date: 14 October 2020	1/3 - 14 Oct 21 1/3 - 14 Oct 22 1/3 - 14 Oct 23
Gregory Starr (Tearum Advisors Pty Ltd) – Key Management Personnel	1,500,000	\$0.30	5 years from issue date. Issue date: 14 October 2020	1/3 - 14 Oct 21 1/3 - 14 Oct 22 1/3 - 14 Oct 23
TOTAL	7,500,000			

The Options issued to Directors and Key Management Personnel were issued in accordance with the VTL Employee Share Option Plan Rules, the terms of which were approved by Shareholders at the Special General Meeting held on 6 March 2020.

Some of the key terms upon which each of the Options were issued include:

- On exercise each Option entitles the holder to one fully paid ordinary share;
- The exercise price is \$0.30 per Option;

- The expiry date of the Options is as set out in the table above;
- Subject to performing their roles and obligations in a satisfactory manner, one-third of the options vest as set out in the table above.

Of the Options issued to Directors and Key Management Personnel, two of the three tranches have vested with the third tranche due to vest on 14 October 2023.

Rule 6.3 of the ESOP Rules provides that once the holder of options leaves the employment of or an officeholder position within the Company, any options must be exercised within a 30 day period of the date of cessation of employment or office after which the options automatically lapse.

With the proposed disposal of the Invictus Group, Dr Glenn Tong will no longer be involved in the business of the Company, and it will be difficult for him to satisfy the vesting conditions under the Company's ESOP Rules.

Rule 4.2 of the ESOP Rules provides the Board a discretion to waive the Vesting Conditions wholly or partly at any time and in any particular case by notice in writing to the holder of options. The Board can therefore by resolution decide to "bring forward" the vesting date of the third tranche of options. However, this may constitute the giving of a financial benefit to a related party which falls within the provisions of Chapter 2E of the Corporations Act, which requires that shareholder approval be obtained.

Similarly, the ESOP Rules allow the Board to determine to amend the vesting condition for the options issued to the Directors and Key Management Personnel such that the requirement that they exercise their options within 30 days of leaving the employment of or an officeholder position within the Company is waived in accordance with Rule 4.2 of the ESOP Rules. Again, this may constitute the giving of a financial benefit to a related party which falls within the provisions of Chapter 2E of the Corporations Act.

The Board notes that one of the reasons a company issues options is to provide an incentive to the holders of options to remain involved with the Company and it provides a potential source of capital if the Options are exercised. The Board considers that each of the Directors and Key Management Personnel have provided substantial support to the Company and should not be disincentivised by a performance incentive which is unlikely be attained.

It is proposed the terms of the Options be amended to:

- Bring forward the vesting date of all Options issued to Directors and Key Management Personnel which have not vested to 30 June 2022; and
- Waive Rule 6.3 of the ESOP Rules and allow Directors and Key Management Personnel to exercise Options at any time during the exercise period as set out in the table on the previous page irrespective of whether they continue to be employed by or be an officer of the Company or its related entities.

2.2 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval.

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Section 228 of the Corporations Act defines a related party of the Company to include directors of the Company, and anyone the Company has reasonable grounds to believe is likely to become a related party at any time in the future.

Section 229 of the Corporations Act defines “financial benefit” broadly and states that the economic and commercial substance of the conduct is to prevail over its legal form. Accordingly, while it is not proposed that additional equity be issued to any of the Directors or Key Management Personnel, the Board considered it prudent to consider Chapter 2E of the Corporations Act in recommending to Shareholders to approve the proposed amendments to the terms of issue of the Options.

One of the exceptions set out in Section 210 of the Corporations Act is if the benefit granted by the amendments to the Options would be reasonable in the Company’s circumstances if the Company and were dealing at arms’ length. The Board considered, amongst other things:

- (a) the Options are unquoted and are not excessive in number as they represent approximately 5.43% of the Company’s issued capital on a fully diluted basis.
- (b) the proposed amendments:
 - i. are not significant;
 - ii. do not undermine the rights of the Company’s Shareholders;
 - iii. are unlikely to have an impact on the market for the Company’s quoted securities;
 - iv. do not seek to extract an economic benefit from the Company at the expense of the Shareholders;
 - v. are subject to Shareholder approval.

Although the Board has considered the application of Chapter 2E of the Corporations Act and is satisfied that the proposed amendments to the terms of the Options issued to the Directors and Key Management Personnel fall within the arms’ length exception in Section 210 of the Corporations Act, nevertheless for the sake of clarity and transparency, Shareholders are being asked to approve the variation in the terms of the Options issued to Directors and Key Management Personnel.

2.2 Board recommendation

The Directors decline to make a recommendation to Shareholders in relation to Resolution 2 due to their personal interests in the outcome of the Resolution.

GLOSSARY

ASIC	Australian Securities and Investments Commission
Board	Board of directors of the Company
Company	VGI Health Technology Limited ACN 111 082 485
Constitution	The constitution of the Company
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Director	A director of the Company
ESOP	The Employee Share Option Plan as approved by Shareholders
Meeting or Annual General Meeting	The general meeting of the Company to be held on 30 November 2022
Notice of General Meeting	The notice of General Meeting to which this Explanatory Memorandum is attached
Option	An option granted to acquire one Share for an exercise price of \$0.30 per option
Share	A fully paid ordinary share in the Company
Shareholder	A person who holds Shares in the Company