

BLUECHIIP LIMITED

2021 NOTICE OF ANNUAL GENERAL MEETING AND PROXY FORM

Attached are the following documents relating to the 2021 Annual General Meeting of Bluechiip Limited to be held virtually (online) at 10:00am (AEDT) on Thursday 25 November 2021:

- Notice of Annual General Meeting;
- sample Proxy Form; and
- Notice and Access Letter.

This announcement has been approved for release on behalf of the Board by:

Lee Mitchell

Company Secretary

Bluechiip Limited

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Notice of 2021 Annual General Meeting

Thursday, 25 November 2021 at 10.00am AEDT

as a **virtual meeting**

Notice is given that the 2021 Annual General Meeting (**Meeting** or **AGM**) of the members of Bluechiip Limited (**Bluechiip** or **Company**) will be held at the time and location, and to conduct the business, specified below:

Date: Thursday, 25 November 2021

Time: 10.00am (Melbourne time)

Location: The meeting will be held as a **virtual meeting** with no Shareholders physically able to attend (please refer to the explanatory notes for further details)

The Notes and Explanatory Statement which accompany, and form part of, this Notice of Meeting more fully describes the matters to be considered at the Annual General Meeting.

Important Information

Given the uncertainty surrounding the COVID-19 pandemic, by the time this Notice is received by Shareholders, circumstances may have changed, however, this Notice is given based on circumstances as of 22 October 2021.

Accordingly, should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at <http://www.bluechiip.com>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Given the significant health concerns attributed to the COVID-19 pandemic, in addition to guidelines and restrictions issued by Australian state and federal governments, the Company considers that it is appropriate to hold the General Meeting (GM) the subject of this Notice of Meeting (Notice) as a virtual meeting, in a manner that is consistent with the Treasury Laws Amendment (2021 Measures No. 1) Act 2021.

Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00am (AEDT) on Thursday, 25 November 2021 as a **virtual meeting**.

A person is eligible to vote at the Meeting if they are a registered Shareholder at 7:00pm (AEDT) on Tuesday, 23 November 2021.

The Company is pleased to provide shareholders with the opportunity to attend and participate in the virtual meeting through an online meeting platform powered by Automic.

Shareholders that have an existing account with Automic will be able to watch, listen, and vote online.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account as soon as possible and well in advance of the Meeting to avoid any delays on the day of the Meeting. An account can be created via the following link <https://investor.automic.com.au/> and then clicking on "register" and following the prompts. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

To access the virtual meeting on the day:

1. Open your internet browser and go to <https://investor.automic.com.au/>
2. Login with your username and password or click "register" if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the Meeting to ensure there is no delay in attending the virtual meeting**
3. After logging in, a banner will display at the bottom of your screen to indicate that the Meeting is open for registration, click on "Register" when this appears. Alternatively, click on "Meetings" on the left-hand menu bar to access registration.
4. Click on "Register" and follow the steps
5. Click on the URL to join the webcast where you can view and listen to the virtual meeting. Note that the webcast will open in a separate window.

Shareholders will be able to vote (see the "Voting virtually at the Meeting" section of this Notice of Meeting below) and ask questions at the virtual meeting.

Shareholders are also encouraged to submit questions in advance of the Meeting to the Company.

Questions must be submitted in writing to the Company Secretary at leem@nrlawyers.com.au at least 48 hours before the AGM.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting. The Chairman will endeavour to address as many of the more frequently raised relevant questions and comments

as possible during the course of the AGM, however there may not be sufficient time available to address all of the questions and comments raised.

Voting

The business of the Annual General Meeting affects your shareholding and your vote is important.

Voting on all resolutions will be conducted by poll and the results will be announced to the ASX and made available on the Company's website as soon as practicable after they are known.

Shareholders can vote by proxy. Information on how to lodge a proxy vote prior to the Meeting is set out further below.

Voting virtually at the Meeting

Shareholders who wish to vote virtually on the day of the Meeting can do so through the online meeting platform powered by Automic.

Once the Chair of the Meeting has declared the poll open for voting click on "Refresh" within the platform to be taken to the voting screen.

Select your voting direction and click "confirm" to submit your vote. Note that you cannot amend your vote after it has been submitted

For further information on the live voting process please see the Registration and Voting Guide at <https://www.automicgroup.com.au/virtual-agms/>.

Voting by proxy

To vote by proxy in advance of the Meeting, please use one of the following methods:

Online	<p>Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions:</p> <ul style="list-style-type: none"> • Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. • To use the online lodgment facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form. <p>For further information on the online proxy lodgment process please see the Online Proxy Lodgment Guide at https://www.automicgroup.com.au/virtual-agms/.</p>
By post	Automic, GPO Box 5193, Sydney NSW 2001
By hand	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
By email	meetings@automicgroup.com.au

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

Given the current climate around the global COVID-19 pandemic, the Directors strongly encourage all Shareholders to lodge directed proxy forms prior to the Meeting.

If the proxy form directs the proxy how to vote on a particular resolution:

- a proxy who is not the Chairman of the meeting does not need to vote but if the proxy does vote, the proxy must vote as directed (subject to any applicable voting restrictions); and
- if the proxy is the Chairman of the meeting, the proxy must vote and must vote as directed.

Default to the Chairman

If:

- a Shareholder has appointed a proxy other than the Chairman of the meeting and the appointment of the proxy directs the proxy how to vote on the resolution; and

- the Shareholder's proxy either:
 - does not attend the AGM; or
 - attends the AGM but does not vote on the resolution,

then the Chairman of the meeting will, before voting on the resolution closes, be taken to have been appointed as the proxy for that Shareholder for the purposes of voting on that resolution. In these circumstances, the Chairman of the meeting must vote in accordance with the written direction of that Shareholder.

Voting intention of the Chairman

Where entitled to do so, and subject to the voting restrictions set out in this Notice of Meeting, the Chairman intends to vote all undirected proxies in favour of all resolutions.

Proxyholders

If you are entitled to vote at the AGM, you can appoint a proxy to attend and vote on your behalf.

A proxy does not need to be a Company shareholder and may be an individual or a body corporate. Should you hold two or more shares, you are able to appoint up to two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. Where the proportion or number of votes is not specified, each proxy may exercise one half of the total number of votes that shareholder is entitled to exercise.

Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

Technical difficulties

Technical difficulties may arise during the course of the Annual General Meeting. The Chair has discretion as to whether and how the Meeting should proceed if a technical difficulty arises. In exercising his discretion, the Chair will have regard to the number of Shareholders impacted and the extent to which participation in the business of the Meeting is affected. Where he considers it appropriate, the Chair may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, Shareholders are encouraged to lodge a proxy not later than 48 hours before the commencement of the Meeting.

Enquiries

Shareholders can contact the Share Registry, Automic on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) if they have any queries in respect of the matters set out in these documents.

Notice is hereby given that an Annual General Meeting of Shareholders of Bluechiip Limited ACN 104 795 922 will be held at 10:00am (AEDT) on 25 November 2021 as a virtual meeting (**Meeting or AGM**).

Items of Business

1 Financial Statements and Reports

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2021.

Note: No resolution will be required to be passed on this matter.

2 Resolution 1 - Remuneration Report

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

"That the Company adopts the Remuneration Report forming part of the Directors' Report for the financial year ended 30 June 2021."

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

3 Resolution 2 - Re-election of Director (Mr. Iain Kirkwood)

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

"That Mr. Iain Kirkwood, a director retiring by rotation in accordance with the Company's constitution, and being eligible for re-election, be re-elected as a Director of the Company."

Note: Biographical details for Mr Kirkwood are set out in the attached Explanatory Statement.

4 Resolution 3 – Renewal of Bluechiip Performance Rights Plan

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

"That for the purposes of Exception 13(b) of ASX Listing Rule 7.2, and for all other purposes, Shareholder approval is given to renew the Bluechiip Performance Rights Plan and approve the granting of securities under the Bluechiip Performance Rights Plan during the three years following the date of the 2021 AGM as described in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

5 Resolution 4 – Issue of Performance Rights to Chief Executive Officer (CEO)

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

"That pursuant to ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of 4,500,000 Performance Rights to the Company's CEO and Managing Director, Andrew McLellan under the Company's Performance Rights Plan, on the terms set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

6 Resolution 5 - Approval of Additional 10% Placement Capacity

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purposes of Listing Rule 7.1A and for all other purposes, the shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions contained in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

VOTING EXCLUSIONS AND RESTRICTIONS

RESOLUTION	PERSONS EXCLUDED FROM VOTING
Resolution 1 – Adoption of the Remuneration Report	<p>The Company will disregard any votes cast on Resolution 1 by or on behalf of any of the Company's Key Management Personnel (as that term is defined in the Corporations Act (Key Management Personnel)), details of whose remuneration are included in the Remuneration Report or a Closely Related Party (as that term is defined in the Corporations Act) (Closely Related Party) of such a member.</p> <p>However, a person (the voter) described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> a) the voter is appointed as a proxy in writing that specifies the way the proxy is to vote on Resolution 1; or b) the voter is the Chairman of the AGM and the appointment of the Chairman of the AGM as proxy does not specify the way the proxy is to vote on Resolution 1; and expressly authorises the Chairman to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
Resolution 3 – Renewal of Bluechiip Performance Rights Plan	<p>The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of a person who is eligible to participate in any employee incentive scheme of the Company or any associate of such person(s). However, the Company need not disregard a vote in favour of Resolution 3 if it is cast by:</p> <ul style="list-style-type: none"> a) a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with the directions given to the proxy or attorney to vote on Resolution 3 in that way on the proxy form; or b) the Chairman of the Meeting as proxy for a person who is entitled to vote on Resolution 3, in accordance with a direction on the proxy form to vote as the Chairman of the Meeting proxy decides. 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: <ul style="list-style-type: none"> (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 4; and (ii) the holder votes on Resolution 3 in accordance with the directions given by the beneficiary to the holder to vote in that way. <p>Voting Prohibition Statement:</p> <p>A person appointed as a proxy must not vote on the basis of that appointment, on Resolution 3 if:</p> <ul style="list-style-type: none"> a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and b) the appointment does not specify the way the proxy is to vote on Resolution 3.
Resolution 4 – Issue of Performance Rights to Chief Executive Officer (CEO)	<p>The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Andrew McLellan or any associate of Andrew McLellan. However, the Company need not disregard a vote in favour of Resolution 4 if it is cast by:</p> <ul style="list-style-type: none"> a) a person as 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 3 in that way on the proxy form; or b) the Chairman of the Meeting as proxy for a person who is entitled to vote on Resolution 4, in accordance with a direction on the proxy form to vote as the Chairman of the Meeting proxy decides.

RESOLUTION	PERSONS EXCLUDED FROM VOTING
	<p>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:</p> <ul style="list-style-type: none"> (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 4; and (ii) the holder votes on Resolution 4 in accordance with the directions given by the beneficiary to the holder to vote in that way. <p>Voting Prohibition Statement:</p> <p>A person appointed as a proxy must not vote on the basis of that appointment, on Resolution 4 if:</p> <ul style="list-style-type: none"> a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and b) the appointment does not specify the way the proxy is to vote on Resolution 4.
Resolution 5 – Approval of Additional 10% Placement Capacity	<p>The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue (except to benefit solely by reason of being a holder of ordinary securities if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> a) a person as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with the directions given to the proxy or attorney to vote on Resolution 5 in that way on the proxy form; or b) the Chairman of the Meeting as proxy for a person who is entitled to vote on Resolution 5, in accordance with a direction on the proxy form to vote as the Chairman of the Meeting proxy decides. 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: <ul style="list-style-type: none"> (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution 5; and (ii) the holder votes on Resolution 5 in accordance with the directions given by the beneficiary to the holder to vote in that way.

By order of the Board



Lee Mitchell
Company Secretary

Date: 22 October 2021

NOTES REGARDING PROXIES AND VOTING

Voting entitlement

The Board has determined in accordance with regulation 7.11.37 of the Corporations Regulations that, for the purposes of voting at the Meeting, the shares held by each shareholder will be as they appear on the Company's share register at 7.00pm (AEDT) on **Tuesday, 23 November 2021**. This means that if you are not the registered holder of a share at that time you will not be entitled to vote in respect of that share.

Proxies

A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies, who need not be

shareholders of the Company. If you appoint a proxy who is also a shareholder or is also a proxy for another shareholder, your directions may not be effective on a show of hands. Your directions will be effective if a poll is taken on the relevant resolution.

Where more than one proxy is appointed, neither proxy may vote on a show of hands, however both proxies will be entitled to vote on a poll (subject to any voting exclusion). Each proxy should be appointed to represent a specified percentage or specified number of the shareholder's voting rights. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half the votes. Fractions of votes will be disregarded.

If you sign and return a proxy form and do not nominate a person to act as your proxy, the Chair will be appointed as your proxy by default.

Appointment of the Chair or other Key Management Personnel as your proxy

The Corporations Act places certain restrictions on the ability of Key Management Personnel (KMP) and their Closely Related Parties to vote on resolutions connected directly or indirectly with the remuneration of the Company's KMP. The Remuneration Report identifies the Company's KMP for the financial year to 30 June 2021 in the Company's Annual Report which is available on the "Annual Report" section of the Company's website: <https://www.bluechiip.com/>.

If you appoint the Chairman as your proxy and do not direct him how to vote, you are providing authorisation for the Chairman to cast your undirected proxy on all proposed Resolutions. This express authorisation acknowledges that the Chairman may exercise your proxy in relation to Resolutions 1, 3 and 4 even though the Chairman may have an interest in the outcome of these Resolutions, since it relates to the remuneration of a member of the KMP.

Votes cast by the Chairman on Resolution 1, Resolution 3, and Resolution 4 (other than as an authorised proxy holder) will be disregarded because of his interest (or potential interest) in the outcome of the Resolution.

How the Chair will vote undirected proxies

The Chair intends to vote any available undirected proxy in favour of all resolutions including Resolution 1 (Remuneration Report), Resolution 3 (Renewal of Bluechiip Performance Rights Plan) and Resolution 4 (Issue or Performance Rights to CEO).

Key Management Personnel and their Closely Related Parties cannot vote undirected proxies

Any undirected proxy given to a Key Management Personnel or their Closely Related Parties, other than the Chair, will not be voted on any of Resolution 1 (Remuneration Report) Resolution 3 (Renewal of Bluechiip Performance Rights Plan) and Resolution 4 (Issue of Performance Rights to Chief Executive Officer (CEO)). To allow such a proxy to vote on each of these Resolutions, shareholders must specify how the proxy should vote by ticking 'For', 'Against' or 'Abstain' opposite that Resolution on the proxy form.

A proxy appointment form is enclosed with this Notice of Meeting. For the appointment of a proxy to be valid, the following documents must be received either at the Company's registered office or at the Company's share registry, Automic, **at least 48 hours prior to the Meeting** or any adjournment of the Meeting:

- (a) the proxy appointment form; and
- (b) if the proxy appointment form is signed by the appointor's attorney, the authority under which the appointment was signed or a certified copy of the authority.

The documents must be received by the Company at the address set out below by no later than 10.00am (AEDT) on 23 November 2021. Proxy forms received after that time will not be valid for the scheduled Meeting.

Voting by Attorney

A shareholder entitled to attend and vote at the Annual General Meeting may appoint an attorney to vote at the Annual General Meeting. An original or certified copy of the power of attorney must be received at an address given above at least 48 hours before the commencement of the Annual General Meeting.

Corporate Representatives

To vote at the Annual General Meeting, a corporation which is a shareholder, or which has been appointed as a proxy by a shareholder, may appoint a person to act as its representative. The appointment of a representative must comply with section 250D of the *Corporations Act*. Evidence of the appointment must be brought to the Annual General Meeting together with any authority under which it is signed. A pro forma 'Certificate of Appointment of Corporate Representative' may be obtained from the Company's Share Registry, Automic.

Jointly Held Shares

If shares are jointly held, only one of the shareholders can vote. If more than

one joint shareholder votes, only the vote of the shareholder whose name appears first on the register of shareholders will be counted.

EXPLANATORY STATEMENT

1 Important Notices

The purpose of this Explanatory Statement (which accompanies, and forms part of, the Notice of Meeting), is to provide shareholders with an explanation of the business of the Meeting and to assist shareholders in deciding how they may wish to vote on the Resolutions set out in the Notice of Meeting. The Meeting will be held as a virtual meeting.

All resolutions other than Resolution 5 are ordinary resolutions. Ordinary resolutions require a simple majority of votes cast by shareholders entitled to vote on the resolution. Resolution 5 is a special resolution and requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or corporate representative).

This Explanatory Statement is an important document and should be read carefully by all shareholders before making a decision on the following.

2 Financial Statements and Reports

In accordance with the Company's Constitution, the business of the meeting will include receipt and consideration of the Company's Financial Report and reports of the Directors' and Auditor's for the year ended 30 June 2021 (Annual Financial Report). You may access the Annual Financial Report by visiting the Company's website <https://www.bluechiip.com/>.

Shareholders will be given a reasonable opportunity at the AGM to ask questions and make comments on the Annual Financial Report.

The Company's auditor will be present to respond to any qualifying questions.

3 RESOLUTION 1: Adoption of Remuneration Report

3.1 Background

Pursuant to Section 250R(2) of the Corporations Act, Directors must put to the AGM a resolution to adopt the Company's Remuneration Report.

The FY21 Remuneration Report is included in the Company's Annual Report. You may access the Annual Report by visiting the Company's website <https://www.bluechiip.com/>.

The Remuneration Report sets out the Company's remuneration arrangements for Key Management Personnel including for the Directors of the Company.

Shareholders will be given a reasonable opportunity at the AGM to comment or raise questions in relation to the FY21 Remuneration Report.

The vote on this Resolution is advisory only and does not bind the Company. However, the Directors recognise the outcome of this Resolution as an indication of Shareholder sentiment in relation to the FY21 Remuneration Report.

Under the Corporations Act 2001, if 25% or more of votes that are cast at the meeting are voted against the adoption of the Remuneration Report at two consecutive AGM's, Shareholders will be required to vote at the second of those AGMs on an additional resolution (a "Spill Resolution") that a future meeting be held within 90 days of the Spill Resolution. At that further meeting, all the Company's Directors (other than any Managing Director) must go up for re-election.

Shareholders will recall that not more than 25% of the votes cast were cast against the 'remuneration resolution' at the 2020 AGM and therefore, there will be no requirement at this AGM for a Spill Resolution.

Board Recommendation

Noting that each Director has a personal interest in their own remuneration as set out in the Remuneration Report, the Board recommends that Shareholders vote in favour of this Resolution.

The Chairman of the AGM intends to vote all available proxies in favour on this Resolution.

Voting: Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting

4 RESOLUTION 2: Re-election of Director (Mr Iain Kirkwood)

Under the Constitution, one third of the Directors or, if their number is not a multiple of three, then the number nearest to but not more than one third of the Directors, are required to retire by rotation and submit themselves for re-election. ASX Listing Rule 14.5 also provides that an entity which has Directors must hold an election of Directors at each annual general meeting.

Iain Kirkwood will retire by rotation and being eligible, is submitting himself for re-election at the Meeting.

Qualifications: MA (Hons) Oxon, FCPA

Term and role: Appointed to the Board in November 2007, he has served as non-executive director and Chairman since then.

Independence: Having had regard to the ASX Corporate Governance Principles and Recommendations, the Directors consider that Mr Kirkwood is an independent director

Experience: Iain is an experienced private consultant, investor, and non-executive Director. He has considerable practical and operational experience gained from a successful financial career spanning 35 years in a range of industries including auditing, resources, manufacturing and latterly healthcare in Australia, Britain, and the USA. He started his career at Arthur Andersen & Co in London. During his career, he has held a range of senior financial and general management positions, including Woodside Petroleum Limited, Santos Limited, Pilkington plc, F.H. Faulding & Co Limited and Clinuvel Pharmaceuticals Limited.

During the past three (3) years he has also served as a Director of ASX listed, Simonds Group Limited (Appointed 20 September 2017).

The Directors (other than Mr Kirkwood because of his interest) recommend that shareholders vote in favour of Resolution 2.

The Chairman of the meeting intends to vote all available undirected proxies in favour of Resolution 2.

5 RESOLUTION 3: Renewal of Bluechiip Performance Rights Plan

On 25 November 2016, Shareholders approved the Bluechiip Performance Rights Plan (**Plan**).

The Plan was adopted by the Board to assist with the attraction, motivation, and retention of relevant employees of Bluechiip, align the interests of those employees and shareholders by matching rewards with the long-term performance of Bluechiip and, accordingly, drive Bluechiip's performance.

Resolution 3 therefore seeks renewed Shareholder approval for the Plan issue of securities in accordance with ASX Listing Rule 7.2 Exception 13(b), which will enable securities issued under the Plan over the course of the next three years to be excluded from the Company's 15% limit for the purpose of ASX Listing Rule 7.1. The Company is asking Shareholders to approve the Plan so that it does not use up any of the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

If Resolution 3 is not passed by Shareholders, any Equity Securities issued under the Plan will be included in calculating the Company's 15% limit under ASX Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the issue date of any Equity Securities issued under the Plan

Subject to Shareholder approval, this approval would continue for three years, at which time it must be renewed, or it will expire. In the case of an invitation to a director to acquire securities under the Plan, the acquisition of these securities will require Shareholder approval in accordance with ASX Listing Rule 10.14.

The Board intends to continue to make regular grants of securities under the Plan. The Board considers that future issue of securities under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

5.1 Overview of the Plan

In accordance with ASX Listing Rule 7.2 Exception 13(b), a summary of the key terms of the Plan and the number of securities issued under the Equity Plan since the date of the last approval is set out below.

General: The Performance Rights Plan delivers a contractual right to a grant of a Share to the holder at a future date, subject to performance hurdles being met and any other vesting conditions being satisfied. No payment is required to be made by the holder in respect of the exercise of Performance Rights. Upon exercise, each Performance Right entitles the holder to the issue or transfer of one Share (subject to adjustment in certain circumstances as permitted by the ASX Listing Rules).

Performance hurdles and other vesting conditions: The Board has determined that, subject to the terms of the Plan, the vesting and exercise of Performance Rights is conditional on the achievement of the performance hurdles, and the satisfaction of any other vesting conditions, as set out in the terms and conditions of the specific grant. Generally speaking, the performance and other vesting hurdles for the Performance Rights proposed to be granted to employees are substantially the same as those proposed to be granted to Mr McLellan under Resolution 4.

Exercise: The Board will prescribe a date or dates on which Performance Rights become exercisable. Subject to the Plan, on or after the prescribed exercise date, and provided all other vesting and exercise conditions prescribed by the Board have been achieved and the Performance Rights have not otherwise lapsed, the relevant holder of Performance Rights may acquire Shares by exercising the Performance Rights.

Early exercise: Early exercise of Performance Rights may be permitted at the discretion of the Board, if the relevant holder ceases employment with the Company in circumstances such as death, retirement, ceasing employment because of illness, incapacity or redundancy or where otherwise permitted by the Board or its delegate (such as on a change of control).

Such early exercise, however, is subject to the satisfaction of the applicable performance hurdles and any other vesting conditions at the time of cessation and is pro-rated for the time served. Early exercise may also be permitted on a takeover, scheme of arrangement, or winding up of the Company, subject to the Board or its delegate's approval. Early exercise of Performance Rights of persons whose employment is terminated for cause may only occur if permitted at the discretion of the Board (and again subject to the satisfaction of the applicable performance hurdles and any other vesting conditions at that time).

Delivery of Shares: The Board can decide whether to purchase Shares on-market or to issue new Shares to satisfy the exercise of Performance Rights.

Reorganisations and bonus issues: A holder's entitlement to Shares under a Performance Right will be adjusted to take account of bonus issues as if the Performance Right had been exercised before the determination of entitlements in respect of those issues. In the case of reorganisation of the issued capital of the Company, the entitlement to Shares under a Performance Right will be adjusted as required by the ASX Listing Rules from time to time.

Lapse: A Performance Right will lapse if it is not exercised within the exercise period determined by the Board on grant.

However, in the case of death or cessation of employment of the relevant Plan participant, the lapse date may be brought forward. Subject to the Board determining an earlier lapse date, a Performance Right lapses at the latest of:

- the expiry of 12 months after the relevant Plan participant's death, if death occurs before the Performance Right lapses in accordance with the below;
- the expiry of 3 months after the relevant Plan participant ceases to be employed by the Company for any other reason; and
- if the Board extends the time during which the Performance Right may be exercised, the expiry of that time.

Lapse may also occur in other circumstances, including where there is dishonesty, fraud, or breach of duty by a Plan participant.

Voting and dividends: a Performance Right does not confer any voting or dividend rights until the Performance Rights vest and Shares are allocated.

Restrictions on transfer: a Performance Right granted to a Plan participant is only exercisable by the participant or their legal personal representative. Performance Rights are not transferable, except with express approval of the Board or its delegate or by force of law on death or legal incapacity.

Restriction on disposal of Shares: the Board may impose a restriction on disposal of Shares acquired on exercise of a Performance Right.

A copy of the Plan Rules is available from the Company Secretary upon request.

5.2 Number of securities issued under the Plan

Since the date of the last approval of the Plan (being 25 November 2016), the Company has issued 23,409,639 securities (unquoted Performance Rights) under the Plan. Of these Performance Rights 16,110,722 have vested and 15,211,650 Performance Rights have been exercised resulting in the issue of 15,211,650 ordinary shares.

5.3 Maximum Number of securities issued under the Plan

The maximum number of Performance Rights to be issued under the Plan (other than issues approved by Shareholders under ASX Listing Rule 10.14) following approval under this Resolution at any given time, unless otherwise approved by Shareholders, will be 29,894,025 (being 5% of the number of the Company's fully paid ordinary shares on issue at the date of this Notice – 597,880,502 Shares)) subject to any lesser limitation that may need to be applied to comply with law. Shareholders should note that, in addition to the Performance Rights proposed to be issued under Resolution 4, it is also proposed that approximately 9.5 million performance rights be issued to employees in FY'22.

Board Recommendation

The non-executive Directors unanimously recommend that Shareholders vote in favour of this Resolution.

The Chairman of the AGM intends to vote all available proxies in favour of this Resolution.

6 RESOLUTION 4: Issue of Performance Rights to Chief Executive Officer

6.1 Background

The Company's Performance Rights program, is designed to attract, motivate, and retain key Senior Executives and Executive Directors and to align the interests of those key Senior Executives and Executive Directors with the interests of Shareholders by matching long-term rewards with the long-term performance of the Company.

Under the Program eligible participants are invited to receive Performance Rights in the Company which are subject to long-term performance based vesting conditions. The number of Performance Rights allocated to each participant is set by the Board based on individual circumstances and performance.

The Board is responsible for administering the PRP in accordance with the Bluechip Performance Rights Plan Rules (**Plan Rules**) and the terms and conditions of the specific grants to participants in the Plan. The operation of the Plan is subject to compliance with the ASX Listing Rules, Corporations Act and other applicable laws.

In September 2021, the Board approved the grant of Performance Rights under the Plan to key employees including, subject to Shareholder approval, CEO, Andrew McLellan.

The Company is proposing to issue a maximum of 4,500,000 Performance Rights to Andrew McLellan.

Each Performance Right entitles Andrew McLellan to receive, upon vesting and exercise, one fully paid ordinary share in the

Remuneration	Salary of \$279,425.05 (TFR) per annum (exclusive of statutory superannuation contributions).
Short-Term Incentive	Short-Term cash incentive of up to 30% of TFR subject to achieving agreed company performance targets and Board discretion.
Long-Term Incentive	Long-Term Incentive at ~50% of TFR subject to achieving measurable market standard long-term performance indicators as determined by the Board from time to time.

Further information regarding Andrew McLellan's total remuneration package is set out in the Remuneration Report

6.2 Key terms of grant

The key terms of the grant of the Performance Rights proposed to be made to Mr McLellan under the Plan are set out below.

Further details about the Plan are as detailed above in relation to Resolution 3. A full copy of the Plan rules is available upon request from the Company Secretary.

Table 1

Instrument	Quantum	Grant Date	Measurement Period	Vesting Date (subject to achievement of Performance Conditions)
Performance Rights (LTI) – Tranche 1	1,500,000	With effect from 30 September 2021 (subject to shareholder approval)	1 July 2021 to 30 June 2022 (1 year)	30 August 2022
Performance Rights (LTI) – Tranche 2	1,500,000	With effect from 30 September 2021 (subject to shareholder approval)	1 July 2021 to 30 June 2023 (2 years)	30 August 2023
Performance Rights (LTI) – Tranche 3	1,500,000	With effect from 30 September 2021 (subject to shareholder approval)	1 July 2021 to 30 June 2024 (3 years)	30 August 2024
TOTAL	4,500,000			

6.3 Maximum number of Performance Rights

The maximum number of Performance Rights that may be acquired by Mr McLellan if shareholder approval is provided at the Meeting is set out in Table 1 above.

The maximum number of Performance Rights has been calculated based on ~51% of Mr McLellan's total fixed

Company at no cost, subject to satisfaction of the applicable conditions and performance hurdles.

The Board believes that part of Andrew McLellan's remuneration should be performance-based and at risk and should involve equity interests in the Company. This approach is consistent with best practice in executive remuneration and corporate governance.

ASX Listing Rule 10.14 requires Shareholder approval be obtained for the issue of the Performance Rights the subject of this Resolution 4 as Andrew McLellan is a person referred to in ASX Listing Rule 10.14.1 by virtue of being a director of the Company. If approval from Shareholders is obtained in accordance with ASX Listing Rule 10.11, the Company will be able to issue the Performance Rights within one month after the date of the Meeting (or such longer period as ASX may permit) and ASX Listing Rule 7.2 will apply so that the issue of the Incentive Shares will not use the Company's 15% limit.

If Resolution 4 is not passed by Shareholders, then the Performance Rights will not be issued and the Board would consider alternate long-term incentive remuneration arrangements for the CEO which may include a cash award and will be subject to the same terms and vesting conditions as for the Performance Rights.

Andrew McLellan receives fixed remuneration and variable remuneration via short-term and long-term incentive arrangements. The details of Mr McLellan's current remuneration package are set out below:

remuneration (excluding superannuation) which, as at 1 July 2021, was \$279,452.05.

The actual value (if any) that Mr McLellan will receive from this grant cannot be determined until the end of the three-year measurement period above and will depend on the extent to which the performance conditions are achieved, and the

Company's share price at the time of vesting.

The grant value was set by the Board having regard to Mr McLellan's overall remuneration package, the nature of his position, the purpose of the LTI component in the Company's remuneration strategy and the director's assessment regarding current market practice.

6.4 How was the number of Performance Rights calculated?

The formula used to calculate the number of Performance Rights to be granted to Mr McLellan is as follows:

$$\text{No. of Performance Rights} = \frac{\sim 51\% \times \$279,425}{\$0.032^*}$$

** In calculating the number of PRs to be issued the Board considered that a price of \$0.032 was appropriate (being the three-month VWAP preceding the relevant Measurement Period) in order to align the value of the award with the Company's recent share price performance.*

6.5 Date of Grant

If shareholder approval is obtained, the Performance Rights will be granted immediately following the Meeting and in any event within 12 months of the date of the Meeting.

6.6 Price of Performance Rights

The Performance Rights will be issued at no cost to Mr McLellan.

Table 2

Performance against the relevant condition(s)	Quantum of Performance Rights subject to performance conditions that vest (%)
Below 100% of the proportionate change in the AXSOA index over the relevant Measurement Period	No Performance Rights are capable of exercise
At 100% of the proportionate change in the AXSOA index over the relevant Measurement Period	50% of the Performance Rights are exercisable
Between 100% and 120% of the proportionate change in the AXSOA index over the relevant Measurement Period	50% of the total number of Performance Rights for that Measurement Period plus an additional number of Performance Rights (calculated on a straight-line basis) for every additional percent (or part of a percent) that the Company's TSR exceeds the change in the AORD Index (i.e., an additional 2.5% (or part thereof) for every percent (or part thereof) that the Company's TSR exceeds 100% of the change in the AORD index.

Total Shareholder Return or TSR in respect of Bluechip for the Measurement Period will be the return to shareholders measured by the Company's share price change during the Measurement Period. Share prices are calculated as a volume weighted average (VWAP) sale price of shares for the three months preceding the start and end dates of each Measurement Period.

Vesting of Performance Rights is also subject to Mr McLellan remaining in office on the relevant vesting date, or having ceased as an Employee of Bluechip before the relevant vesting dates for "Qualifying Circumstances" (as defined in the Plan rules)

All Performance Rights will also be subject to an overriding condition that the financial performance of the Company, in the absolute discretion of the Board, has been satisfactory.

Any Performance Rights that do not vest following testing will lapse.

6.8 Overview of the terms of the Plan and Performance Rights

The Plan provides for eligible employees and executives to be offered a conditional opportunity for fully paid ordinary shares in the Company through the grant of Performance Rights, such that Shares may be allocated to them, subject to meeting certain vesting conditions within a set measurement period.

Once the performance conditions are met and if the Performance Rights vest there will be no exercise price payable upon the exercise/conversion of the Performance Rights into Shares.

6.7 Performance hurdles details relating to the Performance Rights

The number of Performance Rights that will vest will be determined by the Company's Relative Total Shareholder Return (TSR) performance relative to the movement in the S&P/ASX Small Ordinaries Accumulation Index (AXSOA) for each Measurement Period as shown in Table 2 below.

The TSR Performance Condition was selected as the performance condition as it ensures alignment between shareholder returns and reward to the executive.

At the end of the relevant measurement period, the TSR performance condition will be measured to determine the proposed number of Performance Rights that will vest.

The link between achievement of the various performance conditions set by the Board and the percentage of the Performance Rights which vest pursuant to the relevant performance condition during the measurement period is represented in the following table:

The Board is responsible for administering the Plan in accordance with the Plan rules and the terms and conditions of the specific grants to participants in the Plan. The operation of the Plan is subject to compliance with the ASX Listing Rules, Corporations Act and other applicable laws.

The key terms of Performance Rights granted under the Plan are set out below:

Testing and vesting

- Grants under the Plan will be tested at the end of the applicable measurement period. No retesting will occur. If the relevant performance conditions are satisfied, then the Performance Rights will generally vest on 30 August following the expiration of the relevant measurement period provided the relevant executive remains in office at that time.
- Each Performance Right which vests will be converted into one Share upon exercise by the participant. No moneys are payable upon vesting of the Performance Rights.
- If the relevant vesting conditions are not satisfied at the relevant time, the applicable Performance Rights will lapse and be forfeited.

- Once the Performance Rights have vested, the Board will decide at that time whether to purchase the Shares required on-market or to issue new shares following a decision by the participant to exercise the Performance Right. This decision will depend on factors such as dilution and the cost to the Company.

Ranking of shares

Upon vesting of the Performance Rights, Shares received by participants will rank equally with ordinary shares currently on issue.

Voting and dividend rights

- Performance Rights do not carry any voting rights, and participants are not entitled to dividends, until Performance Rights have vested and have been converted into ordinary shares.
- Shares allocated on vesting of the Performance Rights will carry full dividend and voting rights from the date of allocation.

Change of control event

The Directors have discretion to determine that Performance Rights will vest in the event of a change of control, subject to pro rata performance up to the relevant date. The Performance Rights will also vest and any restrictions on the disposal of the shares will cease to apply, where there is an acquisition by a person or entity (whether directly or indirectly) of not less than 90% of the issued shares of the Company.

Reorganisation event

In the event of any reorganisation of the issued capital of the Company, the Performance Rights will be reconstructed in accordance with the requirements of the ASX Listing Rules applicable to a reconstruction of capital at the time of the reorganisation.

Participation in capital raising

A participant may only participate in new issues of securities if ordinary shares have been allocated to the participant in accordance with the Plan Rules, before the date of determining entitlements to the issue.

Cessation of employment

If a participant in the Plan ceases employment with the Company before the vesting conditions are satisfied, any Performance Rights will lapse and be forfeited. Performance Rights will also lapse if the ongoing employment condition described above is not satisfied.

If cessation of employment occurs due to death, TPD or redundancy, or where the Board otherwise approves, Performance Rights may vest at the Board's discretion.

Where a participant acts fraudulently, dishonestly, joins a competitor, or is, in the Board's opinion, in breach of his or her obligations to the Company, then any unvested Performance Rights will lapse and be forfeited.

Trading Restrictions

A participant may not sell, transfer, mortgage or otherwise deal with or encumber any Performance Rights. Disposal of any shares acquired upon exercise of Performance Rights is subject to the Company's securities trading policy.

- obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- give the benefit within fifteen (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*.

The Board has considered the application of Chapter 2E of the *Corporations Act* and has resolved that the reasonable remuneration exception provided by section 211 of the *Corporations Act* is relevant, as the proposed financial benefit is considered to be reasonable in these circumstances. Accordingly, the Company will not seek approval for the issue of the Performance Rights to Mr McLellan pursuant to section 208 of the *Corporations Act*.

6.10 Other information relating to the potential grant of Performance Rights

In accordance with ASX Listing Rules 10.14 and 10.15, the following additional information is provided for shareholders.

- If shareholders approve the issue of the Performance Rights under LR 10.14, shareholder approval is not required under LR 7.1.
- The maximum number of Performance Rights that can be awarded to Mr McLellan under this approval is 4,500,000. Subject to achievement of performance and other vesting conditions, this means that the maximum number of fully paid ordinary shares which can be issued to Mr McLellan on vesting of the approved Performance Rights is 4,500,000.
- Subject to receiving shareholder approval, the Company will issue the Performance Rights as soon as practicable after, but in any event no later than 12 months after, the date of the Meeting.
- No Director other than Mr McLellan is currently eligible to participate in the grant of Performance Rights under the Plan. If any other persons referred to in LR 10.14 become entitled to participate in the Plan those persons will not participate until shareholder approval is obtained under Listing Rule 10.14.
- Other than Mr McLellan no Directors have received Performance Rights or other securities under the Plan since it was adopted. The number of Performance Rights issued to Mr McLellan in 2016, 2017 and 2018 and 2019 were 3,000,000, 3,000,000, 2,283,105 and 856,164 respectively. The acquisition price for each of those Performance Rights was nil.
- Upon satisfaction of the relevant performance hurdles and other vesting conditions referred to above, Mr McLellan will be entitled to exercise each Performance Right granted to him and be issued with one ordinary share (subject to the terms of the issue of the Performance Rights relating to bonus issues and capital reorganisations of the Company) per Performance Right.
- No loan will be provided by the Company in relation to the grant or exercise of the Performance Rights provided to Mr McLellan.
- The price payable on the issue or exercise of each Performance Right is nil, so no funds will be raised by the Company.
- Details of any securities issued under the Plan will be published in each Annual Report of the Company relating to the period in which securities have been issued. The Annual Report will note that approval for the issue of these securities was obtained under Listing Rule 10.14.

6.9 Section 208 of the Corporations Act

Section 208 of the *Corporations Act* provides that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- The terms of the Performance Rights are described above.

6.11 Board recommendation:

The Directors (with Mr McLellan abstaining given his personal interest) recommend that shareholders vote in favour of Resolution 4.

The Chairman of the meeting intends to vote all available undirected proxies in favour of Resolution 4.

A voting exclusion statement is included in the Notice of Meeting.

Resolution 5 - Approval of proposed Additional 10% Placement Capacity

General

Broadly speaking, and subject to a number of exceptions, ASX 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 securities it had on issue at the start of that period. However, Listing Rule 7.1A enables eligible entities to increase this 15% limit by a further 10% of its issued share capital through placements over a 12-month period following the annual general meeting (**Additional 10% Placement Capacity**). The Additional 10% Placement Capacity is in addition to the Company's existing 15% placement capacity available under Listing Rule 7.1.

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

The Company now seeks shareholder approval by way of a special resolution to have the ability to issue equity securities under the Additional 10% Placement Capacity for a further 12 months. If Resolution 5 is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval as set out in Listing Rule 7.1.

The exact number of equity securities to be issued under the Additional 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) below).

This resolution is a special resolution and accordingly at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of this resolution for it to be passed.

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue equity securities under Listing Rule 7.1A is subject to Shareholder approval by way of special resolution at the Annual General Meeting.

Approval cannot be sought at any other Shareholder's meeting and equity securities issued under the approval (if obtained) must be issued within 12 months after the date of the Annual General Meeting. No equity securities can be issued under Listing Rule 7.1A before the special resolution is passed.

The issue of securities under this rule cannot be subsequently approved by security holders and then be treated as if the issue had received prior approval.

(b) equity securities

Any equity securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of equity securities of the Company.

The Company, as at the date of the Notice, has on issue only one class of quoted equity securities being fully paid ordinary shares (**Shares**).

(c) Formula for calculating Additional 10% Placement Capacity

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

(A 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 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 Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
 - (D) less the number of fully paid Shares cancelled in the 12 months.
- 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 under Listing Rule 7.1 or with the subsequent approval of shareholders under Listing Rule 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue equity securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The Company has on issue 597,880,502 Shares and therefore has a capacity to issue (assuming Resolution 5 is passed):

- (i) 89,682,075 equity securities under Listing Rule 7.1; and
- (ii) subject to obtaining shareholder approval under Resolution 5, 59,788,050 Shares under Listing Rule 7.1A.

The actual number of Shares that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Shares in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) above).

(e) Minimum Issue Price

The issue price of equity securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of equity securities in the same class calculated over the 15 trading days immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed; or
- (ii) if the equity securities are not issued within 10 trading days of the date in paragraph (e)(i) above, the date on which the equity securities are issued.

(f) Additional Placement Period

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

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained
- (ii) the time and date of the entity's next annual general meeting; and
- (iii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX,

together, **Additional Placement Period**.

7.3 Effect of approving Resolution 5

The effect of Resolution 5 will be to allow the Directors to issue equity securities under Listing Rule 7.1A during the Additional Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity

securities without Shareholder approval as set out in Listing Rule 7.1.

Resolution 5 is a **special resolution** and therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

7.4 Specific information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, information is provided in relation to the approval of the Additional 10% Placement Capacity as follows:

- (a) The equity securities will be issued at an issue price of not less than 75% of the VWAP for the Company's equity securities over the 15 trading days immediately before:
 - (i) the date on which the price at which the equity securities are to be issued is agreed; or
 - (ii) if the equity securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.
- (b) If Resolution 5 is approved and the Company issues equity securities under the Additional 10% Placement Capacity, existing shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
 - (i) the market price for the equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the AGM; and
 - (ii) the equity securities may be issued at a price that is at a discount to the market price for the Company's Shares on the for the Company's equity securities on the issue date,

which may have an effect on the amount of funds raised by the issue of equity securities under Listing Rule 7.1A.

The below table shows the potential dilution of existing shareholders on the basis of the current closing market price of Shares as at 5 October 2021 and the current number of ordinary shares on issue at the date of this Notice used for variable A for the purposes of Listing Rule 7.1A.

The table also shows:

- (a) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require shareholder approval (for example, a pro rata entitlements issue, share purchase plan or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future shareholders' meeting; and
- (b) two examples where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.015 50% decrease in issue price	\$0.03 Issue Price	\$0.06 100% increase in current issue price
Current Variable A 59,788,050 Shares	10% Voting Dilution	59,788,050 Shares	59,788,050 Shares	59,788,050 Shares
	Funds Raised	\$896,821	\$1,793,641	\$3,587,283
50% increase in Variable A 89,682,075 Shares	10% Voting Dilution	89,682,075 Shares	89,682,075 Shares	89,682,075 Shares
	Funds Raised	\$1,345,231	\$2,690,462	\$5,380,925
100% increase in Variable A 1,195,761 Shares	10% Voting Dilution	1,195,761 Shares	1,195,761 Shares	1,195,761 Shares
	Funds Raised	\$1,793,642	\$3,587,283	\$7,174,566

In formulating the information contained in the above table, the following assumptions have been made:

- (i) The Company issues the maximum number of equity securities available under the Additional 10% Placement Capacity;
 - (ii) No performance rights already on issue are exercised into Shares before the date of the issue of the Shares;
 - (iii) The table does not show an example of dilution that will be caused to a particular shareholder by reason of placements under the 10% Placement Capacity, based on that shareholder's holding at the date of the AGM;
 - (iv) The voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue and thus is 10% in each example;
 - (v) The table shows only the effect of issues of equity securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1 or under any of the exceptions to Listing Rule 7.1 and assumes Resolution 5 is approved; and
 - (vi) The issue price of the Shares is \$0.03, being the closing price of the Shares on ASX on 5 October 2021.
- (c) The Company will only issue and allot the equity securities during the Additional Placement Period. The approval under Resolution 5 for the issue of the Shares will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) any equity securities issued under Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of equity securities under Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue. As at the date of this Notice, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A during the Listing Rule 7.1A Additional Placement Period. However, if Shareholders approve this Resolution and the Company did raise funds from the issue of equity securities under Listing Rule 7.1A, based on the Company's existing plans, the Company considers that the funds may be used for the following purposes:
- (i) building the required inventory levels to meet sales demand;
 - (ii) global sales, marketing, and business development activities;
 - (iii) for general corporate purposes, including working capital requirements;
 - (iv) to acquire assets including acquisition (full or part) of asset purchases or equity holdings, and
 - (v) activities which allow the company to pursue other market applications for the bluechiip® technology.
 - (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 2.7 upon issue of any equity securities.
 - (f) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Additional 10% Placement Capacity. The time frame over the 12-

month period which the Company expects to make placements under the Resolution 5 approval therefore cannot yet be accurately determined.

(g) As at the date of the Notice the Company has not formed an intention to issue securities under a placement pursuant to Listing Rule 7.1A to any particular party. The Company may approach existing Shareholders, a class or group of existing Shareholders, or new investors who have not previously been Shareholders to participate in a placement of equity securities.

(h) When determining to issue the 10% Placement Capacity securities and the identity of the allottees of equity securities will be determined on a case-by-case basis having regard to the following factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;

- (ii) the effect of the issue of the equity securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial, and broking advisers (if applicable).

The allottees under the Additional 10% Placement Capacity have not been determined as at the date of this Notice but may include existing shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

If Resolution 5 is approved by Shareholders, the Company may issue equity securities under the 10% Placement Capacity during the 10% Placement Period, as and when the circumstances of the Company require.

- (i) For the purposes of Listing Rule 7.3A.6 the Company confirms that no securities were issued or agreed to be issued under LR 7.1A.2 in the 12 months prior to 25 November 2021.

7.5 Board recommendation:

The Directors of the Company believe that Resolution 5 is in the best interests of the Company and unanimously recommend that shareholders vote in favour of this Resolution 5.

The Chairman of the meeting intends to vote all available undirected proxies in favour of Resolution 5.

Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **10.00am (AEDT) on Tuesday, 23 November 2021**, 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

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.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair 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 Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair 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.

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

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

Joint holding: Where the holding is in more than one name, all 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>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

PHONE: 1300 288 664 (Within Australia)

+61 2 9698 5414
(Overseas)

22 October 2021

Dear Shareholder,

Annual General Meeting – Letter to Shareholders and Proxy Form

Bluechiip Limited (ASX: BCT) ("Bluechiip" or the "Company") advises that the 2021 Annual General Meeting of Bluechiip Shareholders will be held at 10:00am (AEDT) on Thursday, 25 November 2021 as a **virtual meeting (Meeting)**.

In accordance with the Treasury Laws Amendment (2021 Measures No.1) Act 2021 which came into force on 14 August 2021, the Company will not be dispatching physical copies of the Notice of Meeting (**Notice**) to Shareholders. The Notice is being made available to Shareholders electronically and can be viewed and downloaded online at the following link:

<https://www.bluechiip.com/investor/company-overview/>

Alternatively, the Notice will also be available on the Company's ASX market announcements page.

Given the health concerns and restrictions attributed to the COVID19 pandemic, the Company considers that it is appropriate to hold this Meeting as a virtual meeting. Details on how to attend and participate in the virtual meeting can be found below and in the Notice of Meeting.

Given the uncertainty surrounding the COVID-19 pandemic, by the time this letter is received by Shareholders, circumstances may have changed but the Notice is given based on circumstances as of 22 October 2021. Accordingly, should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at:

<https://www.bluechiip.com/investor/company-overview/>

Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Virtual Meeting

The Company is pleased to provide shareholders with the opportunity to attend and participate in the virtual Meeting through an online meeting platform powered by Automic.

Shareholders that have an existing account with Automic will be able to watch, listen, and vote online.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account as soon as possible and well in advance of the Meeting to avoid any delays on the day of the Meeting. An account can be created via the following link <https://investor.automic.com.au/> and then clicking on "register" and following the prompts. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

All resolutions will be decided on a poll. The poll will be conducted based on votes submitted by proxy and at the Meeting.

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Shareholders attending the meeting virtually and wishing to vote on the day of the meeting can find further instructions on how to do so in the Notice of Meeting. Alternatively, shareholders are strongly encouraged to complete and submit their vote by proxy by using one of the following methods:

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Log into the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.
By post	Completing the enclosed Proxy Form and posting it to: Automic, GPO Box 5193, Sydney NSW 2001
By hand	Completing the enclosed Proxy Form and posting it to: Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
By email	Completing the enclosed Proxy Form and emailing it to: meetings@automicgroup.com.au

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting.
Proxy Forms received later than this time will be invalid.

The Chair intends to vote all open proxies in favour of all resolutions, where permitted.

Yours Faithfully,



Lee Mitchell
Company Secretary