

Weebit Nano Ltd
(ACN 146 455 576)

Notice of General Meeting

Notice is given that the General Meeting (**Meeting**) of Shareholders of Weebit Nano Ltd (**Company**) will be held on:

Date: Wednesday 13 February 2019

Time: 3:00pm (AEDT)

Venue: At the office of King & Wood Mallesons at Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000

Business

Resolution 1: Subsequent approval of issue of ordinary Shares pursuant to Listing Rule 7.4 – issue of ordinary shares under Share Purchase Plan (ratifying additional 10% placement capacity)

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

“That the issue of 43,475,604 ordinary shares in the Company under the Share Purchase Plan on 2 November 2018, details of which are set out in the Explanatory Memorandum, be approved for the purposes of ASX Listing Rule 7.4 and for all other purposes.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution 1 by or on behalf of any person who participated in the issue and any Associate of those persons.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on Resolution 11:

- in accordance with the directions on the Proxy Form; or
- by the person chairing the Meeting, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution 1.

Resolution 2: Consolidation of Capital

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

*“That pursuant to Section 254H of the Corporations Act, Listing Rule 7.20 and clause 10 of the Constitution, and for all other purposes, the issued capital of the Company be consolidated on the basis that every twenty five (25) ordinary fully paid shares (**Shares**) be consolidated into one (1) Share, and where this consolidation would result in a shareholder holding a fraction of a Share, the Company be authorised to round that holding up to the nearest whole number.”*

Other business

To consider any other business that may lawfully be brought forward in accordance with the constitution

of the Company or the law.

Other information

An Explanatory Memorandum accompanies and forms part of this notice of Meeting.

All Shareholders should read the Explanatory Memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Meeting should consult their financial or legal adviser for assistance.

Entitlement to vote

In accordance with Section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the Meeting all Shares will be taken to be held by the persons who held them as registered Shareholders at 7.00pm (AEDT) on 11 February 2019. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Voting by proxy

Any Shareholder entitled to attend and vote at this Meeting is entitled to appoint a proxy to attend and vote instead of that Shareholder.

The proxy does not need to be a Shareholder of the Company.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

Proxies must be:

- (a) lodged at the Company's Share registry, Security Transfer Australia Pty Ltd at the address below;
- (b) faxed to the fax number specified below;
- (c) lodged online at www.securitytransfer.com.au in accordance with the instructions there,

not later than 3:00pm (AEDT) on 11 February 2019.

Address	Postal Address - PO Box 52, Collins Street West, VIC 8007
	Street Address- Suite 913, Exchange Tower, 530 Little Collins Street, Melbourne VIC 3000

Fax number for lodgement: +61 (0) 8 9315 2233

The proxy form is enclosed. Please read all instructions carefully before completing the proxy form.

If the proxy form is signed by an attorney, please also provide the authority under which the proxy form is signed (or a certified copy of the authority). Proxies given by corporate Shareholders must be executed in accordance with section 127 of the Corporations Act, their constitutions or by their attorney or duly authorised officer.

Under the Corporations Act, if the proxy form directs the proxy how to vote on a particular resolution:

- the proxy does not need to vote on a show of hands but if the proxy does vote on a show of hands, the proxy must vote as directed (subject to any voting exclusions);
- if the proxy has two or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands;
- a proxy who is not the Chairman of the meeting does not need to vote on a poll but if the proxy does vote on a poll, 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 on a poll and must vote as directed.

Default to the Chairman of the meeting

If:

- a poll has been called on a resolution; and
- 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 Meeting; or
 - attends the Meeting 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.

Corporate Representative

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company, before the Meeting or at the registration desk prior to the meeting. A form of the certificate may be obtained from the share registry. The Company will retain the certificate of appointment of corporate representative.

Questions and Comments by Shareholders at the Meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions of the Company at the General Meeting.

Please send written questions to:

By facsimile - +61 3 9602 4709;

Post to – Weebit Nano Ltd c/- Mertons Corporate Services, Level 7, 330 Collins Street, Melbourne VIC 3000

by no later than 5.00pm on 6 February 2019

By order of the Board



Mark Licciardo
Company Secretary
Dated 14 January 2019

Weebit Nano Limited

(ACN 146 455 576)

Explanatory Memorandum

This Explanatory Memorandum sets out further information regarding the proposed items of business to be considered by Shareholders of Weebit Nano Ltd (**Company**) at the General Meeting to be held commencing at 3:00pm on Wednesday 13 February 2019 at the office of King & Wood Mallesons at Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000.

The Directors recommend that Shareholders read this Explanatory Memorandum before determining whether or not to support the resolutions.

Resolution 1: Subsequent approval of issue of ordinary Shares pursuant to Listing Rule 7.4 – issue of ordinary shares under Share Purchase Plan (ratifying additional 10% placement capacity)

Background

In November 2018, the Company completed a Share Purchase Plan of 43,475,604 Shares (**SPP Shares**) at a price of \$0.035 per share (**SPP**). The SPP Shares were issued to shareholders on 2 November 2018. The SPP Shares rank equally with existing ordinary shares on issue.

The SPP Booklet containing information regarding the SPP was lodged with the ASX on 2 October 2018. All 43,475,604 SPP Shares were issued within the 15% placement capacity pursuant to ASX Listing Rule 7.1.

(a) Why is the Company seeking Shareholder approval?

The Company wanted to give existing shareholders the ability to subscribe for shares under the SPP on similar terms to the Placement announced on 28 September 2018. ASX Listing Rule 7.1 allows 15% of capital to be issued in any 12 month period (15% placement capacity). Exception 15 to ASX Listing Rule 7.2 allows a Company to issue shares under a Share Purchase Plan and not eat into its 15% placement capacity, as long as certain conditions are met. One of those conditions is that the issue price of securities is at least 80% of the volume weighted average market price for securities in that class, calculated over the last 5 days on which sales in the securities were recorded, either before the day on which the issue was announced or before the day on which the issue was made. The issue price of the SPP Shares was 3.5 cents which was below 80% of the volume weighted average market price for securities in that class, calculated over the last 5 days on which sales in the securities were recorded before the day on which the SPP was announced. Accordingly Exception 15 of Listing Rule 7.2 does not apply to the issue of SPP Shares and Shareholder approval is required.

Pursuant to ASX Listing Rule 7.4, Shareholder approval can be obtained for an issue of securities after the event for the purposes of ASX Listing Rule 7.1. The effect of Shareholders approving this Resolution 1 will be to 'refresh' the Company's ability to issue securities within the 15% placement capacity without requiring Shareholder approval during the next 12 months.

As advised in the Company's ASX announcement on 1 November 2018, the total amount raised from the Placement and the SPP will be used to facilitate the progress of Weebit Nano's silicon oxide (SiOx) ReRAM technology to the next stage of productisation, including scaling down to 28nm, further progressing talks with potential partners, and initiating work with production fabs.

Refreshing the Company's 15% placement capacity will maintain greater flexibility to raise funds up to the 15% limit to meet future needs during the next twelve months, without the costs and delay of convening a general meeting of the Company. The requirement to obtain Shareholder approval for any future issue of equity securities, before the issue, could limit the Company's ability to take advantage of future market opportunities that may arise or to make further issues for further development of its technology or other purposes as required.

Information required by Listing Rule 7.5

In accordance with ASX Listing Rule 7.5, Shareholders are provided the following information:

The number of securities issued	43,475,604 Shares
The price at which the securities were issued	\$0.035 per Share
The terms of the securities	Fully paid ordinary shares in the capital of the Company which ranked, from the date of their issue, equally with all existing issued Shares.
The names of the persons to whom the securities were issued	240 Existing Shareholders eligible to participate at the Record Date, 27 September 2018. The Company accepted all applications and did not scale back any entitlements.
The intended use of the funds raised	As advised in the Company's ASX announcement on 1 November 2018, the total amount raised from the Placement and the SPP will be used to facilitate the progress of Weebit Nano's silicon oxide (SiOx) ReRAM technology to the next stage of productisation, including scaling down to 28nm, further progressing talks with potential partners, and initiating work with production fabs.

Voting Exclusion

A voting exclusion statement is included under Resolution 1 in this notice of Meeting.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1. The Chairman of the meeting intends to vote undirected proxies in favour of resolution 1.

Resolution 2: Consolidation of Capital

Background

The Company as at 9 January 2019, has on issue 1,591,216,206 Ordinary Shares all of which are listed on the ASX (code:WBT). In addition, it had the following non-listed Performance Rights and Options exercisable at the prices and dates as indicated in the table below:

Number	Class	Exercise Price	Expiry
50,000,000	Options	\$0.06250	01/08/2019
49,427,400	Options	\$0.03000	30/06/2020
38,000,000	Options	\$0.01755	01/10/2027
4,500,000	Options	\$0.05250	12/10/2022
4,500,000	Options	\$0.06125	12/10/2022
4,000,000	Options	\$0.06260	15/02/2028
4,000,000	Options	\$0.05780	01/01/2028
4,000,000	Options	\$0.05090	05/03/2028
20,000,000	Options	\$0.03390	16/10/2028
7,250,000	Options	\$0.06870	29/01/2028
8,652,271	Performance Rights	Nil	30/07/2021
3,200,000	Performance Rights	Nil	15/02/2028
3,200,000	Performance Rights	Nil	01/01/2028
3,200,000	Performance Rights	Nil	05/03/2028
12,000,000	Performance Rights	Nil	01/10/2027
7,400,000	Performance Rights	Nil	29/01/2028

Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed at a general meeting, convert all or any of its shares into a larger or smaller number.

Summary of Proposal

The Directors consider that it is appropriate at this point in time to rationalise the number of shares the Company will have on issue by consolidating the share capital of the Company on a 25 for 1 basis.

The proposed share consolidation will:

- (a) Ensure that each shareholder's proportionate interest in the Company remains unchanged, subject to rounding up of fractional entitlements to the next whole number of Shares; and
- (b) Reduce the number of Shares from 1,591,216,206 to approximately 63,648,648 representing a 96% reduction in the number of Shares on issue thereby making the number of Shares on issue more manageable.

The Board considers that the consolidation of its share capital is important and necessary as it continues to progress towards productisation of its technology. The Company has a large number of shares on issue due to historical equity-based capital raisings that have provided the working capital to continue with the Company's technology development. The Company believes the consolidation will provide the best platform for continued growth, and a capital structure that is more in line with the Company's size and maturity. In addition, the Company has received advice that a higher share price level is more attractive to institutional investors.

If Resolution 2 is approved by Shareholders and the consolidation of capital proceeds, the number of Shares on issue will be 63,648,648 subject to rounding discussed below.

Information required by Listing Rule 7.20

In accordance with ASX Listing Rule 7.20, Shareholders are provided with the following information:

Effect of consolidation	<p>The effect of consolidation will be to reduce the number of Shares from 1,591,216,206 to approximately 63,648,648 as well as the Performance Rights and Options (as set out below).</p> <p>The consolidation is not a reduction in capital and therefore there should be no impact on the value of individual shareholdings as a result of the consolidation, because each shareholder will still hold the same percentage interest in the Company as they held immediately before the consolidation.</p> <p>As Weebit Nano is listed on ASX, the market price of Shares is of course impacted by a number of factors, meaning that, over time, the share price may increase or decrease, and Directors can give no guarantees concerning the Share price.</p>
Fractional entitlements	<p>The Directors have decided that where a holder's holding of Shares, Performance Rights or Options is not divisible by 25, and a fractional holding is left following the consolidation, that holding will be rounded up to the nearest whole number.</p>
Treatment of convertible securities	<p>As required by Listing Rule 7.22.1, the number of Options will be divided by 25, resulting in 1,506,091 Performance Rights and 7,427,096 Options on issue subject to rounding discussed above. The Performance Rights have a nil exercise price. The exercise price for the respective Options will be multiplied by 25, resulting in the following exercise prices</p> <p>2,000,000 Options - Exercise price \$1.5625, expiry 1 Aug 2019</p>

	1,977,096 Options – Exercise price \$0.75, expiry 30 June 2020
	1,520,000 Options – Exercise price \$0.43875, expiry 1 October 2027
	180,000 Options - Exercise price \$1.3125, expiry 12 October 2022
	180,000 Options - Exercise price \$1.53125, expiry 12 October 2022
	160,000 Options - Exercise Price \$0.15650, expiry 15 February 2028
	160,000 Options - Exercise Price \$0.14450, expiry 1 January 2028
	160,000 Options - Exercise Price \$1.2725, expiry 5 March 2028
	800,000 Options - Exercise Price \$0.8475, expiry 16 October 2028
	290,000 Options - Exercise Price \$1.7175, expiry 29 January 2028
	All other terms and conditions of the Performance Rights and Options will remain the same.

Current holding statements for shares in the Company will be replaced by new holding statements showing the number of Shares you hold post the consolidation.

The Corporations Act allows a consolidation of share capital provided shareholders agree by ordinary resolution.

Timetable for consolidation

An indicative timetable for the consolidation process is as follows:

Event	Date
General Meeting to approve consolidation	13 February 2019
Notification to ASX of results of meeting	13 February 2019
Last day for trading in pre-reorganised securities	14 February 2019
Deferred trading of Shares commences (Ex Date)	15 February 2019
Record Date	18 February 2019
First day for Company to send notice to shareholders of change of holding as a result of reorganisation First day for Company to register Shares on a post reorganisation basis and first day for Company to issue holding statements for Shares on a consolidated basis	19 February 2019
Issue date of holding statements and despatch date Deferred trading of shares ends Last day for Shares to be entered into shareholders holdings and for despatch of notice to each shareholder	25 February 2019
Trading Starts on a normal T +2 basis	26 February 2019

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 2.

Glossary

In this Explanatory Memorandum, and the notice of Meeting:

\$ means Australian dollars unless otherwise stated.

AEDT means Australian Eastern Daylight Time.

Associate has the same meaning as defined in section 11 and sections 13 to 17 of the Corporations Act.

Board means the board of Directors of the Company.

Company means Weebit Nano Ltd (ACN 146 455 576).

Constitution means the constitution of the Company.

Director means a director of the Company.

Explanatory Memorandum means this explanatory memorandum which forms part of the notice of Meeting.

Listing Rules means the listing rules of the ASX Limited.

Meeting means the General Meeting of the Company the subject of this notice of Meeting scheduled to occur on 13 February 2019.

Notice means this Notice of General Meeting

Option means an unlisted option to purchase Share(s) in the Company.

Performance Right means a performance right (an option with no strike price) which converts to a Share(s) in the Company upon meeting the performance criteria.

SPP means the issue of 43,475,604 Shares to eligible shareholders on 2 November 2018 at a price of \$0.035 per share.

SPP Shares means the Shares issued by the Company under the Placement.

Proxy Form means the proxy form accompanying the Notice.

Shareholder means a holder of a Share.

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

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WEEBIT NANO LTD

ACN: 146 455 576

REGISTERED OFFICE:

LEVEL 7
330 COLLINS STREET
MELBOURNE VIC 3000

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«EFT_REFERENCE_NUMBER»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

«Company_code» «Sequence_number»

SHARE REGISTRY:

Security Transfer Australia Pty Ltd

All Correspondence to:

PO BOX 52
Collins Street West VIC 8007
Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000
T: 1300 992 916 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code:

WBT

Holder Number:

«HOLDER_NUM

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE
ONLINE**

Lodge your proxy vote securely at www.securitytransfer.com.au

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the General Meeting of the Company to be held at 3:00pm AEDT on Wednesday 13 February 2019 at the office of King & Wood Mallesons at Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000 and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions.

In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION

1. Subsequent approval of issue of ordinary Shares pursuant to Listing Rule 7.4 – issue of ordinary shares under Share Purchase Plan (ratifying additional 10% placement capacity)
2. Consolidation of Capital

For

Against

Abstain*

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 3:00pm AEDT on Monday 11 February 2019.

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My/Our contact details in case of enquiries are:

Name:

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Number:

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1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

5. 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 of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia Pty Ltd

Online www.securitytransfer.com.au

Postal Address PO BOX 52
Collins Street West VIC 8007

Street Address Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000

Telephone 1300 992 916

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

