



**PacificEdge**  
CANCER DIAGNOSTICS

# NOTICE OF 2025 ANNUAL SHAREHOLDERS MEETING

Notice is hereby given that the 2025 Annual Shareholders' Meeting of Pacific Edge Limited will be held on Wednesday 6 August 2025, commencing at 3 pm at:

**Venue:**

MUFG Corporate Markets  
Board Room, Level 30, PwC Tower,  
15 Customs Street West, Auckland 1010

**Online:** [www.virtualmeeting.co.nz/peb25](http://www.virtualmeeting.co.nz/peb25)



Dear Shareholders

Pacific Edge Limited (Company or Pacific Edge) invites you to join us at our Annual Shareholders' Meeting (Meeting) on Wednesday 6 August 2025 commencing at 3 pm (New Zealand time). It will be held both online and in person in Auckland at the offices of our share registrar, MUFG Pension & Market Services (formerly known as Link Market Services).

## 2025 Financial Year

Pacific Edge delivered a resilient financial result for the year ended March 2025 and achieved two company defining milestones.

Our Cxbladder Triage test received a 'Grade A' evidence rating from the American Urological Association (AUA) in its new microhematuria guidelines — the highest endorsement available given the available evidence. Meanwhile, the US Centers for Medicare & Medicaid Services (CMS) proposed a draft price of US\$1,018.44 for our Cxbladder Triage Plus test, which represents a meaningful increase over the current US\$760 pricing.

The first of these achievements — guideline inclusion — positions Pacific Edge to overcome the primary disappointment for the year: the adverse 'Genetic Testing for Oncology: Specific Tests' Local Coverage Determination by Medicare Administrative Contractor Novitas that ended Medicare coverage of our tests. Our inclusion in the guideline has entrenched our first mover advantage, extended the moat around our business and also delivered a shift in clinical sentiment towards the adoption of our tests both in the US and further afield. The second of these achievements — favorable pricing of Triage Plus — positions Pacific Edge for increased revenue growth and a faster path to profitability in the US once Medicare coverage is reinstated.

Meanwhile in the face of the uncertainty for most of the FY25 year over continued Medicare coverage of our tests, we delivered enhancements in sales performance, operational efficiency, and improved cash collection, making us a leaner and more productive organization. We have also grown the volume of tests supplied to non-Medicare healthcare payers.

We cover this in detail in our Annual Report, which is available on our website: [www.pacificedgedx.com/assets/Investor-Files/PEB-Annual-Report-2025.pdf](http://www.pacificedgedx.com/assets/Investor-Files/PEB-Annual-Report-2025.pdf)

## Capital Raising

At the time we released our financial results for the 2025 financial year, we also announced a capital raising to raise up to \$21 million<sup>1</sup> by way of the offer and issue of new ordinary shares under a placement and retail offer. \$16 million will be raised under the placement, which was completed on 30 May 2025 subject to shareholder approval to be sought at the Meeting. In addition, under the retail offer, \$5 million of new shares will be offered to eligible existing shareholders who are resident in New Zealand on the record date of 11 July 2025. The retail offer opens on 17 July 2025 and is being undertaken by way of a share purchase plan under which eligible shareholders can apply for up to \$50,000 of new shares. Further information on the retail offer will be available in the offer document that will be sent to shareholders eligible to participate in the retail offer. The retail offer is conditional on the placement becoming unconditional. We look forward to discussing the rationale for, and the results of, the capital raising at the Meeting, where shareholder approval for the placement will be sought.

## Director Remuneration

The Company has undertaken a benchmarking exercise which indicated that Director remuneration, which was last approved by shareholders at the 2021 Annual Shareholders' Meeting, is significantly below market rates. However, the Board is also mindful of the Company's cash position and the rationale for the capital raising. Accordingly, the Board has decided that it will seek shareholder approval to an increase in the Director remuneration pool on the basis that, in respect of the period 1 April 2025 to 31 March 2026, any increased remuneration payable to Directors will be paid by way of the issue of shares at the same price shares were offered under the placement and the retail offer.

## Virtual Attendance

If you elect to attend the Meeting virtually, you will be able to watch the Meeting live, vote and ask questions online. Shareholders may also submit questions ahead of the Meeting. Further details on how to do so are set out in this Notice of Meeting and the Virtual Meeting Guide, which is available online at: [https://mail.cm.mpms.mufig.com/MUFG/MUFG\\_VirtualMeetingGuide.pdf](https://mail.cm.mpms.mufig.com/MUFG/MUFG_VirtualMeetingGuide.pdf)

## Proxy appointment

If you cannot attend, we encourage you to complete and lodge the attached proxy form in accordance with the instructions on the back of that form or you can appoint your proxy, and instruct your proxy how to vote, online at: [vote.cm.mpms.mufig.com/PEB](https://vote.cm.mpms.mufig.com/PEB)

## Conclusion

If you have any questions in respect of the resolutions to be voted on at the Meeting, including the resolution to approve the issue of shares under the placement and the resolution to approve the issue of shares to Directors, we suggest that you seek your own professional advice.

We look forward to welcoming you to the Meeting.

Sincerely



**Chris Gallaher**  
Chairman

### IMPORTANT DATES AND TIMES

Latest time for receipt of proxy forms / online proxy appointments and questions	<b>3pm on Monday, 4 August 2025</b>
Time for determining voting entitlement at the Meeting	<b>5pm on Monday, 4 August 2025</b>

<sup>1</sup> All figures in this notice are New Zealand dollars unless otherwise stated. Note, the specific dollar value of Shares to be issued under the Placement, if shareholder approval is obtained at the Meeting, is \$16,072,850. Accordingly, if the retail offer were to raise exactly \$5 million, the specific dollar amount to be raised under the capital raising is \$21,072,850.

## AGENDA

1. Chairman, CEO and Executive Presentations
2. Resolutions

To consider and, if thought fit, pass the following Resolutions:

- **Resolution 1:** To authorise the Directors to fix the auditors' remuneration for the ensuing year.
- **Resolution 2:** That Chris Gallaher, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.
- **Resolution 3:** That Sarah Park, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.
- **Resolution 4:** That Tony Barclay, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.
- **Resolution 5:** That the issue of 160,728,498 new Shares to Placement Participants at an issue price of \$0.10 cents per new Share under the Placement, with such new Shares to rank equally on issue with all existing Shares, be approved for all purposes, including NZX Listing Rules 4.2.1 and 5.2.1.
- **Resolution 6:** That the total annual non-executive Directors' remuneration pool be increased to \$628,000 per annum, effective from 1 April 2025 and applied retrospectively.
- **Resolution 7:** That the issue of up to 1,930,000 new Shares to non-executive Directors in lieu of the payment of additional Director remuneration in cash in respect of the period from 1 April 2025 to 31 March 2026 as described in the Explanatory Notes, with such new Shares to rank equally on issue with all existing Shares, be approved for all purposes, including NZX Listing Rule 4.2.1. For clarity, Resolution 7 is conditional on Resolution 6 being passed. If Resolution 6 is not passed, Resolution 7 will not take effect.

Further information relating to the Resolutions is set out in the Explanatory Notes.

3. To consider any other business that may properly be brought before the Meeting.

Pacific Edge's Board and Management invite attendees in Auckland to join them for light refreshments at the end of the Meeting.

A copy of the Meeting presentations will be released to the NZX and ASX on the day of the Meeting and will be available to view on the Company's website [www.pacificedgedx.com](http://www.pacificedgedx.com)

By Order of the Board of Directors



**Chris Gallaher**

Chairman

17 July 2025

**Please RSVP to the Pacific Edge Annual Shareholders Meeting via Eventbrite to help us cater for the event: <https://bit.ly/PacificEdgeASM2025>**

*Please note you do not need to RSVP to attend the event in person or online.*

## EXPLANATORY NOTES

In these Explanatory Notes, references to “Listing Rules” are to the NZX Listing Rules.

### RESOLUTION 1: AUDITORS’ REMUNERATION

Under section 207T of the Companies Act 1993, PricewaterhouseCoopers is automatically reappointed at the Meeting as auditor of the Company. Resolution 1 authorises the Board to fix the remuneration of PricewaterhouseCoopers as the Company’s auditor.

### DIRECTOR ELECTIONS AND RE-ELECTION

Independent Directors Chris Gallaher, Sarah Park and Tony Barclay, in accordance with the Listing Rules governing the tenure of Directors, are retiring by rotation and, being eligible to do so, are offering themselves for re-election at the Meeting.

In September 2024 Mr Gallaher signalled his intention to step down this year (2025). He will now be standing for re-election. Pacific Edge’s Directors extended the invitation to Mr Gallaher to remain as Chairman because they believe shareholders’ best interests are served with the continuity and stability of Mr Gallaher’s leadership while the company continues to navigate the loss of Medicare coverage for Cxbladder products.

Pacific Edge regularly reviews its Board membership to ensure that the appropriate skills, capabilities, experience, and knowledge are in place to provide effective oversight of the Company’s strategy and commercial progress.

The Board has identified the skills it believes are important to support the Company’s strategy and continued momentum. Directors’ capabilities are considered against a skills matrix (which can be found in the Company’s 2025 Annual Report), and the Board believes that the current Directors offer valuable and complementary skill sets. It is on this basis that the Board unanimously supports the re-election of Chris Gallaher, Sarah Park and Tony Barclay as Directors of the Company.

### RESOLUTION 2: RE-ELECTION OF CHRIS GALLAHER AS A DIRECTOR

FIRST APPOINTED: 1 July 2016

**BOARD RESPONSIBILITIES:** Chairman, Independent Director, Member of Audit and Risk Committee, Nominations Committee, Capital and M&A Committee and Disclosure Committee

Listing Rule 2.7.1 provides that a Director must not hold office (without re-election) past the third Annual Meeting after his or her appointment or re-election, or for three years, whichever is longer. Accordingly, Chris Gallaher retires by rotation and, being eligible, has offered himself for re-election.

Chris has held senior positions in both CEO and CFO roles with a number of large international companies and was a partner in Arthur Young, Chartered Accountants. Prior to retiring from full time corporate life, Chris was the CFO of Fulton Hogan, a large Australasian civil contractor.

Chris holds a BCom from Otago University, is a Chartered Accountant, a member of the Australian Institute of Company Directors and is Chairman and Independent Director of Links Group Holdings Limited, Mariposa Holdings Ltd and Director of the Highlanders Rugby Club Limited.

Chris has extensive financial and governance experience, an in-depth understanding of Pacific Edge, its strategy and the market it operates in. He is a valuable member of the Board.

The Board has determined that Chris Gallaher is an Independent Director for the purposes of the Listing Rules and the Board unanimously supports his re-election.

### RESOLUTION 3: RE-ELECTION OF SARAH PARK AS A DIRECTOR

FIRST APPOINTED: 6 December 2018

**BOARD RESPONSIBILITIES:** Independent Director, Member of Audit and Risk Committee and Capital and M&A Committee.

Listing Rule 2.7.1 provides that a Director must not hold office (without re-election) past the third Annual Meeting after his or her appointment or re-election, or for three years, whichever is longer. Accordingly, Sarah Park retires by rotation and, being eligible, has offered herself for re-election.

Sarah brings over 25 years of international corporate finance and capital markets experience after a professional career with PwC in NZ, HSBC Investment Bank in London, and more recently as the Managing General Partner at Even Capital. During her executive career Sarah held a wide variety of roles within capital markets including capital raising, advising on M&A and IPOs, advising and managing family office investment portfolios and as an equity research analyst.

Sarah is the co-founder of Even Capital, a VC fund focused on investing in female entrepreneurs in New Zealand and Australia. Sarah is Deputy Chair and Independent Trustee of the Board of Trustees of the National Provident Fund and is a Director of Orbis Diagnostics. Sarah has a MA(Hons) in Economics from the University of Edinburgh.

Sarah's financial, capital markets, audit & risk and governance experience across a range of sectors combined with a strong focus on diversity is of strong value to Pacific Edge as the Company continues with its growth strategy while remaining risk aware.

The Board has determined that Sarah Park is an Independent Director for the purposes of the Listing Rules and the Board unanimously supports her re-election.

#### **RESOLUTION 4: RE-ELECTION OF TONY BARCLAY AS A DIRECTOR**

FIRST APPOINTED: 21 March 2022

**BOARD RESPONSIBILITIES:** Independent Director, Audit & Risk Committee (Chair), Member of People and Culture Committee and the Capital and M&A Committee.

Listing Rule 2.7.1 provides that a Director must not hold office (without re-election) past the third Annual Meeting after his or her appointment or re-election, or for three years, whichever is longer. Accordingly, Tony Barclay retires by rotation and, being eligible, has offered himself for re-election.

Tony brings over 30 years' experience in business and 25 years healthcare experience. Tony was CFO at medical device company Fisher & Paykel Healthcare from the time of separation from Fisher & Paykel Appliances in 2001 until retiring from full-time employment in 2018. Prior to Fisher & Paykel Healthcare Tony worked for PriceWaterhouse and Arnott's Biscuits in finance roles. Tony is an Independent Director and Chairman of Baymatob PTY Limited and an Independent Director of Rua Bioscience Ltd.

Tony holds a BCom from the University of Otago and is a Chartered Accountant and a member of the New Zealand Institute of Directors and INFINZ. Tony's significant leadership experience in the healthcare sector is valued by the Board and he has proven himself to be a strong contributor.

The Board has determined that Tony Barclay is an Independent Director for the purposes of the Listing Rules and unanimously supports his re-election.

#### **RESOLUTION 5: ISSUE OF SHARES UNDER THE PLACEMENT**

Under Resolution 5, shareholders are being asked to approve a placement of 160,728,498 new fully paid ordinary shares in Pacific Edge (Shares) to investors selected by Pacific Edge (Placement Participants), including to certain related party participants, at an issue price of \$0.10 per Share (Placement).

The Placement was completed on 30 May 2025 with applications for \$16,072,850 of new Shares accepted by Pacific Edge, with allotment under the Placement conditional on shareholder approval and regulatory relief. The regulatory relief condition to the Placement was satisfied on 12 June 2025 when Pacific Edge obtained a waiver from Listing Rule 4.19.1 to permit it to allot Shares under the Placement following the Meeting. The shareholder approval condition to the Placement will be satisfied if Resolution 5 is approved at the Meeting.

As announced to the market at the end of May 2025, Pacific Edge also intends to offer \$5 million of new Shares to eligible existing shareholders resident in New Zealand by way of a share purchase plan (Retail Offer), with an ability to scale applications or accept over subscriptions under the Retail Offer at Pacific Edge's sole discretion. If applications for Shares under the Retail Offer are scaled, Pacific Edge will scale back the number of Shares allotted under the Retail Offer according only to the number of Shares held by applicants at 7.00pm on 11 July 2025, being the record date for the Retail Offer. The Retail Offer will open on 17 July 2025 and close on 31 July 2025, with allotment under the Retail Offer conditional on the Placement becoming unconditional.

## LISTING RULE REQUIREMENTS

Shareholder approval to the issue of new Shares under the Placement is required under Listing Rules 4.2.1 and 5.2.1.

Listing Rule 4.1.1 requires share issues to be approved by ordinary resolution in accordance with Listing Rule 4.2.1, unless an exception applies under the Listing Rules. The exception for placements under Listing Rule 4.5.1, under which Pacific Edge is broadly able to issue, on a non pro rata basis, new Shares representing up to 15% of its existing Shares in any 12-month period, does not apply to the Placement because the number of new Shares to be issued under the Placement exceeds 15% of the existing Shares on issue. As no other exceptions apply to the Placement, shareholder approval is therefore being sought for the issue of Shares under the Placement under Listing Rule 4.2.1. For clarity, all Shares issued under the Placement (if shareholders approve Resolution 5) will be issued under Listing Rule 4.2.1 (and no Shares will be issued under Listing Rule 4.5.1). This means that the Placement does not affect the Company's 15% placement capacity under Listing Rule 4.5.1.

Listing Rule 5.2.1 requires that Pacific Edge must not enter into a "Material Transaction" if a "Related Party" (as such terms are defined in the Listing Rules) is, or is likely to become, a direct party to the Material Transaction, unless that the Material Transaction is approved by an ordinary resolution of shareholders, or conditional on such approval.

The issue of Shares under the Placement is a Material Transaction for Pacific Edge because it involves the issue by Pacific Edge of Shares having a market value (~\$16 million) that is more than 10% of Pacific Edge's Average Market Capitalisation of \$66.8 million on the date of the announcement of the Placement to the market (see paragraph (b) of the definition of Material Transaction in the Listing Rules).

The issue of Shares under the Placement is a transaction to which Related Parties will be direct parties, because the Placement Participants include the following Related Parties of Pacific Edge:

- ANZ New Zealand Investments Limited, which is a Related Party of Pacific Edge because it holds a Relevant Interest in 10% or more of the Shares on issue (see paragraph (b) of the definition of Related Party in the Listing Rules). ANZ New Zealand Investments Limited has subscribed for 50,000,000 Shares under the Placement;
- Harbour Asset Management Limited, which is a Related Party of Pacific Edge because it holds a Relevant Interest in 10% or more of the Shares on issue (see paragraph (b) of the definition of Related Party in the Listing Rules). Harbour Asset Management Limited has subscribed for 25,661,020 Shares under the Placement; and
- Masfen Securities Limited, which is a Related Party of Pacific Edge because it is an Associated Person (as defined in the Listing Rules) of Anatole Masfen, who is a Director of Pacific Edge (see paragraph (c) of the definition of Related Party in the Listing Rules). Masfen Securities Limited has subscribed for 50,000,000 Shares under the Placement.

Accordingly, shareholder approval is also being sought for the issue of Shares under the Placement under NZX Listing Rule 5.2.1, because the Placement is a Material Transaction with Related Parties. In aggregate, the Related Parties set out above have subscribed for 125,661,020 Shares under the Placement.

Given the Placement was not underwritten, the Board considered it was in the best interests of the Company to undertake the Placement under trading halt immediately following the announcement of the capital raise to maximise the price at which the Placement could be undertaken and the level of investor participation in the Placement. It was not considered appropriate to seek shareholder approval prior to the Placement being launched, as that would have required public disclosure and resulted in a 2 to 4 week period (aligning with the notice period for the Meeting) during which the uncertainty surrounding the outcome of the capital raise could have had a destabilising effect on the Company's share price and by extension a negative effect on the amount of capital the Company would have been able to raise under the capital raise.

## KEY TERMS OF THE PLACEMENT

The new Shares to be issued under the Placement will be issued at a price of \$0.10 per Share, which reflects an 18% premium to the 20-day volume weighted average price on the NZX of \$0.085 per share on 29 May 2025 (being the day prior to the date on which the Placement was publicly announced through NZX), and a 22% premium to the last closing price on the NZX of \$0.082 per share on 29 May 2025.

The issue of Shares under the Placement is conditional on Resolution 5 being approved at the Meeting. If Resolution 5 is approved, the Shares to be issued under the Placement, together with the Shares to be issued under the Retail Offer, are intended to be allotted on 13 August 2025. The new Shares to be issued under the Placement and Retail Offer will rank equally in all respects with Pacific Edge's existing Shares then on issue.



## INDEPENDENT REPORT

This Notice of Meeting is accompanied by an appraisal report from Simmons Corporate Finance, as independent appraiser, attached as Appendix A (Independent Report).

The Independent Report is required by Listing Rule 7.8.8(b), which requires that a notice of meeting to approve entry into a Material Transaction with a Related Party who is, or is likely to become, a direct party to the Material Transaction, be accompanied by an appraisal report. Listing Rule 7.10.2 provides that an appraisal report must, amongst other things, be expressed to be for the benefit of those shareholders who are not associated with the relevant Associated Persons. The appraisal report must state the independent appraiser's opinion, with supporting reasons, as to whether the proposed transaction is fair to shareholders, other than the relevant Associated Persons.

Consistent with the above requirements, the Independent Report prepared by Simmons Corporate Finance is expressed to be for the benefit of shareholders who are not associated with the Placement Participants and contains Simmons Corporate Finance's conclusion that the terms and conditions of the Placement of Shares to the Placement Participants who are Related Parties of Pacific Edge (as identified above) is fair to shareholders who are not associated with those Related Parties (Non-associated Shareholders) (see sections 1.6, 2.2 and 2.4 of the Independent Report).

In sections 2.9 and 2.10 of the Independent Report, Simmons Corporate Finance notes that:

- The main advantage to Non-associated Shareholders of the Placement of Shares to the Placement Participants who are Related Parties of Pacific Edge, is that is an integral component of the Company's capital raise - which will fund Pacific Edge's ongoing financial requirements and growth initiatives.
- The main disadvantage to Non-associated Shareholders is that the capital raise (including the Placement of Shares to Placement Participants who are Related Parties of Pacific Edge) will potentially dilute their interests in the Company.
- In Simmons Corporate Finance's view, the advantage of significantly increasing the Company's cash reserves outweighs the potential dilutionary impact of the capital raise (including the Placement of Shares to Placement Participants who are Related Parties of Pacific Edge).

This is a summary only, and reflects only some of the conclusions reached in the Independent Report. The Directors, other than Anatole Masfen (who abstains from providing a recommendation in respect of Resolution 5, given that Masfen Securities Limited is a Placement Participant), recommend that you carefully read the Independent Report before deciding how to vote on Resolution 5.

## USE OF PROCEEDS

The gross proceeds to be received by Pacific Edge from the Placement and Retail Offer (assuming \$5 million is raised under the Retail Offer) will be ~\$21 million (unless the Directors, in their discretion, choose to accept oversubscriptions under the Retail Offer).<sup>1</sup>

The gross proceeds received will be used to (in order of priority):

- a) extend Pacific Edge's cash runway to support operations for over 12 months without Medicare coverage and reimbursement or reductions in Pacific Edge's cost base (assuming at least \$20 million is raised under the Placement and Retail Offer to add to net cash of \$22.6 million at 31 March 2025 and an average monthly cash burn of less than \$2.6 million);
- b) accelerate the adoption of Triage in the US with AUA Guidelines as a tailwind for sales, marketing and reimbursement;
- c) continue clinical evidence generation in an Analytical Validation, Clinical Validation and Clinical Utility framework for coverage, guidelines and medical policy for Triage Plus and Monitor Plus; and
- d) invest in innovation and product development for in-vitro diagnostic (IVD) kits to support entry into international markets in a de-centralized deployment model.

## RESOLUTION REQUIRED

Resolution 5 is being proposed as an ordinary resolution to satisfy the requirements of the Listing Rules. Voting requirements and restrictions for Resolution 5 are set out in the Important Information section of this Notice of Meeting.

<sup>1</sup> All figures in this notice are New Zealand dollars unless otherwise stated. Note, the specific dollar value of Shares to be issued under the Placement, if shareholder approval is obtained at the Meeting, is \$16,072,850. Accordingly, if the retail offer were to raise exactly \$5 million, the specific dollar amount to be raised under the capital raising is \$21,072,850.

## EFFECT OF RESOLUTION 5 NOT BEING PASSED

If Resolution 5 is not passed, the issue of Shares under the Placement (which is conditional on shareholder approval to the Placement being obtained) and under the Retail Offer (which is conditional on the Placement becoming unconditional) will not take place.

If Pacific Edge is unable to complete the Placement and Retail Offer, the Company will not receive additional cash under those capital raising initiatives. As at 31 March 2025, Pacific Edge's balance date, the Company had net cash of \$22.6 million, which (absent raising capital under the Placement and Retail Offer) would provide enough cash for Pacific Edge to carry on its operations for only 6 to 9 months from that date. This means that, if the Placement is not approved by shareholders, Pacific Edge will likely need to undertake a significant restructure of its business to substantially reduce costs and there will be a risk to the ongoing commercial and financial viability of Pacific Edge. This may result in investors losing some or all of their investment.

## IMPACT ON SHAREHOLDERS

Resolution 5 involves the issue of Shares. If the Resolution is passed, then dilution will occur in respect of the percentage shareholdings of those shareholders who are not Placement Participants. Shareholders who have subscribed for Shares under the Retail Offer will increase the number of Shares that they hold which will assist to mitigate the dilutionary effect of the Placement (albeit the level of dilution, if any, for any Shareholder who participates in the Retail Offer will depend on their existing shareholding and the number of Shares applied for and issued to the shareholder under the Retail Offer).

Certain examples of the dilutionary effect on:

- a Shareholder that does not participate in the Placement but does participate in the Retail Offer; and
- a Shareholder that does not participate in either the Placement or the Retail Offer,

are set out in the following table:<sup>2</sup>

	# of shares	% of shares on issue	Dilutionary effect
Shares on issue prior to Placement	811,915,974	100%	N/A
Total shares approved for issue under Placement	160,728,498	19.80%	N/A
Total shares approved for issue under Retail Offer <sup>3</sup>	50,000,000	6.16%	N/A
Example shareholder holding pre Placement and Retail Offer	2,000,000	0.25%	N/A
Example shareholder – full Retail Offer uptake	500,000	0.24%	- 0.76%
Example shareholder – no Retail Offer uptake	0	0.20%	- 20.60%

For further information, see Simmons Corporate Finance's assessment of the dilutionary impact of the Placement set out in section 2.7 of the Independent Report.

## THE DIRECTORS RECOMMEND SHAREHOLDERS VOTE IN FAVOUR OF RESOLUTION 5

The Directors, other than Anatole Masfen (who abstains from providing a recommendation in respect of Resolution 5, given that Masfen Securities Limited is a Placement Participant), fully support the and unanimously recommend that shareholders vote in favour of Resolution 5 at the Meeting. Those Directors believe that the Placement (and the Retail Offer which is subject to the Placement becoming unconditional) is the best way to ensure Pacific Edge has the resources and capacity to capitalize on its recent clinical and commercial milestones, grow in non-Medicare channels and regain Medicare coverage.

## RESOLUTION 6: DIRECTOR REMUNERATION

Pacific Edge is committed to offering competitive Director fees to attract and retain high-quality, appropriately skilled Directors who can best contribute to the Company's success. However, the current fee structure has not been reviewed since 2021.

<sup>2</sup> This table does not take into account (in terms of Share numbers and dilutionary effect) any Shares to be issued to Directors under Resolution 7.

<sup>3</sup> Assuming the total value of Shares issued under Retail Offer is \$5 million at \$0.10 per Share. The Board reserves the right to accept oversubscriptions. If this occurs, then more than \$5 million of Shares will be issued under the Retail Offer, which will increase the dilutionary impact of the Retail Offer.



A review of Director remuneration completed by Pacific Edge in late 2024 highlighted that Pacific Edge's Director fees have fallen significantly behind market benchmarks. Specifically, Pacific Edge understands that the base fees for NZX-listed company Directors are, on average, 33% higher than those currently paid by Pacific Edge. The gap is even wider—approximately 40%—for comparable Chair roles. In addition, Committee Chairs and members are not currently being adequately compensated for their responsibilities and time commitment.

Under Listing Rule 2.11, any increase in Director remuneration requires shareholder approval by ordinary resolution.

The Board has carefully considered the findings of the review, alongside the performance, responsibilities, and skills required of Directors—particularly in light of Pacific Edge's LCD recovery strategy and global commercial ambitions. The Board also recognises that Director remuneration remaining uncompetitive poses a material risk for Director recruitment.

Accordingly, the Board recommends increasing the total annual pool available for non-executive Director fees to **\$628,000 per annum**.

It is the Board's intention to allocate this pool in a fair and transparent manner based on role and responsibility, as outlined below:

Role	Current Director Fees	Proposed Director Fees from 1 April 2025	Percentage Increase
Chair x1	115	160	39%
Deputy Chair x1	70	90	29%
Director x4	60	80	33%
ARC Chair	10	22	120%
P & C Chair		12	N/A
Committee member x4		6	N/A
Special Governance Allocation	30		N/A
<b>Total</b>	<b>\$465k</b>	<b>\$628k</b>	<b>35%</b>

The proposed increase is designed to bring Pacific Edge into alignment with market expectations, ensure fair and reasonable compensation, and support the attraction and retention of qualified and experienced Directors.

If the increase is approved at the Meeting, all changes will be **effective from 1 April 2025** and applied retrospectively from that date (being the first date of the Company's FY26 financial year).

Importantly, the Board is mindful of the Company's cash position and the rationale for the capital raising. Accordingly, the Board has decided that it will seek shareholder approval to an increase in the Director remuneration pool on the basis that, in respect of the period 1 April 2025 to 31 March 2026, any increased remuneration payable to Directors will be paid by way of the issue of Shares at a nominal price equivalent to the price Shares were offered under the Placement and the Retail Offer, by way of Resolution 7. See below for further information.

## RESOLUTION 7: ISSUE OF SHARES TO DIRECTORS

As noted above, the Board proposes that, if shareholders approve the increase in Director remuneration contemplated by Resolution 6, the additional remuneration for the period 1 April 2025 to 31 March 2026 will not be paid in cash but, rather, will be satisfied by way of the issue of Shares. Resolution 7 seeks shareholder approval of that proposal.

## LISTING RULES REQUIREMENT

Shareholder approval to the issue of new Shares to Directors under Resolution 7 is required under Listing Rule 4.2.1.

Listing Rule 4.1.1 requires share issues to be approved by ordinary resolution in accordance with Listing Rule 4.2.1, unless an exception applies under the Listing Rules. There is no relevant exception that would apply to the proposed terms of the Share issue.

## KEY TERMS

Shareholders are being asked to approve the issue of up to 1,930,000 new fully paid ordinary shares in Pacific Edge to non-executive Directors.

If Resolution 6 is passed, it is proposed that Shares will be issued to Directors in recognition of the fact that shareholders have approved an increase in Director remuneration but that this increase will not be paid in cash for the period 1 April 2025 to 31 March 2026. Rather, Shares will be issued to Directors in lieu of a cash payment of the amount of the increase. The number of Shares to be issued will be calculated as the amount of the increase approved under Resolution 6 for each non-executive Director divided by a nominal issue price of \$0.10 per Share. This is the same as the issue price for Shares to be issued under the Placement and the Retail Offer.

The additional Shares that are proposed to be issued to non-executive Directors are as follows:

Director	Current Fee*	Proposed Fee if Resolution 6 is passed*	Increased Fee	Number of Shares at (calculated at \$0.10 per Share)
Chris Gallaher (Chair)	\$115,000	\$160,000	\$45,000	450,000
Bryan Williams (Deputy Chair)	\$70,000	\$90,000	\$20,000	200,000
Tony Barclay (ARC Chair)	\$70,000	\$108,000	\$38,000	380,000
Anna Stove (P & C Chair)	\$60,000	\$98,000	\$38,000	380,000
Sarah Park	\$60,000	\$86,000	\$26,000	260,000
Anatole Masfen	\$60,000	\$86,000	\$26,000	260,000
<b>Total</b>	<b>\$435,000</b>	<b>\$628,000</b>	<b>\$193,000</b>	<b>1,930,000**</b>

\*Including fees for being a member/chair of relevant Board committees.

\*\*The total number of Shares to be issued to Directors is subject to any 'net settlement' for tax, as described below.

The Shares to be issued under Resolution 7 are intended to be allotted on 13 August 2025, being the date on which Shares are expected to be allotted under the Placement and the Retail Offer. New Shares issued to Directors under Resolution 7 will rank equally in all respect with Pacific Edge's existing Shares then on issue.

## NET SETTLEMENT

If any tax is payable by a Director or the Company (in respect of a Director) as a consequence of the issue of Shares under Resolution 7, the Company may, prior to issuing the Shares to a Director, reduce the number of Shares issued to that Director by the relevant tax amount divided by \$0.10 per Share, and then pay that tax amount on behalf of the Director.

For example, if a Director was entitled to be issued 100,000 Shares under Resolution 7 and the Director was required to pay \$3,300 in tax in respect of that Share issue, then (unless otherwise agreed between the Director and the Company), Pacific Edge would reduce the number of Shares to be issued to that Director by 33,000 (being \$3,300 divided by \$0.10). As a result, Pacific Edge would issue 67,000 Shares to that Director and pay \$3,300 of tax on behalf of that Director.

## CASH REPAYMENT

To reflect the position that the Shares issued to Directors under Resolution 7 are intended to be issued to Directors on 13 August 2025, rather than after 31 March 2026, Shares will be issued on the basis (as recorded in writing in an agreement between each Director and the Company) that if a Director ceases to hold office as a member of the Board before 31 March 2026, the Director must repay to the Company in cash a proportion of the value of the Shares allotted to the Director (at the nominal issue price of \$0.10 per Share), pro rata to the period between 1 April 2025 and 31 March 2026 for which the Director does not hold office.

For example, if a Director was issued 100,000 Shares (having a value, at the nominal issue price of \$0.10 per Share, of \$10,000) and the Director ceased to be a Director on 30 September 2025, then the Director would have only held office for 50% of the period between 1 April 2025 and 31 March 2026. Accordingly, the Director would be required to repay 50% of the value of the Shares (at the nominal issue price of \$0.10 per Share) to Pacific Edge in cash, being a repayment of \$5,000.

## INDEPENDENT REPORT

In addition to the issue of Shares under the Placement, the Independent Report also addresses the issue of Shares to Directors under Resolution 7.

The Independent Report is required by Listing Rule 7.8.5(b), which requires that a notice of meeting to approve a share issue where more than 50% of the shares are to be issued to Directors be accompanied by an appraisal report.

As noted above, Listing Rule 7.10.2 provides that an appraisal report must, amongst other things, be expressed to be for the benefit of those shareholders who are not associated with the relevant Associated Persons. The appraisal report must state the independent appraiser's opinion, with supporting reasons, as whether the proposed transaction is fair to shareholders, other than the relevant Associated Persons.

Consistent with the above requirements, the Independent Report prepared by Simmons Corporate Finance is expressed to be for the benefit of shareholders who are not associated with the Directors and contains Simmons Corporate Finance's conclusion that the terms and conditions of the proposed issue of Shares to Directors under Resolution 7 are fair to shareholders who are not associated with the Directors (Non-director Shareholders) (see sections 1.6, 3.2 and 3.4 of the Independent Report).

In sections 3.9 and 3.10 of the Independent Report, Simmons Corporate Finance notes that:

- The main advantage to Non-director Shareholders of the issue of Shares to Directors under Resolution 7 is that it will preserve up to \$193,000 of the Company's cash resources in the 2026 financial year.
- The main disadvantage to Non-director Shareholders of the issue of Shares to Directors under Resolution 7 is that it will dilute their interests in the Company by up to 0.2%.
- The dilutionary impact of the issue of Shares to Directors under Resolution 7 is insignificant. Simmons Corporate Finance concludes that the advantage of preserving the Company's cash reserves outweighs the minimal dilutionary impact of the issue of Shares to Directors.

This is a summary only, and reflects only some of the conclusions reached in the Independent Report. The Directors recommend that you carefully read the Independent Report before deciding how to vote on Resolution 7.

## RESOLUTION REQUIRED

Resolution 7 is being proposed as an ordinary resolution to satisfy the requirements of the Listing Rules. Voting requirements and restrictions for Resolution 7 are set out in the Important Information section of this Notice of Meeting.

## EFFECT OF RESOLUTION 7 NOT BEING PASSED

Resolution 7 is conditional on Resolution 6 being passed. If Resolution 6 is not passed, Resolution 7 will not take effect. If Resolution 6 is passed and Resolution 7 is not passed, the issue of Shares to Directors under Resolution 7 will not take place and the increase in Director remuneration authorised by Resolution 6 will, in respect of the period 1 April 2025 to 31 March 2026 (and future periods), be paid in cash.

## IMPACT ON SHAREHOLDERS

Resolution 7 involves the issue of Shares. If the Resolution is passed, then dilution will occur in respect of the percentage shareholdings of those shareholders who are not Directors. As noted above, Simmons Corporate Finance assesses the dilutionary effect on Non-director Shareholders of the issue of up to 1,930,000 Shares to Directors to be up to 0.2%.

## NZ REGCO REVIEW

NZ RegCo has confirmed that it has no objection to this Notice of Meeting, but takes no responsibility for any statement made in, or accompanying, this Notice of Meeting.

## IMPORTANT INFORMATION

### ATTENDING THE MEETING

Shareholders will be able to attend the Meeting in person or, alternatively, will be able to attend and participate at the Meeting virtually via an online platform provided by Pacific Edge's share registrar MUFG Pension & Market Services (formerly Link Market Services) at: [www.virtualmeeting.co.nz/peb25](http://www.virtualmeeting.co.nz/peb25)

Shareholders attending and participating in the Meeting virtually via the online platform will be able to vote and ask questions during the Meeting. More information regarding virtual attendance at the Meeting (including how to vote and ask questions virtually during the Meeting) is available in the Virtual Meeting Guide, which is available at: [https://mail.cm.mpms.mufg.com/MUFG/MUFG\\_VirtualMeetingGuide.pdf](https://mail.cm.mpms.mufg.com/MUFG/MUFG_VirtualMeetingGuide.pdf)

If you propose to attend the Meeting please bring the proxy form enclosed with this Notice of Meeting intact to the Meeting, as it contains a barcode required for registration at the Meeting.

If you propose to attend the Meeting online via [www.virtualmeeting.co.nz/peb25](http://www.virtualmeeting.co.nz/peb25) you will require your shareholder number for verification purposes.

### VOTING

All of the Resolutions are ordinary resolutions. An ordinary resolution is required to be passed by a simple majority of the votes of shareholders entitled to vote and voting on the resolution.

The only persons entitled to vote at the Meeting are registered shareholders (or their proxies or representatives) as at 5.00pm on Monday, 4 August 2025, subject to the voting restrictions set out below under "Voting Restrictions". Only the shares registered in those shareholders' names at that time may be voted at the Meeting.

Voting can be done in three ways:

1. by attending the Meeting and voting in person;
2. by participating in the Meeting and voting online; or
3. by appointing a proxy to vote on your behalf at the Meeting.

### VOTING RESTRICTIONS

There are no shareholder voting restrictions on Resolutions 1 to 4.

In accordance with Listing Rule 6.3.1, Pacific Edge will disregard any votes cast in favour of Resolution 5 by any Placement Participant and any "Associated Person" (as defined in the Listing Rules) of a Placement Participant. Any discretionary proxies on Resolution 5 given to Placement Participants or their Associated Persons will not be valid. Such persons may, however, vote non-discretionary proxies on Resolution 5 where the relevant shareholder has indicated on the proxy form how the shareholder wishes that person (as proxy) to vote on Resolution 5.

In accordance with Listing Rule 6.3.1, Pacific Edge will disregard any votes cast in favour of Resolutions 6 and 7 by any non-executive Directors or any Associated Person of any non-executive Directors. Any discretionary proxies on Resolutions 6 and 7 given to non-executive Directors or their Associated Persons will not be valid. Such persons may, however, vote non-discretionary proxies on Resolution 6 and/or 7 (as applicable) where the relevant shareholder has indicated on the proxy form how the shareholder wishes that person (as proxy) to vote on Resolution 6 and/or 7 (as applicable).

### PROXIES, CORPORATE REPRESENTATIVES AND POWER OF ATTORNEY

Any shareholder may appoint another person as proxy to attend, and vote on their behalf at, the Meeting. If a shareholder wishes to appoint a proxy to attend and vote in their place, that shareholder should complete and return the proxy form in accordance with the instruction on the form, or lodge their proxy appointment online. If you wish to appoint a proxy online, you will need to go to the website of our share registrar, MUFG Pension & Market Services at [vote.cm.mpms.mufg.com/PEB](http://vote.cm.mpms.mufg.com/PEB). You will be required to enter your CSN/Holder number and FIN and follow the instructions from there.

If you do not name a person as your proxy but have indicated on your proxy form how you wish to vote or if your named proxy does not attend the Meeting, the Chair of the Meeting will act as your proxy. If this occurs, the Chair of the Meeting will vote as your proxy on the basis set out on in this Notice of Meeting and the proxy form.

A proxy does not have to be a shareholder in the Company.

Any of the joint holders of a share may sign the proxy form, in which case the joint holder is deemed to have confirmed that they are duly authorised to do so on behalf of all other joint holders.

The Chair of the Meeting and Chief Executive Officer offer themselves as proxy to shareholders and, if given discretion, will vote in favour of the Resolutions (except that if the Chair of the Meeting is a Director, the Chair of the Meeting will not vote undirected proxies on Resolutions 6 and 7).

A corporation that is a shareholder may appoint a representative to attend the Meeting on its behalf in the same manner as that which it could appoint a proxy. Corporate representatives should bring along to the Meeting evidence of their authority to act for the relevant corporation. Any person representing a shareholder(s) by virtue of a power of attorney must bring evidence of their authority to vote on behalf of the shareholder(s) and power of attorney.

Proxy forms or online proxy appointments must be received by MUFG Pension & Market Services by **3pm on Monday, 4 August 2025.**

Proxy forms can be lodged by:

- Post to: MUFG Pension & Market Services, PO Box 91976, Auckland 1142
- Deliver in person to: MUFG Pension & Market Services, Level 30, PwC Tower, 15 Customs Street West, Auckland 1010
- Email to: [meetings.nz@cm.mpms.mufg.com](mailto:meetings.nz@cm.mpms.mufg.com)
- Lodged online: [vote.cm.mpms.mufg.com/PEB](https://vote.cm.mpms.mufg.com/PEB)

## SHAREHOLDER QUESTIONS

Pacific Edge offers the facility for shareholders to submit questions to the Board in advance of the Meeting. Questions should be relevant to matters at the Meeting, including matters arising from the financial statements, general questions regarding the performance of Pacific Edge, and questions with regard to the Resolutions. There will also be the opportunity for shareholders to ask questions online during the Meeting.

Please submit questions by completing the section on the proxy form or online, or by email to [investors@pacificedge.co.nz](mailto:investors@pacificedge.co.nz) by 3pm on Monday, 4 August 2025. Please write 'Questions from Shareholders' in the subject line of the email.

## PRESENTATIONS AND PACIFIC EDGE FY25 ANNUAL REPORT

The Meeting presentations and voting results will be released to the NZX and published on the Company website at: [www.pacificedgedx.com/investors/shareholder-meetings/](https://www.pacificedgedx.com/investors/shareholder-meetings/)

A copy of Pacific Edge's latest Annual Report is publicly available, and copies of future Shareholder Reports will be available, on the Company website at: [www.pacificedgedx.com/investors/investor-center/](https://www.pacificedgedx.com/investors/investor-center/)

You may, at any time, request a free copy of the most recent and future Annual Reports. If you wish to do so, please update your communication preferences by visiting the MUFG Pension & Market Services Investor Centre at [nz.investorcentre.mpms.mufg.com](https://nz.investorcentre.mpms.mufg.com)

Alternatively, your request can be emailed to [operations.nz@cm.mpms.mufg.com](mailto:operations.nz@cm.mpms.mufg.com) (Please use "PEB Annual Report" as the subject line for easy identification) or by contacting MUFG Pension & Market Services (formerly Link Market Services) on +64 9 375 5998.



**PacificEdge**  
CANCER DIAGNOSTICS

## **APPENDIX 1**

### **Appraisal Report from Simmons Corporate Finance**



# Pacific Edge Limited

## Appraisal Report

### In Respect of:

- the Placement of 125,661,020 New Fully Paid Ordinary Shares to 3 Related Parties
- the Issue of up to 1,930,000 New Fully Paid Ordinary Shares to Non-executive Directors

*July 2025*

## Index

Section	Page
1. Introduction .....	1
2. Evaluation of the Fairness of the Related Parties Placement.....	6
3. Evaluation of the Fairness of the Directors Share Issue.....	17
4. Profile of Pacific Edge Limited .....	23
5. Sources of Information, Reliance on Information, Disclaimer and Indemnity .....	30
6. Qualifications and Expertise, Independence, Declarations and Consents .....	32

## 1. Introduction

### 1.1 Background

Pacific Edge Limited (**Pacific Edge** or the **Company**) is a global cancer diagnostics company leading the way in the development and commercialisation of bladder cancer diagnostic and prognostic tests for patients presenting with hematuria or surveillance of recurrent disease.

Headquartered in Dunedin, the Company provides its suite of *Cxbladder* tests globally through its wholly owned and Clinical Laboratory Improvement Amendments (**CLIA**) certified laboratories in New Zealand and the USA.

Pacific Edge's shares are listed on the main equities securities market (the **NZX Main Board**) operated by NZX Limited (**NZX**) with a market capitalisation of approximately \$81 million as at 7 July 2025.

Pacific Edge's shares are also listed on the Australian Securities Exchange (**ASX**).

The Company's audited total equity as at 31 March 2025 was approximately \$26 million.

A profile of Pacific Edge is set out in section 4.

### 1.2 Capital Raise

#### *Overview*

On 29 May 2025, Pacific Edge announced an offer to raise \$20 million (the **Capital Raise**), consisting of:

- a placement of \$15 million of new fully paid ordinary shares at an issue price of \$0.10 per share, to be offered to selected investors (the **Placement**)
- an offer of \$5 million of new fully paid ordinary shares at an issue price of \$0.10 per share to retail investors, by way of a share purchase plan (the **SPP**).

Pacific Edge stated that it may accept oversubscriptions in both the Placement and the SPP at its sole discretion.

The purpose of the Capital Raise is to ensure Pacific Edge has the cash reserves to capitalise on its recent clinical and commercial milestones, grow in non-Medicare channels and regain Medicare coverage of its tests.

#### *Placement*

The Company completed the Placement on 30 May 2025, raising approximately \$16.1 million from the placement of 160,728,498 new fully paid ordinary shares to 12 shareholders (the **Placement Participants**).

The amount raised was approximately \$1.1 million more than the Company sought after the board of directors (the **Board**) resolved to accept oversubscriptions.

Shareholder approval is required to complete the Placement as the Placement exceeds Pacific Edge's placement capacity (15% of Pacific Edge's current shares on issue) and due to the presence of related party participation in the Placement.

### **Related Parties**

Three of the Placement Participants are deemed to be associated parties of Pacific Edge:

- ANZ New Zealand Investments Limited (**ANZ**)
- Harbour Asset Management Limited (**Harbour**)
- Masfen Securities Limited (**Masfen Securities**).

ANZ currently holds 14.72% of the Company's shares (prior to the Placement). ANZ subscribed for 50,000,000 new fully paid ordinary shares under the Placement, representing an outlay of \$5.0 million. ANZ is a Related Party of Pacific Edge under the NZX Listing Rules (the **Listing Rules**) as it has a Relevant Interest in more than 10% of the Company's shares.

Harbour currently holds 12.24% of the Company's shares (prior to the Placement). Harbour subscribed for 25,661,020 new fully paid ordinary shares under the Placement, representing an outlay of approximately \$2.6 million. Harbour is a Related Party of Pacific Edge under the Listing Rules as it has a Relevant Interest in more than 10% of the Company's shares.

Masfen Securities currently holds 3.71% of the Company's shares prior to the Placement. It subscribed for 50,000,000 new fully paid ordinary shares under the Placement, representing an outlay of \$5.0 million. Masfen Securities is a Related Party of Pacific Edge under the Listing Rules as it is an Associated Person of Company director Anatole Masfen.

We refer to ANZ, Harbour and Masfen Securities collectively as the **Related Parties** and the placement of a total of 125,661,020 new fully paid ordinary shares to the Related Parties under the Placement as the **Related Parties Placement**.

We note for the sake of clarity that while ANZ, Harbour and Masfen Securities are each a Related Party of Pacific Edge, there is nothing to suggest that they are Related Parties of each other.

### **1.3 Issue of Shares to Non-executive Directors**

Pacific Edge has undertaken a benchmarking exercise which indicated that its directors' remuneration is significantly below market rates.

However, the Board is mindful of the Company's cash position and accordingly has decided that it will seek shareholder approval to an increase in the director remuneration pool on the basis that in respect of the period from 1 April 2025 to 31 March 2026, any increased remuneration payable to directors will be paid by way of the issue of shares at the same price as shares were offered under the Capital Raise.

The Company proposes to issue up to 1,930,000 new fully paid ordinary shares to non-executive directors in lieu of the payment of additional director remuneration in cash in respect of the period from 1 April 2025 to 31 March 2026 (the **Directors Share Issue**).

## 1.4 Annual Meeting of Shareholders

Pacific Edge is holding its annual meeting of shareholders on 6 August 2025, where the Company will seek shareholder approval of resolutions in respect of:

- the Placement (including the Related Parties Placement) (resolution 5 – the **Placement Resolution**)
- the Directors Share Issue (resolution 7 – the **Directors Share Issue Resolution**).

The Placement Resolution and the Directors Share Issue Resolution are ordinary resolutions.

An ordinary resolution is a resolution passed by a simple majority of votes of those shareholders entitled to vote and voting on the resolution in person or by proxy.

None of the 12 Placement Participants (including the Related Parties) or their Associated Persons (as defined in the Listing Rules) are permitted to vote on the Placement Resolution.

None of the Company's directors or their Associated Persons (as defined in the Listing Rules) are permitted to vote on the Directors Share Issue Resolution.

The Company's shareholders will also vote on ordinary resolutions in respect of:

- the Company's auditors' remuneration (resolution 1)
- the re-election of Chris Gallaher as a director (resolution 2)
- the re-election of Sarah Park as a director (resolution 3)
- the re-election of Tony Barclay as a director (resolution 4)
- an increase in the total annual non-executive directors remuneration pool to \$628,000, effective from 1 April 2025 (resolution 6 – the **Directors Remuneration Resolution**).

Voting on the Directors Share Issue Resolution is dependent on the Directors Remuneration Resolution being approved.

## 1.5 Regulatory Requirements for this Appraisal Report

### **Placement**

Listing Rule 5.2.1 stipulates that an Issuer must not enter into a Material Transaction if a Related Party is a party to the Material Transaction or to one of a related series of transactions of which the Material Transaction forms part unless the Material Transaction is approved by way of an ordinary resolution from shareholders not associated with the Related Party.

The Placement is a Material Transaction because it represents an issue of equity securities with a market value of approximately \$16.1 million, which is in excess of 10% of the Company's Average Market Capitalisation on the date of the announcement of the Placement to the market.

As discussed in section 1.2, the Related Parties are Related Parties of Pacific Edge as:

- ANZ and Harbour each hold more than 10% of the Company's shares
- Masfen Securities is associated with Company director Anatole Masfen.

Listing Rule 7.8.8 (b) requires an Appraisal Report to be prepared where a meeting will consider a resolution required by Listing Rule 5.2.1 (ie in respect of the Related Parties Placement).

In addition, shareholder approval of the Placement is required under Listing Rule 4.2.1 because the number of shares to be issued under the Placement will exceed 15% of the Company's shares on issue at the beginning of the previous 12 months.

### **Directors Share Issue**

Listing Rule 4.1.1 stipulates that an Issuer must only issue Equity Securities with approval by ordinary resolution in accordance with Listing Rule 4.2.1, unless an exception applies under the Listing Rules. There is no relevant exception that would apply to the proposed terms of the Directors Share Issue.

Listing Rule 7.8.5 (b) requires an Appraisal Report to be prepared where a meeting will consider a resolution in respect of the issue of Financial Products (ie the Directors Share Issue) as required by Listing Rule 7.8.4 and more than 50% of the Financial Products to be issued are intended or likely to be acquired by Directors or Associated Persons of Directors.

## **1.6 Summary of Opinion**

### **Placement**

Our evaluation of the fairness of the Related Parties Placement as required under the Listing Rules is set out in section 2.

In our opinion, after having regard to all relevant factors, the terms and conditions of the Related Parties Placement are fair to the Company's shareholders not associated with the Related Parties (the **Non-associated Shareholders**).

### **Directors Share Issue**

Our evaluation of the fairness of the Directors Share Issue as required under the Listing Rules is set out in section 3.

In our opinion, after having regard to all relevant factors, the terms and conditions of the Directors Share Issue are fair to the Company's shareholders not associated with the Company's directors (the **Non-director Shareholders**).

## **1.7 Purpose of the Report**

The Company's directors not associated with the Related Parties, being Tony Barclay, Chris Gallaher, Sarah Park, Anna Stove and Bryan Williams (the **Non-associated Directors**) have engaged Simmons Corporate Finance to prepare an Appraisal Report on the fairness of the Related Parties Placement in accordance with the Listing Rules.

Simmons Corporate Finance was approved by NZX Regulation Limited (**NZ RegCo**) on 12 June 2025 to prepare the Appraisal Report.

The Board has engaged Simmons Corporate Finance to prepare an Appraisal Report on the fairness of the Directors Share Issue in accordance with the Listing Rules.

Simmons Corporate Finance was approved by NZ RegCo on 24 June 2025 to prepare the Appraisal Report.



Simmons Corporate Finance issues this Appraisal Report to the Non-associated Directors for the benefit of the Non-associated Shareholders to assist them in forming their own opinion on whether to vote for or against the Placement Resolution. We note that 9 Non-associated Shareholders who are Placement Participants are not eligible to vote on the Placement Resolution.

Simmons Corporate Finance issues this Appraisal Report to the Board for the benefit of the Non-director Shareholders to assist them in forming their own opinion on whether to vote for or against the Directors Share Issue Resolution.

We note that each shareholder's circumstances and objectives are unique. Accordingly, it is not possible to report on the fairness of the Related Parties Placement or the Directors Share Issue in relation to each shareholder. This report on the fairness of the Related Parties Placement and the Directors Share Issue is therefore necessarily general in nature.

The Appraisal Report is not to be used for any other purpose without our prior written consent.

## 2. Evaluation of the Fairness of the Related Parties Placement

### 2.1 Basis of Evaluation

Listing Rule 7.10.2 requires an Appraisal Report to consider whether the terms and conditions of the Related Parties Placement are *fair* to the Company's shareholders.

There is no legal definition of the term *fair* in either the Listing Rules or in any statute dealing with securities or commercial law in New Zealand.

In our opinion, the Related Parties Placement will be fair to the Non-associated Shareholders if:

- they are likely to be at least no worse off if the Related Parties Placement proceeds than if it does not. In other words, we consider that the Related Parties Placement will be fair if there is no value transfer from the Non-associated Shareholders to the Related Parties, and
- the terms and conditions of the Related Parties Placement are in line with market terms and conditions.

A transfer of value from the Non-associated Shareholders to the Related Parties may occur if the Related Parties Placement is undertaken at below fair market value, thereby providing the Related Parties with an economic benefit that the Non-associated Shareholders cannot participate in.

The Related Parties Placement is a component of the Placement and the Capital Raise overall. Therefore, when assessing the fairness of the Related Parties Placement, we are of the view that an assessment of the overall Capital Raise also needs to be undertaken.

We have evaluated the fairness of the Related Parties Placement by reference to:

- the rationale for the Capital Raise
- the fairness of the terms of the Capital Raise (including the Related Parties Placement)
- the impact of the Capital Raise on Pacific Edge's financial position
- the impact of the Related Parties Placement on the control of Pacific Edge
- the dilutionary impact of the Capital Raise
- the impact of the Capital Raise on Pacific Edge's share price
- the benefits and disadvantages to the Non-associated Shareholders of the Capital Raise (including the Related Parties Placement)
- the benefits and disadvantages to the Related Parties of the Capital Raise (including the Related Parties Placement)
- the implications if the Placement Resolution is not approved.

Our opinion should be considered as a whole. Selecting portions of the evaluation without considering all the factors and analyses together could create a misleading view of the process underlying the opinion.

## 2.2 Evaluation of the Fairness of the Related Parties Placement

**In our opinion, after having regard to all relevant factors, the terms and conditions of the Related Parties Placement are fair to the Non-associated Shareholders.**

The basis for our opinion is set out in detail in sections 2.3 to 2.13.

In summary, the key factors leading to our opinion are:

- the rationale for the Capital Raise (including the Related Parties Placement) is sound. If the SPP raises \$5.0 million, the Capital Raise will raise up to approximately \$21.1 million (before costs) (plus potential oversubscriptions) of fresh equity, ensuring Pacific Edge will have the resources and capacity to capitalise on its recent clinical and commercial milestones, grow in non-Medicare channels and regain Medicare coverage
- the terms of the Capital Raise (including the Related Parties Placement) are fair:
  - the Related Parties are subscribing for new fully paid ordinary shares at the same issue price of \$0.10 per share as all other shareholders under the Placement and the SPP and therefore there is no value transfer from the Non-associated Shareholders to the Related Parties
  - the issue price of \$0.10 per share is broadly in line with Pacific Edge's volume weighted average share price (**VWAP**) measured between one month and 12 months up to 28 May 2025 (the last trading day before the announcement of the Capital Raise)
  - Non-associated Shareholders who are eligible existing shareholders resident in New Zealand have the opportunity to participate in the SPP at the same issue price of \$0.10 per share as the Placement Participants (including the Related Parties) paid under the Placement
- the Capital Raise (including the Related Parties Placement) will have a significant positive impact on Pacific Edge's financial position. The Company's cash reserves and total equity will increase by approximately \$21.1 million (including approximately \$12.6 million from the Related Parties Placement)
- the Related Parties Placement will not increase the Related Parties' respective levels of control over the Company to any significant degree:
  - ANZ's shareholding will increase by 1.86% from 14.72% to 16.58%
  - Harbour's shareholding will decrease by 0.02% from 12.24% to 12.22%
  - Masfen Securities' shareholding will increase by 4.12% from 3.71% to 7.83%
- the dilutionary impact of the Capital Raise may be significant for Non-associated Shareholders:
  - the Placement will dilute the proportionate shareholdings of non-Placement Participants shareholders by 16.5%
  - assuming a Non-associated Shareholder does not participate in the SPP, its shareholding will be diluted by a further 4.9% by the SPP
  - accordingly, a Non-associated Shareholder who does not participate in the either the Placement or the SPP will see its shareholding diluted by 20.6% by the Capital Raise

- however, eligible Non-associated Shareholders will have the opportunity to reduce the dilutionary impact of the Placement by subscribing for up to 500,000 new fully paid ordinary shares (up to \$50,000) under the SPP
- the Capital Raise (including the Related Parties Placement) is unlikely to have any significant impact on Pacific Edge's share price as the Placement and SPP issue price of \$0.10 per share is broadly in line with the Company's current share price
- the Related Parties Placement is unlikely to have any significant impact on the liquidity of Pacific Edge's shares as the number of shares held by the Non-associated Shareholders will not change. However, the Capital Raise overall may impact liquidity to some degree if shareholders decide to trade some of the shares issued to them under the Placement and / or the SPP
- the Capital Raise (including the Related Parties Placement) will not change the risk profile of Pacific Edge to any significant degree, other than reducing the risk of ongoing financial uncertainty
- the attraction of Pacific Edge as a takeover target is unlikely to change as a result of the Capital Raise (including the Related Parties Placement)
- the implication of the Placement Resolution not being approved by the Non-associated Shareholders is that not only will the Related Parties Placement not be able to proceed, the Placement as a whole and the SPP will not be able to proceed. This means that in the absence of any alternate capital raising initiatives, Pacific Edge will likely need to undertake a significant restructure of its business to substantially reduce its operating costs. In a worst case scenario, this may risk the ongoing financial viability of Pacific Edge, which may result in shareholders losing some or all of their investment.

## 2.3 Rationale for the Capital Raise

The Placement has raised approximately \$16.1 million (before costs) (including approximately \$12.6 million from the Related Parties Placement) and the SPP aims to raise \$5.0 million (before costs) (with the ability for the Board to accept oversubscriptions).

As stated in the notice of annual meeting, the purpose of the Capital Raise is to provide Pacific Edge with up to approximately \$21.1 million (plus possible oversubscriptions under the SPP) of cash reserves to:

- extend its cash facilities to support the Company's operations for over 12 months without Medicare coverage and reimbursement or reductions in its cost base, while pursuing re-coverage accelerate the adoption of *Triage* in the USA with American Urological Association (**AUA**) Guidelines as a tailwind for sales, marketing and reimbursement
- continue clinical evidence generation in an analytical validation (**AV**), clinical validation (**CV**) and clinical utility (**CU**) framework for coverage, guidelines and medical policy for *Triage Plus* and *Monitor Plus*
- invest in innovation and product development for in vitro diagnostic (**IVD**) kits to support entry into international markets in a decentralised deployment model.

We are of the opinion that the rationale for the Capital Raise is sound.

If the SPP raises \$5.0 million, the Capital Raise will add approximately \$21.1 million (before costs) to Pacific Edge's cash reserves of approximately \$22.6 million as at 31 March 2025.

The Company has stated that its current average monthly cash burn is approximately \$2.6 million. In the absence of the funds from the Capital Raise, Pacific Edge's cash resources would likely be extinguished before 31 December 2025.

This means that if the Placement Resolution is not approved, in the absence of any alternate capital raising initiatives, Pacific Edge will likely need to undertake a significant restructure of its business to substantially reduce its operating costs.

In a worst case scenario, this may risk the ongoing financial viability of Pacific Edge, which may result in shareholders losing some or all of their investment.

## **2.4 Fairness of the Terms of the Capital Raise**

### **Placement**

The key terms of the Placement (including the Related Parties Placement) are:

- the issue of 160,728,498 new fully paid ordinary shares to 12 shareholders (including 125,661,020 new ordinary shares to the Related Parties)
- an issue price of \$0.10 per share
- the allotment of shares under the Placement (including the Related Parties Placement) is conditional on shareholder approval of the Placement Resolution
- the new shares issued under the Placement are fully paid ordinary shares which, on allotment, will rank equally in all respects with Pacific Edge's existing ordinary shares then on issue.

### **SPP**

The key terms of the SPP are:

- an offer of up to \$5 million of new fully paid ordinary shares (with the ability to scale applications or accept oversubscriptions at the Board's discretion) to eligible existing shareholders who are resident in New Zealand (up to a maximum of \$50,000 per shareholder). We understand that approximately 99% of the Company's shareholders are resident in New Zealand and therefore will have the opportunity to participate in the SPP
- the SPP will be priced at the Placement issue price of \$0.10 per share
- the allotment of shares under the SPP will be conditional on the Placement becoming unconditional
- the new shares to be issued under the SPP will be fully paid ordinary shares which, on allotment, will rank equally in all respects with Pacific Edge's existing ordinary shares then on issue
- if applications for shares under the SPP are scaled, Pacific Edge will scale back the number of shares to be allotted under the SPP according only to the number of shares held by applicants on the record date for the SPP.

## Fairness of Terms

The key term of the Capital Raise (including the Related Parties Placement) is the issue price of \$0.10 per share.

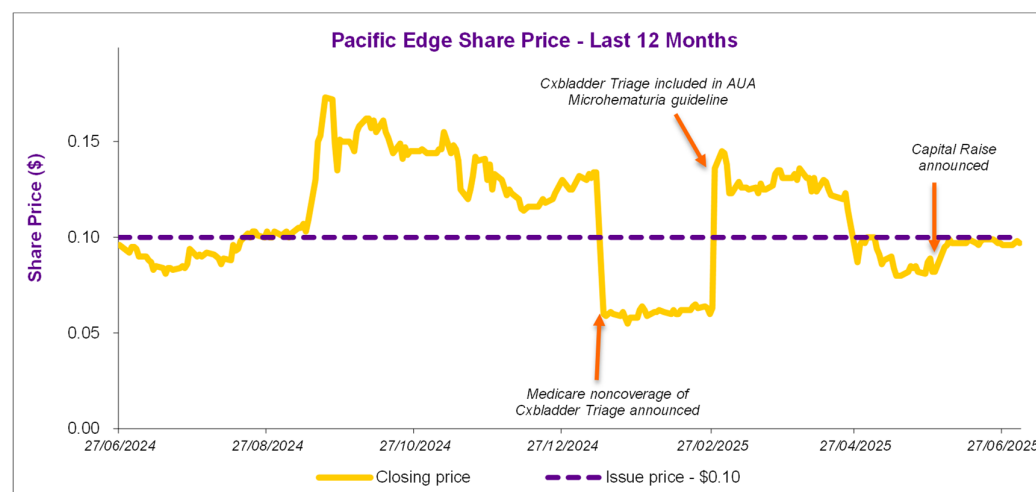
We have assessed the reasonableness of the issue price by reference to:

- the prices at which the Company's shares have recently traded on the NZX Main Board prior to the announcement of the Capital Raise on 29 May 2025
- the asset backing of the shares.

## Share Price History

A summary of Pacific Edge's daily closing share price and monthly volumes of shares traded since 4 January 2023 is set out in section 4.9.

The graph below shows Pacific Edge's share price in the past 12 months up to 4 July 2025.

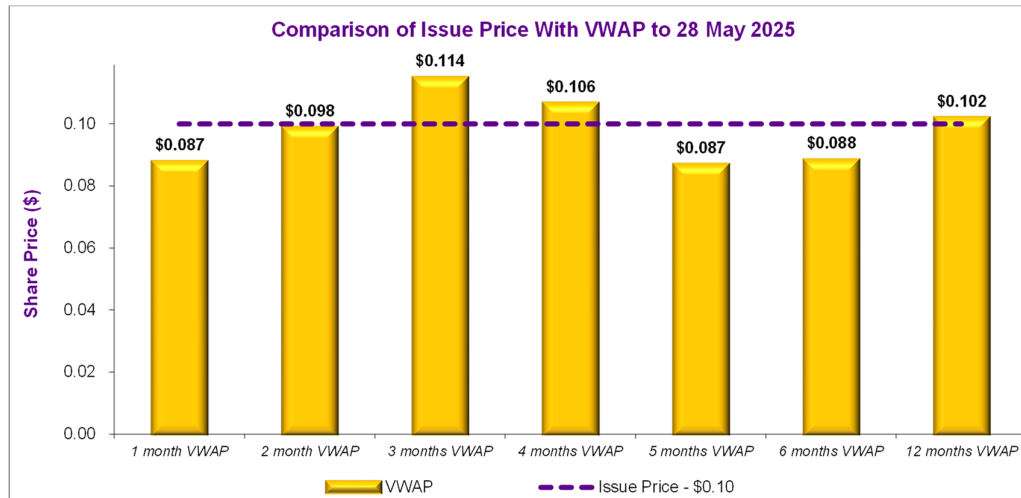


Source: NZX Company Research

This shows that the Company's share price has ranged between \$0.055 (on 23 January 2025) and \$0.173 (on 20 September 2024) at a VWAP of \$0.102.

The issue price of \$0.10 per share is broadly in line with the trading prices for Pacific Edge's shares up to 28 May 2025 (the last trading day before the Capital Raise was announced) measured over one month to 12 months.





The issue price of \$0.10 per share represents:

- a 14% premium to the one month VWAP of \$0.087
- a 2% premium to the 2 months VWAP of \$0.098
- a 13% discount to the 3 months VWAP of \$0.114
- a 6% discount to the 4 months VWAP of \$0.106
- a 16% premium to the 5 months VWAP of \$0.087
- a 14% premium to the 6 months VWAP of \$0.088
- a 1% discount to the 12 months VWAP of \$0.102.

Since the announcement of the Capital Raise on 29 May 2025, the Company's shares have traded between \$0.082 and \$0.099 at a VWAP of \$0.096, which approximates the Capital Raise issue price of \$0.10 per share.

### Net Assets per Share

Pacific Edge's total equity amounted to approximately \$26.1 million as at 31 March 2025, equating to net assets of \$0.032 per share.

### Conclusion

We are of the opinion that the terms and conditions of the Related Parties Placement are fair to the Non-associated Shareholders:

- the issue price of \$0.10 per share for the Related Parties Placement is the same as the issue price for the Placement overall and for the SPP. Accordingly, the Related Parties are subscribing for new fully paid ordinary shares at the same issue price as all other shareholders under the Capital Raise, thereby ensuring there is no value transfer from the Non-associated Shareholders to the Related Parties
- the issue price of \$0.10 per share is broadly in line with Pacific Edge's recent share prices

- Non-associated Shareholders who are eligible existing shareholders resident in New Zealand have the opportunity to participate in the SPP at the same issue price of \$0.10 per share as the Placement Participants (including the Related Parties) paid under the Placement.

## 2.5 Impact on Financial Position

A summary of Pacific Edge's recent financial position is set out in section 4.7.

For illustrative purposes, the table below shows Pacific Edge's financial position assuming approximately \$21.1 million is raised from the Capital Raise (ignoring costs) and the Capital Raise occurred on 31 March 2025.

Illustrative Financial Impact of the Capital raise				
	As at 31 March 25 \$000	Placement <sup>1</sup> \$000	SPP <sup>1</sup> \$000	Post the Capital Raise <sup>1</sup> \$000
Current assets	30,824	16,073	5,000 <sup>2</sup>	51,897
Non current assets	6,206	-	-	6,206
Total assets	37,030	16,073	5,000 <sup>2</sup>	58,103
Current liabilities	(9,757)	-	-	(9,757)
Non current liabilities	(1,188)	-	-	(1,188)
Total liabilities	(10,945)	-	-	(10,945)
Total equity	26,085	16,073	5,000 <sup>2</sup>	47,158
No. of shares (000)	811,916	160,728	50,000 <sup>2</sup>	1,022,644
Net assets per share	\$0.032	\$0.100	\$0.100	\$0.046
Net tangible assets (NTA) per share	\$0.031	\$0.100	\$0.100	\$0.045

<sup>1</sup> The illustrative example ignores costs associated with the Capital Raise  
<sup>2</sup> Assumes the maximum amount of the SPP of \$5 million is raised and no oversubscriptions are accepted

Source: Pacific Edge 2025 annual report

The illustrative financial position shows that following the Capital Raise, Pacific Edge's total equity would increase by approximately \$21.1 million from approximately \$26.1 million to approximately \$47.2 million.

Net assets per share would increase by 44% from \$0.032 to \$0.046 per share and NTA per share would increase by 46% from \$0.031 to \$0.045 (due to the issue price being \$0.10 per share).

## 2.6 Impact on Control

### Share Capital and Shareholders

Pacific Edge currently has 811,915,974 fully paid ordinary shares on issue held by 6,629 shareholders. The names, number of shares and percentage holding of the Company's 10 largest shareholders as at 19 June 2025 are set out in section 4.5.

### **Shareholding Voting**

If the Placement Resolution is approved, the Related Parties' respective shareholdings in Pacific Edge would increase as follows after the Capital Raise (assuming the SPP raises \$5.0 million and the Related Parties do not participate in the SPP):

- ANZ's shareholding would increase by 1.86% from 14.72% to 16.58%
- Harbour's shareholding would decrease by 0.02% from 12.24% to 12.22%
- Masfen Securities' shareholding would increase by 4.12% from 3.71% to 7.83%.

We are of the view that the Related Parties Placement will not increase any of the 3 Related Parties' ability to influence the outcome of shareholding voting to any significant degree.

Following the Related Parties Placement, each of the Related Parties will still not be able to singlehandedly determine the outcome of any:

- special resolutions – which require the approval of 75% of the votes cast by shareholders, or
- ordinary resolutions – which require the approval of more than 50% of the votes cast by shareholders.

Furthermore, voting on any resolution by the Related Parties would continue to be subject to applicable voting restrictions under the Listing Rules, the Takeovers Code and the Companies Act 1993.

We note that any material transactions between Pacific Edge and any shareholder holding 10% or more of the Company's shares will need to satisfy the requirements of the Listing Rules with respect to transactions with related parties.

### **Board of Directors**

As set out in section 4.4, the Company currently has 6 directors, one of whom (Anatole Masfen) is deemed to be an Associated Person of one of the Related Parties (Masfen Securities).

We are advised by the Non-associated Directors that the Related Parties Placement (or the Capital Raise) will not change the composition of the Board in the near term.

### **Operations**

We are advised by the Non-associated Directors that neither ANZ nor Harbour have any influence over the Company's operations and that Masfen Securities' only influence over Pacific Edge's operations is through its Board representation.

We are advised by the Non-associated Directors that the approval of the Placement Resolution will not change any of the Related Parties' respective levels of influence over the Company's operations.

## 2.7 Dilutionary Impact

The issue of 160,728,498 new fully paid ordinary shares under the Placement (including the 125,661,020 shares issued under Related Parties Placement) will result in the Non-associated Shareholders' shareholdings in the Company being diluted if they did not participate in the Placement.

Assuming a Non-associated Shareholder did not participate in the Placement, its shareholding will be diluted by 16.5% by the Placement.

Eligible Non-associated Shareholders will have the opportunity to reduce the dilutionary impact of the Placement by subscribing for up to 500,000 new fully paid ordinary shares (up to \$50,000) under the SPP.

Assuming a Non-associated Shareholder does not participate in the SPP, its shareholding will be diluted by a further 4.9% by the SPP.

Accordingly, a Non-associated Shareholder who does not participate in either the Placement or the SPP will see its shareholding diluted by 20.6% by the Capital Raise.

While the dilutionary impact is potentially significant, we are of the view that the Non-associated Shareholders' main focus should be on whether there is any dilutionary impact on the value of their respective shareholdings rather than on their level of voting rights as each Non-associated Shareholder holds a minority interest in the Company and therefore cannot singlehandedly determine the outcome of shareholder voting.

As stated in section 2.4, we are of the view that the terms of the Related Parties Placement are fair to the Non-associated Shareholders from a financial point of view and therefore will not dilute the value of their respective shareholdings.

Furthermore, eligible shareholders will have the opportunity to reduce the dilutionary impact of the Capital Raise by subscribing for shares under the SPP.

## 2.8 Impact on Share Price and Liquidity

### Share Price

A summary of Pacific Edge's daily closing share price and daily volume of shares traded from 4 January 2023 to 4 July 2025 is set out in section 4.9.

As set out in section 2.4, Pacific Edge's shares traded between \$0.055 and \$0.173 at a VWAP of \$0.102 over the past year.

In our view, the Capital Raise is unlikely to have any significant impact on the Company's share price as the Capital Raise (including the Related Parties Placement) issue price is close to the prevailing market prices.

### Liquidity

The analysis in section 4.9 shows that Pacific Edge's shares are relatively thinly traded on the NZX Main Board. 18.3% of Pacific Edge's shares have traded in the past year.

In our view, the Related Parties Placement is unlikely to have any significant impact on the liquidity of the Company's shares as the number of shares held by the Non-associated Shareholders will not change.

However, the Capital Raise could potentially have some impact on the liquidity of the Company's shares in the future. The number of shares to be issued under the Capital Raise amounts to 26% of the current number of shares on issue (assuming the SPP raises \$5.0 million). Should shareholders decide to trade some of the shares issued to them under the Capital Raise, this may impact on the liquidity of the Company's shares.

## **2.9 Main Advantage to the Non-associated Shareholders of the Related Parties Placement**

The Related Parties Placement is an integral component of the Capital Raise. If the SPP raises \$5.0 million, the Capital Raise will raise approximately \$21.1 million of fresh equity (before costs) (including approximately \$12.6 million from the Related Parties Placement) to fund Pacific Edge's ongoing financial requirements and growth initiatives.

## **2.10 Main Disadvantage to the Non-associated Shareholders of the Related Parties Placement**

The main disadvantage to the Non-associated Shareholders of the Capital Raise (including the Related Parties Placement) is that it will potentially dilute their interests in the Company.

The level of dilution will depend on whether the Non-associated Shareholders participate in the Placement or the SPP. If a Non-associated Shareholder does not participate in both the Placement and the SPP, its shareholding will be diluted by 20.6%.

In our view, the positive aspect of significantly increasing the Company's cash reserves outweighs the potential dilutionary impact of the Capital Raise (including the Related Parties Placement).

## **2.11 Other Issues for the Non-associated Shareholders to Consider**

### ***Benefits to Pacific Edge of the Related Parties as Cornerstone Shareholders***

The Related Parties Placement will reinforce ANZ's, Harbour's and Masfen Securities' position as important cornerstone strategic investors in the Company, signalling their confidence in the future prospects of Pacific Edge.

### ***No Significant Change in Business Risk***

The key risks faced by Pacific Edge are described in detail in the Capital Raise investor presentation dated 29 May 2025 (the **Capital Raise Presentation**) and summarised in section 4.3.

The Capital Raise (including the Related Parties Placement) will have negligible impact on the business risks faced by the Company, other than reducing the risk of ongoing financial uncertainty.

### ***Non-associated Shareholders Approval is Required***

Pursuant to Listing Rule 5.2.1, the Non-associated Shareholder must approve by ordinary resolution the Related Parties Placement, as well as the Placement overall pursuant to Listing Rule 4.2.1.

Neither the Placement (including the Related Parties Placement) nor the SPP will proceed unless the Non-associated Shareholders approve the Placement Resolution.

### ***Likelihood of a Takeover Offer Unlikely to Change***

In our view, the Related Parties Placement is unlikely to change the attraction of Pacific Edge as a takeover target to the Related Parties or to other parties:

- as stated in section 2.6, the issue of shares under the Related Parties Placement will not change the Related Parties' respective levels of control over the Company to any significant degree and therefore the inclination of any of the Related Parties to make a takeover offer (or not) is unlikely to change
- the decision of any bidder looking to fully or partially take over the Company is unlikely to be influenced by whether the Related Parties collectively held 30.66% or 36.63% of the Company's shares.

### **2.12 Likelihood of the Placement Resolution Being Approved**

The Placement Resolution is an ordinary resolution, passed by a simple majority of votes of those shareholders entitled to vote and voting on the resolution in person or by proxy.

The Placement Participants (including the Related Parties) and their Associated Parties are not permitted to vote on the Placement Resolution.

The Non-associated Directors have stated in the notice of annual meeting that they unanimously recommend that the Non-associated Shareholders vote in favour of the Placement Resolution.

### **2.13 Implications if the Placement Resolution is not Approved**

If the Placement Resolution is not approved, then neither the Placement (including the Related Parties Placement) nor the SPP can proceed.

If Pacific Edge is unable to complete the Placement and Retail Offer, the Company will not receive the approximately \$21.1 million of cash under the Capital Raise. As at 31 March 2025, the Company had net cash of approximately \$22.6 million, which (absent raising capital under the Placement and Retail Offer) would provide enough cash for Pacific Edge to carry on its operations for only up to approximately 9 months from that date.

This means that if the Placement Resolution is not approved, in the absence of any alternate capital raising initiatives, Pacific Edge will likely need to undertake a significant restructure of its business to substantially reduce its operating costs.

In a worst case scenario, this may risk the ongoing financial viability of Pacific Edge, which may result in shareholders losing some or all of their investment.

### **2.14 Voting For or Against the Placement Resolution**

Voting for or against the Placement Resolution is a matter for individual shareholders based on their own views as to value and future market conditions, risk profile and other factors. Non-associated Shareholders will need to consider these consequences and consult their own professional adviser if appropriate.



### 3. Evaluation of the Fairness of the Directors Share Issue

#### 3.1 Basis of Evaluation

In our opinion, the Directors Share Issue will be fair to the Non-director Shareholders if:

- they are likely to be at least no worse off if the Directors Share Issue proceeds than if it does not. In other words, we consider that the Directors Share Issue will be fair if there is no value transfer from the Non-director Shareholders to the Company's directors, and
- the terms and conditions of the Directors Share Issue are in line with market terms and conditions.

We have evaluated the fairness of the Directors Share Issue by reference to:

- the rationale for the Directors Share Issue
- the fairness of the terms of the Directors Share Issue
- the impact of the Directors Share Issue on Pacific Edge's financial position
- the impact of the Directors Share Issue on the control of Pacific Edge
- the dilutionary impact of the Directors Share Issue
- the impact of the Directors Share Issue on Pacific Edge's share price
- the benefits and disadvantages to the Non-director Shareholders of the Directors Share Issue
- the benefits and disadvantages to the Company's directors of the Directors Share Issue
- the implications if the Directors Share Issue Resolution is not approved.

Our opinion should be considered as a whole. Selecting portions of the evaluation without considering all the factors and analyses together could create a misleading view of the process underlying the opinion.

#### 3.2 Evaluation of the Fairness of the Directors Share Issue

**In our opinion, after having regard to all relevant factors, the terms and conditions of the Directors Share Issue are fair to the Non-director Shareholders.**

The basis for our opinion is set out in detail in sections 3.3 to 3.13.

In summary, the key factors leading to our opinion are:

- the rationale for the Directors Share Issue is sound. The Directors Share Issue will preserve up to \$193,000 of the Company's cash resources in the 2026 financial year by issuing shares in lieu of paying directors' fees in cash
- the terms of the Directors Share Issue are fair:
  - the Directors Share Issue will only proceed if the Non-director Shareholders approve both the Directors Remuneration Resolution and the Directors Share Issue Resolution

- the Directors Share Issue will be undertaken at the same issue price of \$0.10 per share as the issue of all shares under the Capital Raise and therefore there will be no value transfer from the Non-director Shareholders to the Company's directors
- the issue price of \$0.10 per share is broadly in line with Pacific Edge's recent share prices
- the Directors Share Issue will have a positive impact on Pacific Edge's financial position as it will preserve up to \$193,000 of the Company's cash resources in the 2026 financial year
- the Directors Share Issue will not change the Company's directors' levels of control over the Company
- the Directors Share Issue will dilute the proportionate shareholdings of Non-director Shareholders by 0.2%, which we consider to be insignificant
- the Directors Share Issue is unlikely to have any significant impact on Pacific Edge's share price as the issue price of \$0.10 per share is broadly in line with the Company's current share price
- the Directors Share Issue is unlikely to have any significant impact on the liquidity of Pacific Edge's shares as the number of shares held by the Non-director Shareholders will not change
- the Directors Share Issue will not change the risk profile of Pacific Edge to any significant degree, other than slightly reducing the risk of ongoing financial uncertainty
- the attraction of Pacific Edge as a takeover target is unlikely to change as a result of the Directors Share Issue
- the implication of the Directors Share Issue Resolution not being approved by the Non-director Shareholders is that if the Directors Remuneration Resolution is passed, the Directors Share Issue will not take place and the increase in directors' remuneration authorised by the Directors Remuneration Resolution will, in respect of the period from 1 April 2025 to 31 March 2026 (and future periods), be paid in cash.

### **3.3 Rationale for the Directors Share Issue**

The level of directors' remuneration was last approved by the Company's shareholders at the 2021 annual shareholders' meeting.

We are advised by the Board that it undertook a benchmarking exercise which indicated that the Company's directors' remuneration is significantly below market rates. Accordingly, the Directors Remuneration Resolution seeks shareholder approval to increase the total annual directors' remuneration pool to \$628,000.

The Board is however mindful of the Company's cash position and the rationale for the Capital Raise (as discussed in section 2.3). Therefore, if the Directors Remuneration Resolution is approved, the Board is seeking shareholder approval for the Directors Share Issue so that the increase in directors' remuneration will not be paid in cash for the period 1 April 2025 to 31 March 2026 but instead shares will be issued to the Company's directors in lieu of a cash payment of the amount of the increase.

We are of the opinion that the rationale for the Directors Share Issue is sound as it will preserve up to \$193,000 of the Company's cash resources in the 2026 financial year.

### **3.4 Fairness of the Terms of the Directors Share Issue**

The key terms of the Directors Share Issue are:

- the issue of up to 1,930,000 new fully paid ordinary shares to the Company's directors
- an issue price of \$0.10 per share
- the allotment of shares under the Directors Share Issue is conditional on shareholder approval of both the Directors Remuneration Resolution and the Directors Share Issue Resolution
- the shares will be allotted on the date on which shares are allotted under the Capital Raise
- the new shares issued under the Directors Share Issue are fully paid ordinary shares which, on allotment, will rank equally in all respects with Pacific Edge's existing ordinary shares then on issue
- if any tax is payable by a director or the Company (in respect of a director) as a consequence of the Directors Share Issue, the Company may, prior to issuing the shares to a director, reduce the number of shares issued to that director by the relevant tax amount divided by \$0.10 per share and then pay that tax amount on behalf of the director.

The key term of the Directors Share Issue is the issue price of \$0.10 per share.

We have assessed the reasonableness of the issue price by reference to:

- the prices at which the Company's shares have recently traded on the NZX Main Board
- the asset backing of the shares.

Our analysis of the Company's share price is set out in section 2.4.

We are of the opinion that the terms and conditions of the Directors Share Issue are fair to the Non-director Shareholders:

- the issue price of \$0.10 per share for the Directors Share Issue is the same as the issue price for the Capital Raise. Accordingly, the Company's directors will be issued new fully paid ordinary shares at the same issue price as all other shareholders under the Capital Raise, thereby ensuring there is no value transfer from the Non-director Shareholders to the Company's directors
- the issue price of \$0.10 per share is broadly in line with Pacific Edge's recent share prices.

### **3.5 Impact on Financial Position**

The Directors Share Issue will have a positive impact on Pacific Edge's financial position, preserving up to \$193,000 of the Company's cash resources in the 2026 financial year by issuing shares in lieu of paying cash to the Company's directors.

### **3.6 Impact on Control**

#### ***Shareholding Voting***

The Company's directors collectively hold a relevant interest in 1.36% of the Company's shares, of which the majority are held by Anatole Masfen (a relevant interest in a 1.15% shareholding).

The maximum 1,930,000 shares to be issued under the Director Share Issue represents 0.24% of the number of shares currently on issue.

If the Directors Remuneration Resolution and the Directors Share Issue Resolution are approved, the Company's directors' collective relevant interests in Pacific Edge's shares would increase by 0.23% to 1.59%.

We are of the view that the Directors Share Issue will not increase any of the Company's directors' ability to influence the outcome of shareholding voting to any significant degree.

#### ***Board of Directors***

We are advised by the Board that the Directors Share Issue will not change the composition of the Board in the near term.

#### ***Operations***

We are advised by the Board that the approval of the Directors Share Issue Resolution will not change any of the Company's directors' respective levels of influence over Pacific Edge's operations.

### **3.7 Dilutionary Impact**

The issue of up to 1,930,000 new fully paid ordinary shares under the Directors Share Issue will result in the Non-director Shareholders' shareholdings in the Company being diluted by up to 0.2%.

We are of the view that the dilutionary impact of the Directors Share Issue is insignificant.

### **3.8 Impact on Share Price and Liquidity**

#### ***Share Price***

In our view, the Directors Share Issue is unlikely to have any significant impact on the Company's share price as the issue price under the Directors Share Issue is close to Pacific Edge's prevailing share prices.

#### ***Liquidity***

In our view, the Directors Share Issue is unlikely to have any significant impact on the liquidity of the Company's shares as the number of shares held by the Non-director Shareholders will not change.

### **3.9 Main Advantage to the Non-director Shareholders of the Directors Share Issue**

The Directors Share Issue will preserve up to \$193,000 of the Company's cash resources in the 2026 financial year.

### **3.10 Main Disadvantage to the Non-director Shareholders of the Directors Share Issue**

The main disadvantage to the Non-director Shareholders of the Directors Share Issue is that it will dilute their interests in the Company by up to 0.2%, which we consider to be insignificant.

In our view, the positive aspect of preserving the Company's cash reserves outweighs the minimal dilutionary impact of the Directors Share Issue.

### **3.11 Other Issues for the Non-director Shareholders to Consider**

#### ***Benefits to Pacific Edge of the Directors as Shareholders***

The Directors Share Issue will reinforce the Company's directors' positions as shareholders in Pacific Edge, signalling their confidence in the future prospects of the Company and further aligning their interests with those of the Non-director Shareholders.

#### ***No Significant Change in Business Risk***

The Directors Share Issue will have negligible impact on the business risks faced by the Company, other than reducing the risk of ongoing financial uncertainty to a minor degree.

#### ***Non-director Shareholders Approval is Required***

Pursuant to Listing Rule 4.2.1, the Non-director Shareholders must approve by ordinary resolution the Directors Share Issue.

The Directors Share Issue will not proceed unless the Non-director Shareholders approve both the Directors Remuneration Resolution and the Directors Share Issue Resolution.

#### ***Likelihood of a Takeover Offer Unlikely to Change***

In our view, the Directors Share Issue is unlikely to change the attraction of Pacific Edge as a takeover target:

- as stated in section 3.6, the issue of shares under the Directors Share Issue will not change the Company's directors' respective levels of control over the Company to any significant degree and therefore the inclination of any of the Company's directors to make a takeover offer (or not) is unlikely to change
- the decision of any bidder looking to fully or partially take over the Company is unlikely to be influenced by whether the Company's directors collectively held 1.36% or 1.59% of the Company's shares.

### **3.12 Likelihood of the Directors Share Issue Resolution Being Approved**

The Directors Share Issue Resolution is an ordinary resolution, passed by a simple majority of votes of those shareholders entitled to vote and voting on the resolution in person or by proxy.

The Company's directors and their Associated Parties are not permitted to vote on the Directors Share Issue Resolution. This represents 5.07% of the Company's shares currently on issue (including the Masfen Securities shareholding). Therefore shareholders holding 94.93% of the shares will determine the outcome of the Directors Share Issue Resolution (assuming they all vote).

### **3.13 Implications if the Directors Share Issue Resolution is not Approved**

The Directors Share Issue Resolution will only be put to shareholders if the Directors Remuneration Resolution is passed.

If the Directors Remuneration Resolution is passed and the Directors Share Issue Resolution is not passed, the Directors Share Issue cannot proceed and the increase in directors' remuneration authorised by the Directors Remuneration Resolution will, in respect of the period from 1 April 2025 to 31 March 2026 (and future periods), be paid in cash.

### **3.14 Voting For or Against the Directors Share Issue Resolution**

Voting for or against the Directors Share Issue Resolution is a matter for individual shareholders based on their own views as to value and future market conditions, risk profile and other factors. Non-director Shareholders will need to consider these consequences and consult their own professional adviser if appropriate.

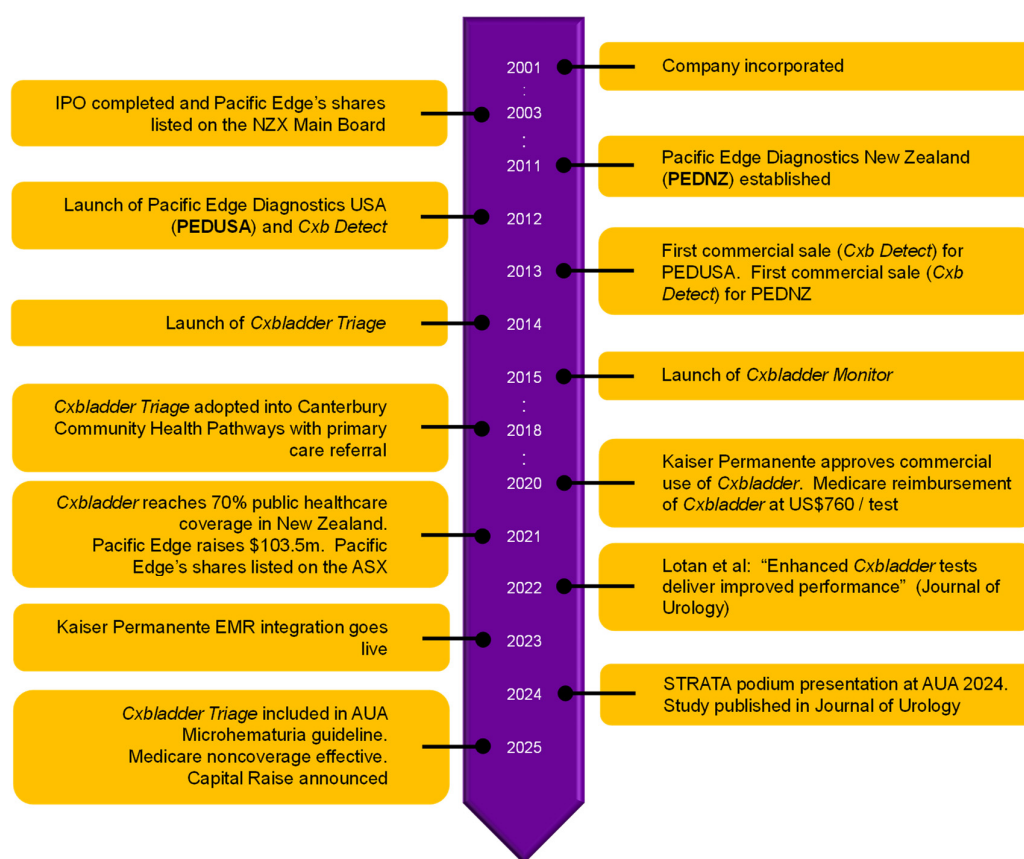
## 4. Profile of Pacific Edge Limited

### 4.1 Background

The Company was incorporated on 27 February 2001 as Pacific Genomics Limited. It changed its name to Pacific Edge Biotechnology Limited 17 May 2001 and to Pacific Edge Limited on 23 April 2010.

Pacific Edge's shares were listed on the NZX Main Board on 7 February 2003 following the closing of its initial public offer (IPO) where the Company issued 8,036,000 ordinary shares at \$0.25 per share, partly paid to \$0.15 per share.

The Company's key events are summarised below.



### 4.2 Nature of Operations

#### Overview

Pacific Edge is a global cancer diagnostics company leading the way in the development and commercialisation of bladder cancer diagnostic and prognostic tests for patients presenting with hematuria or surveillance of recurrent disease.

Headquartered in Dunedin, the Company provides its suite of *Cxbladder* bladder cancer tests globally through its wholly owned, and CLIA certified, laboratories in New Zealand and the USA.

*Cxbladder* is a suite of clinically-validated, non-invasive genomic urine tests optimised for the risk stratification of urothelial cancer in patients presenting with microhematuria and those being monitored for recurrent disease.

The tests help improve the overall patient experience, while prioritising time and clinical resources to optimize practice workflow and improve efficiency.

*Triage Plus* and *Monitor Plus* tests are multi-modal diagnostic tests (DNA and RNA).

Supported by over 20 years of research, *Cxbladder*'s evidence portfolio extends to more than 25 peer reviewed publications and *Cxbladder Triage* is now included in the AUA's Microhematuria Guideline.

To drive increased adoption and improved patient health outcomes, *Cxbladder* is the focal point of numerous ongoing and planned studies designed to generate further clinical utility evidence.

*Cxbladder* is available in the USA, Australasia and Israel and in markets throughout Asia and South America.

In the USA, the test has been used by over 5,000 urologists who have ordered more than 130,000 tests.

In New Zealand, *Cxbladder* is accessible to approximately 70% of the population via public healthcare and all residents have the option of buying the test online.

### **Medicare Coverage**

Medicare is the federal health insurance payer for all USA citizens aged 65 and older (the most at risk age demographic for bladder cancer).

Medicare reimbursed approximately 98% of *Cxbladder* tests since 2020 at US\$760 per test. These tests have accounted for the majority of USA volumes and approximately 56% of Pacific Edge's total operating revenue in the 2025 financial year.

In July 2022, Novitas (the Medicare administrative contractor that determines Medicare coverage for Pacific Edge's tests) proposed non-coverage for *Cxbladder*.

Pacific Edge challenged the determination but Novitas finalised its non-coverage determination in January 2025. This became effective on 24 April 2025.

Pacific Edge has submitted reconsideration requests to Novitas for re-coverage of *Cxbladder Triage* in March 2025 and *Cxbladder Monitor* in May 2025. A reconsideration request for *Triage Plus* will be submitted when the AV and CV publication are published.

It is estimated that Novitas will likely take 6 to 9 months to consider a valid submission of a single product.

## **4.3 Key Business Risks**

The key business risks that Pacific Edge faces are set out in detail in the Capital Raise Presentation. To avoid repetition, they are summarised below:

- Medicare coverage uncertainty – Pacific Edge does not currently have Medicare coverage for its *Cxbladder* products. Although Pacific Edge is confident that it will regain coverage for *Triage* as a result of recent AUA guideline inclusion and new clinical evidence, there are no guarantees as to the timing or outcome of the re-coverage process



- ongoing financial uncertainty – part of the Capital Raise is to provide sufficient cash to regain Medicare coverage. There is a risk to the ongoing financial viability of Pacific Edge if the Capital Raise is undersubscribed and / or if Medicare coverage is not achieved or significantly delayed and / or the business is impacted adversely by other events
- regulatory, industry body and guideline risks – Pacific Edge's financial performance and its ability to achieve its business plans may be adversely impacted if the Company is unable to retain or, in certain markets, gain inclusion in guidelines, or the current regulatory approvals and reimbursement obtained for existing products are removed or reduced
- competition – the global cancer diagnostics industry is highly competitive. There is a risk that the Company's competitors may discover, develop or commercialise products more successfully than Pacific Edge
- product and technology risk – any change to the reliability, repeatability, reproducibility or accuracy of *Cxbladder* products and technology systems has the potential to impact Pacific Edge's business and reputation
- general economic conditions – a prolonged deterioration in general economic conditions, which may lead to a decrease or reprioritisation of healthcare spending, has the potential to have a material adverse effect on Pacific Edge's business and / or financial condition
- litigation – in the ordinary course of conducting its business, Pacific Edge is exposed to potential litigation and other proceedings, including through claims of intellectual property infringement or breach of agreements
- key person risk – the unexpected departure of any key personnel could disrupt operations, delay research and development efforts and negatively impact strategic initiatives
- new product development – any failure or significant delay in the development of one or more of Pacific Edge's new products and product extensions may have a material negative impact on the Company's financial performance and growth.

#### **4.4 Directors and Senior Management**

The directors of Pacific Edge are:

- Tony Barclay, independent non-executive director
- Chris Gallaher, independent non-executive chair
- Anatole Masfen, independent non-executive director (associated with Masfen Securities)
- Sarah Park, independent non-executive director
- Anna Stove, independent non-executive director
- Bryan Williams, independent non-executive deputy chair.

The Pacific Edge senior management team consists of:

- Dr Peter Meintjes, chief executive officer
- Grant Gibson, chief financial officer
- Glen Costin, president Asia Pacific
- Zoe O'Donnell, global head of people & culture
- David Levison, president PEDUSA
- Darell Morgan, chief operating officer
- Professor Parry Guildford, chief scientific officer
- Dr Tamer Aboushwareb, chief medical officer
- Dr Justin Harvey, chief technology officer.

#### 4.5 Capital Structure and Shareholders

Pacific Edge currently has 811,915,974 fully paid ordinary shares on issue held by 6,629 shareholders.

The names, number of shares and percentage holding of the Company's 10 largest shareholders as at 19 June 2025 are set out below.

10 Largest Shareholders		
Pacific Edge Shareholder	No. of Shares	%
New Zealand Central Securities Depository Limited (NZCSD)	280,365,924	34.53%
New Zealand Depository Nominee Limited	47,435,995	5.84%
FNZ Custodians Limited	40,991,573	5.05%
Forsyth Barr Custodians Limited	30,452,939	3.75%
Masfen Securities	30,121,378	3.71%
K One W One Limited	21,091,520	2.60%
Custodial Services Limited	13,291,409	1.64%
JBWere (NZ) Nominees Limited	8,178,935	1.01%
Leveraged Equities Finance Limited	7,236,559	0.89%
Minggang Chen	6,000,000	0.74%
Subtotal	485,166,232	59.76%
Others (6,619 shareholders)	326,749,742	40.24%
Total	811,915,974	100.00%

Source: NZX Company Research

The Related Parties' current shareholdings are:

- ANZ: 119,500,927 shares (14.72%) (held via NZCSD)
- Harbour: 99,341,367 shares (12.24%) (held via NZCSD)
- Masfen Securities: 30,121,378 shares (3.71%).

NZCSD holds the shares on behalf of a number of institutions (including ANZ and Harbour).

## 4.6 Financial Performance

A summary of Pacific Edge's recent financial performance is set out below.

Summary of Pacific Edge Financial Performance				
	Year to 31 Mar 22 (Audited) \$000	Year to 31 Mar 23 (Audited) \$000	Year to 31 Mar 24 (Audited) \$000	Year to 31 Mar 25 (Audited) \$000
Operating revenue	11,445	19,616	23,907	21,846
Other income	2,433	6,508	5,386	2,770
Total revenue and other income	13,878	26,124	29,293	24,616
Operating expenses	(33,666)	(53,089)	(58,828)	(54,552)
Net loss before tax	(19,788)	(26,965)	(29,535)	(29,936)
Income tax expense	-	-	-	-
Translation of foreign operations	114	(99)	142	25
Disposal of foreign operation	-	-	(20)	-
Loss for the year after tax	(19,674)	(27,064)	(29,413)	(29,911)

Source: Pacific Edge annual reports

Pacific Edge has incurred losses since it commenced operations, totalling approximately \$276.2 million up to 31 March 2025.

The Company generates the vast majority of its revenue from the sale of *Cxbladder* in the USA (92% of operating revenue in 2025).

Other income consists mainly of research rebates, tax incentives and interest received.

Operating expenses consist of:

- laboratory operations (23% of 2025 operating expenses)
- research (27% of 2025 operating expenses)
- sales and marketing (32% of 2025 operating expenses)
- general and administration (18% of 2025 operating expenses).

## 4.7 Financial Position

A summary of Pacific Edge's recent financial position is set out below.

Summary of Pacific Edge Financial Position				
	As at 31 Mar 22 (Audited) \$000	As at 31 Mar 23 (Audited) \$000	As at 31 Mar 24 (Audited) \$000	As at 31 Mar 25 (Audited) \$000
Current assets	111,614	85,971	57,875	30,824
Non current assets	3,668	4,942	7,573	6,206
Total assets	115,282	90,913	65,448	37,030
Current liabilities	(6,055)	(7,739)	(8,317)	(9,757)
Non current liabilities	(851)	(411)	(2,509)	(1,188)
Total liabilities	(6,906)	(8,150)	(10,826)	(10,945)
Total equity	108,376	82,763	54,622	26,085
NTA per share	\$0.133	\$0.101	\$0.066	\$0.031

Source: Pacific Edge annual reports

Pacific Edge's main current assets as at 31 March 2025 were cash and cash equivalents and short term deposits (totalling \$22.6 million) and receivables.

Non current assets as at 31 March 2025 consisted mainly of property, plant and equipment and right of use assets.

Current liabilities as at 31 March 2025 consisted mainly of payables and accruals and lease liabilities.

Non current liabilities as at 31 March 2025 represented lease liabilities.

The Company had equity of \$26.1 million as at 31 March 2025, comprising:

- share capital – \$294.5 million
- reserves – \$7.8 million
- accumulated losses – negative \$276.2 million.

## 4.8 Cash Flows

A summary of Pacific Edge's recent cash flows is set out below.

Summary of Pacific Edge Cash Flows				
	Year to 31 Mar 22 (Audited) \$000	Year to 31 Mar 23 (Audited) \$000	Year to 31 Mar 24 (Audited) \$000	Year to 31 Mar 25 (Audited) \$000
Net cash (outflow) from operating activities	(17,552)	(25,575)	(25,750)	(24,740)
Net cash inflow / (outflow) from investing activities	(52,126)	22,474	22,189	6,695
Net cash inflow / (outflow) from financing activities	100,656	(1,282)	(1,106)	(1,642)
Net increase / (decrease) in cash held	30,978	(4,383)	(4,667)	(19,687)
Opening cash balance	4,129	35,412	33,229	29,261
Effect of exchange rate changes	305	2,200	699	(92)
Closing cash balance	35,412	33,229	29,261	9,482

Source: Pacific Edge annual reports

Pacific Edge's cash outflows from operating activities have approximated its net losses after tax each year.

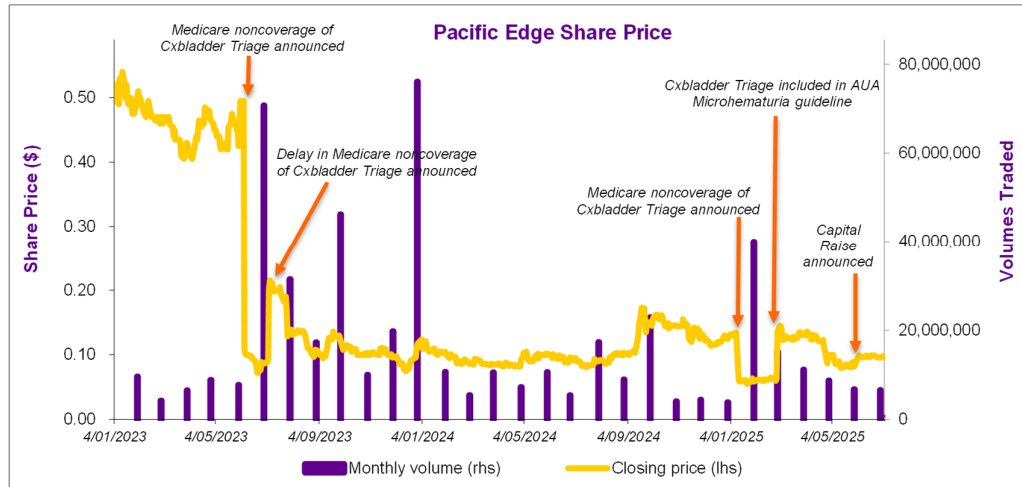
Investing activities inflows in the 2023, 2024 and 2025 financial years represented net proceeds from short term deposits less capital expenditure.

Financing activities cash flows in the 2022 financial year included \$103.5 million of equity raised from the placement of 76,657,358 fully paid ordinary shares at \$1.35 per share.

In addition to cash of \$9.5 million as at 31 March 2025, Pacific Edge had \$13.1 million of short term deposits.

## 4.9 Share Price History

Set out below is a summary of Pacific Edge's daily closing share price and monthly volumes traded from 4 January 2023 to 4 July 2025.



Source: NZX Company Research

During the period, Pacific Edge's shares traded between \$0.055 and \$0.540 at a VWAP of \$0.135.

Trading in the Company's shares is relatively thin. An analysis of VWAP, traded volumes and liquidity (measured as traded volumes as a percentage of shares outstanding) up to 4 July 2025 is set out below.

Share Trading up to 4 July 2025					
Period	Low (\$)	High (\$)	VWAP (\$)	Volume Traded (000)	Liquidity
1 month	0.096	0.099	0.098	4,246	0.5%
3 months	0.080	0.131	0.096	21,799	2.7%
6 months	0.055	0.145	0.087	88,868	10.9%
12 months	0.055	0.173	0.102	148,981	18.3%

Source: NZX Company Research

## **5. Sources of Information, Reliance on Information, Disclaimer and Indemnity**

### **5.1 Sources of Information**

The statements and opinions expressed in this report are based on the following main sources of information:

- the notice of annual meeting
- the Pacific Edge annual reports for the years ended 31 March, 2022 to 2025
- the Capital Raise Presentation
- the Placement application form
- the draft SPP offer document
- data in respect of Pacific Edge from NZX Company Research and S&P Capital IQ.

During the course of preparing this report, we have had discussions with and / or received information from the Non-associated Directors and Pacific Edge's legal and financial advisers.

The Non-associated Directors has confirmed that we have been provided for the purpose of this Appraisal Report with all information relevant to the Capital Raise (including the Related Parties Placement) and the Directors Share Issue that is known to them and that all the information is true and accurate in all material aspects and is not misleading by reason of omission or otherwise.

Including this confirmation, we have obtained all the information that we believe is needed for the purpose of preparing this Appraisal Report.

In our opinion, the information to be provided by Pacific Edge:

- to the Non-associated Shareholders is sufficient to enable the Non-associated Directors and the Non-associated Shareholders to understand all the relevant factors and to make an informed decision in respect of the Related Parties Placement
- to the Non-director Shareholders is sufficient to enable the Non-director Shareholders to understand all the relevant factors and to make an informed decision in respect of the Directors Share Issue.

### **5.2 Reliance on Information**

In preparing this report we have relied upon and assumed, without independent verification, the accuracy and completeness of all information that was available from public sources and all information that was furnished to us by Pacific Edge and its advisers.

We have evaluated that information through analysis, enquiry and examination for the purposes of preparing this report but we have not verified the accuracy or completeness of any such information or conducted an appraisal of any assets. We have not carried out any form of due diligence or audit on the accounting or other records of Pacific Edge. We do not warrant that our enquiries would reveal any matter which an audit, due diligence review or extensive examination might disclose.

### 5.3 Disclaimer

We have prepared this report with care and diligence and the statements in the report are given in good faith and in the belief, on reasonable grounds, that such statements are not false or misleading. However, in no way do we guarantee or otherwise warrant that any forecasts of future profits, cash flows or financial position of Pacific Edge will be achieved. Forecasts are inherently uncertain. They are predictions of future events that cannot be assured. They are based upon assumptions, many of which are beyond the control of Pacific Edge and its directors and management. Actual results will vary from the forecasts and these variations may be significantly more or less favourable.

We assume no responsibility arising in any way whatsoever for errors or omissions (including responsibility to any person for negligence) for the preparation of the report to the extent that such errors or omissions result from our reasonable reliance on information provided by others or assumptions disclosed in the report or assumptions reasonably taken as implicit, provided that this shall not absolve Simmons Corporate Finance from liability arising from an opinion expressed recklessly or in bad faith.

Our evaluation has been arrived at based on economic, exchange rate, market and other conditions prevailing at the date of this report. Such conditions may change significantly over relatively short periods of time. We have no obligation or undertaking to advise any person of any change in circumstances which comes to our attention after the date of this report or to review, revise or update this report.

We have had no involvement in the preparation of the notice of annual meeting issued by Pacific Edge and have not verified or approved the contents of the notice of annual meeting. We do not accept any responsibility for the contents of the notice of annual meeting except for this report.

### 5.4 Indemnity

Pacific Edge has agreed that, to the extent permitted by law, it will indemnify Simmons Corporate Finance and its directors and employees in respect of any liability suffered or incurred as a result of or in connection with the preparation of the report. This indemnity does not apply in respect of any negligence, wilful misconduct or breach of law. Pacific Edge has also agreed to indemnify Simmons Corporate Finance and its directors and employees for time incurred and any costs in relation to any inquiry or proceeding initiated by any person. Where Simmons Corporate Finance or its directors and employees are found liable for or guilty of negligence, wilful misconduct or breach of law or term of reference, Simmons Corporate Finance shall reimburse such costs.

## **6. Qualifications and Expertise, Independence, Declarations and Consents**

### **6.1 Qualifications and Expertise**

Simmons Corporate Finance is a New Zealand owned specialist corporate finance advisory practice. It advises on mergers and acquisitions, prepares independent expert's reports and provides valuation advice.

The person in the company responsible for issuing this report is Peter Simmons, B.Com, DipBus (Finance), INFINTZ (Cert).

Simmons Corporate Finance and Mr Simmons have significant experience in the independent investigation of transactions and issuing opinions on the merits and fairness of the terms and financial conditions of the transactions.

### **6.2 Independence**

Simmons Corporate Finance does not have at the date of this report, and has not had, any shareholding in or other relationship with Pacific Edge or the Related Parties or the Company's directors or any conflicts of interest that could affect our ability to provide an unbiased opinion in relation to the Related Parties Placement or the Directors Share Issue.

Simmons Corporate Finance has not had any part in the formulation of the Capital Raise or the Related Parties Placement or the Directors Share Issue or any aspects thereof. Our sole involvement has been the preparation of this report.

Simmons Corporate Finance will receive a fixed fee for the preparation of this report. This fee is not contingent on the conclusions of this report or the outcome of the voting in respect of the Placement Resolution or the Directors Share Issue Resolution. We will receive no other benefit from the preparation of this report.

### **6.3 Declarations**

An advance draft of this report was provided to the Non-associated Directors for their comments as to the factual accuracy of the contents of the report. Changes made to the report as a result of the circulation of the draft have not changed the methodology or our conclusions.

Our terms of reference for this engagement did not contain any term which materially restricted the scope of the report.

### **6.4 Consents**

We consent to the issuing of this report in the form and context in which it is to be included in the notice of annual meeting to be sent to the Non-associated Shareholders. Neither the whole nor any part of this report, nor any reference thereto may be included in any other document without our prior written consent as to the form and context in which it appears.



Peter Simmons  
Director

**Simmons Corporate Finance Limited**

7 July 2025