



IMAGION BIOSYSTEMS LIMITED
ACN 616 305 027

Notice of Annual General Meeting and Explanatory Memorandum

TAKE NOTICE that the Annual General Meeting of Shareholders of the Company will be held at the time, date and place specified below:

Time: 11.00 am (Melbourne time)

Date: Wednesday, 22 July 2020

Place: Online only

How to join online

The Company advises that due to the Australian Government's recent restrictions with respect to indoor gatherings at the time of the issue of this Notice (in response to the COVID-19 pandemic), the Company has determined that it would be prudent for its Annual General Meeting of Shareholders to be held online only.

The Meeting will be held virtually via Zoom Teleconference with strictly no Shareholders in physical attendance.

The Board encourages shareholders to monitor the ASX and the Company's website for any updates in relation to the General Meeting that may need to be provided. In the meantime, the Board encourages shareholders to submit their proxies as early as possible, even if they intend to attend the Meeting, as the situation may change.

Shareholders will be able to attend the Meeting by going to <https://boardroomptylimited.zoom.us/j/94522280622> using their web browser or internet enabled device.

To attend the Meeting, please use your internet enabled device to go to the address below and then enter meeting ID: **945 2228 0622**.

Join Zoom Teleconference Meeting:

<https://boardroomptylimited.zoom.us/j/94522280622>

Meeting ID: **945 2228 0622**

Dial by your location

+61 861 193 900 Australia
+61 8 7150 1149 Australia
+61 2 8015 6011 Australia
+61 3 7018 2005 Australia
+61 731 853 730 Australia
+1 253 215 8782 US (Tacoma)
+1 301 715 8592 US (Germantown)
+1 312 626 6799 US (Chicago)
+1 346 248 7799 US (Houston)
+1 646 558 8656 US (New York)
+1 669 900 9128 US (San Jose)

If not noted above, find your local number: <https://boardroomptylimited.zoom.us/u/ael6HhnVAv>

Attendee registration by the above Zoom Teleconference facility will be available between 10:30am and 11:00am (Melbourne time) on the day of the meeting which will be conducted by the Company's share registry via Zoom.

Shareholders will have the opportunity to vote and ask questions at the meeting via Zoom Teleconference, however, in order to provide for an efficient virtual meeting, we request that any questions from Shareholders are provided to the Company Secretary at least 24 hours in advance of the Meeting by email to the Company Secretary at corpsecretary@imagionbio.com.

All votes at the Meeting will be conducted by Poll.

We also strongly recommend that all Shareholders lodge their votes via the Company's share register platform prior to 11am on Wednesday, 22 July 2020 or by appointing a proxy prior to 11.00am on Monday, 20 July 2020.

NOTICE OF 2019 ANNUAL GENERAL MEETING

Notice is given that the 2019 Annual General Meeting of Shareholders of Imagion Biosystems Limited will be held at 11.00am (Melbourne time) on Wednesday, 22 July 2020 virtually, via a live Zoom Teleconference.

BUSINESS OF THE MEETING

Shareholders are invited to consider the following items of business at the Annual General Meeting:

1. Item 1: Financial and related reports

To receive and consider the Financial Report of the Company and its controlled entities and the related Directors' and Auditor's Reports in respect of the financial year ended 31 December 2019.

2. Resolution 1: Adoption of the Remuneration Report (non-binding resolution)

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

"THAT the Remuneration Report of the Company and its controlled entities for the year ended 31 December 2019 be adopted."

Note: This resolution is advisory only and does not bind the Company or the Directors.

Voting Exclusion Statement:

The Company will disregard any votes cast on this resolution:

- by or on behalf of a member of Key Management Personnel (**KMP**) named in the remuneration report for the year ended 31 December 2019, or that KMP's Closely Related Party, regardless of the capacity in which the vote is cast; and
- as a proxy by a member of the KMP at the date of the meeting, or that KMP's Closely Related Party.

However, the Company will not disregard a vote if it is cast as a proxy for a person who is entitled to vote on this resolution:

- in accordance with the directions of how to vote on the Proxy Form; or
- by the Chairman of the Meeting pursuant to an express authorisation on the Proxy Form.

3. Resolution 2: Re-Election of Director – Ms Dianne Angus

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

"THAT, Dianne Angus, having been appointed as a Director on 11 May 2020, and who retires in accordance with clause 19.4 of the Company's Constitution and ASX Listing Rule 14.4 and being eligible, be elected as a Director of the Company."

4. Resolution 3: Re-Election of Director – Mr Michael Harsh

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

"THAT, Mr Michael Harsh, being a Director, who retires in accordance with clause 20.3 of the Company's Constitution and ASX Listing Rule 14.5 and being eligible, be re-elected as a Director of the Company."

5. Resolution 4: Re-Election of Director – Ms Jovanka Naumoska

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

“THAT, Ms Jovanka Naumoska, being a Director, who retires in accordance with clause 20.3 of the Company’s Constitution and ASX Listing Rule 14.5 and being eligible, be re-elected as a Director of the Company.”

6. Resolution 5: Ratification of Prior Issue of Shares and New Options April 2020 Follow-on Placement

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

“THAT, the issue of 45,635,111 Shares and 24,220,111 New Options under ASX Listing Rule 7.1 on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this notice, is approved and ratified for the purposes of ASX Listing Rule 7.4”.

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- any person who participated in the issue of the Shares and/or Options in the April 2020 Follow-on Placement; and
- any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy or attorney for a person who entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

7. Resolution 6: Approval of future Issue of New Options April 2020 Follow-on Placement

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

“THAT, the issue of 21,415,000 New Options under ASX Listing Rule 7.1 on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this notice, is approved for the purposes of ASX Listing Rule 7.1”.

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- any person who will participate in the issue of the New Options as part of the April 2020 Follow-on Placement; and
- any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy or attorney for a person who entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

8. Resolution 7: Approval of future Issue of Options to the Lead Manager and Underwriter of the March 2020 Renounceable Rights Offer

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

“THAT, the issue of 6,000,000 Options to the Lead Manager and Underwriter of the March 2020 Renounceable Rights Offer on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this notice, is approved for the purposes of ASX Listing Rule 7.1”.

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- any person who will participate in the issue of the Options; and
- any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy or attorney for a person who entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

9. Resolution 8: Ratification of the Issue of Options to the Lead Manager of the November 2019 Renounceable Rights Issue

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

“THAT, the issue of 6,000,000 Options to the Lead Manager of the November 2019 Renounceable Rights Issue on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this notice, is approved for the purposes of ASX Listing Rule 7.4”.

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- any person who participated in the issue of the Options; and
- any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy or attorney for a person who entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

10. Resolution 9: Approval of new Equity Incentive Plan

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

“THAT, shareholders approve the Company’s Equity Incentive Plan and for the issue of securities under than Plan, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice for the purposes of ASX Listing Rule 7.2 Exception 13 and for all other purposes,”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- any person who is eligible to participate in the Equity Incentive Plan; and
- any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy or attorney for a person who entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

11. Resolution 10: Approval of 10% Placement Facility

To consider, and if thought fit, pass as a **special resolution**, with or without amendment, the following:

“THAT for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to an additional 10% of its issued Equity Securities by way of placements over a 12-month period, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- any person who is expected to participate in, or who will obtain a material benefit as a result of, a proposed issue of Shares under the 10% Placement Facility (except a benefit solely in the capacity of a holder of Shares); and
- any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy or attorney for a person who entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

12. Resolution 11: Approval of related party benefits under Performance Rights and Options to Mr Robert Proulx

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

“THAT, subject to passing resolution 8, for the purposes of ASX Listing Rule 10.14 and Chapter 2E of the Corporations Act, approval is given for the granting of 16,000,000 securities as incentives under the Company’s Equity Incentive Plan to Mr Robert Proulx, as set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- Mr Robert Proulx (or nominee); and
- any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy or attorney for a person who entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition:

In accordance with Section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the KMP or a Director of the Company; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
 - the proxy is the Chair of the Meeting; and
 - the appointment expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company.

13. Resolution 12: Approval of related party benefits under Options to the Non-executive Directors

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

“THAT, for the purposes of ASX Listing Rule 10.14 and Chapter 2E of the Corporations Act, approval is given for the granting of 2,500,000 Options to the non-executive directors of the Company, as set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- Ms Dianne Angus, Mr Michael John Harsh, Mr David Gerald Ludvigson, Ms Jovanka Naumoska, Mr Mark Gerald Van Asten, or their respective nominee; and
- any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy or attorney for a person who entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or


- *the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
 - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

Voting Prohibition:

In accordance with Section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- *the proxy is either:*
 - *a member of the KMP or a Director of the Company; or*
 - *a Closely Related Party of such a member; and*
- *the appointment does not specify the way the proxy is to vote on this Resolution.*
- *However, the above prohibition does not apply if:*
 - *the proxy is the Chair of the Meeting; and*
 - *the appointment expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company.*

BY ORDER OF THE BOARD



JOVANKA NAUMOSKA
Company Secretary

19 June 2020

NOTES

1. Explanatory Memorandum

The Explanatory Memorandum accompanying this Notice of Annual General Meeting is incorporated in and comprises part of this Notice of Annual General Meeting and should be read in conjunction with this Notice of Annual General Meeting.

2. Questions from shareholders

In order to provide an equal opportunity for all Shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Company's auditor, in relation to the conduct of the external audit for the year ended 31 December 2019, or the content of its audit report. Please send your questions via email to:

Company Secretary
 Imagion Biosystems Limited
corpsecretary@imagionbio.com

Written questions for Company Auditor must be received by no later than **5.00pm (Melbourne time) on Wednesday, 15 July 2020**.

Your questions should relate to matters that are relevant to the business of the Annual General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum.

In accordance with the *Corporations Act 2001* (Cth) and the Company's policy, a reasonable opportunity will also be provided to Shareholders attending the Annual General Meeting to ask questions about, or make comments upon, matters in relation to the Company including the Company's Remuneration Report for the year ended 31 December 2019.

During the course of the Annual General Meeting, the Chairman will seek to address as many shareholder questions as reasonably practicable, and where appropriate, will give a representative of the auditor the opportunity to answer written questions addressed to it. However, there may not be sufficient time to answer all questions at the Annual General Meeting. Please note that individual responses may not be sent to shareholders.

3. Who may vote

A determination has been made by the Board under regulation 7.11.37 of the *Corporations Regulations* 2001 that shares in the Company which are on issue at **7.00pm (Melbourne time) on Monday, 20 July 2020** will be taken to be held by the persons who held them at that time for the purposes of the Annual General Meeting (including determining voting entitlements at the meeting).

4. Proxies

A Shareholder entitled to attend this Meeting and vote, is entitled to appoint a proxy to attend and vote on behalf of that Shareholder at the Meeting.

- (a) A proxy need not be a Shareholder.
- (b) If the Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint two proxies and may specify the proportion or number of the votes which each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes held by that Shareholder.
- (c) If the Shareholder appoints only one proxy, that proxy is entitled to vote. Voting will take place by proxy and not a show of hands.
- (d) Where two proxies are appointed, any fractions of votes resulting from the appointment of two proxies will be disregarded.

- (e) A Proxy Form accompanies this Notice.
- (f) Unless the Shareholder specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit, or abstain from voting.
- (g) If a Shareholder wishes to appoint a proxy, the Shareholder should complete the Proxy Form and comply with the instructions set out in that form relating to lodgement of the form with the Company.
- (h) The Proxy Form must be signed by the Shareholder or his or her attorney duly authorised in writing or, if the Shareholder is a corporation, either signed by an authorised officer or attorney of the corporation or otherwise signed in accordance with the Corporations Act.
- (i) If any attorney or authorised officer signs the Proxy Form on behalf of a Shareholder, the relevant power of attorney or other authority under which it is signed or a certified copy of that power or authority must be deposited with the Proxy Form.
- (j) The Proxy Form (together with any relevant authority) must be received by no later than **11.00am (Melbourne time) on Monday, 20 July 2020** before the time scheduled for the commencement of the meeting (or any adjournment of that meeting).
- (k) The completed Proxy Form may be lodged as follows:
 - **Online:** <http://www.votingonline.com.au/ibxagm2020>
 - **By fax:** + 61 2 9290 9655
 - **By mail:** Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia
 - **In person:** Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000 Australia
- (l) The Chairman of the meeting intends to vote all available proxies in favour of all Resolutions.

5. Proxy voting by the Chairman

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (Cth), imposes prohibitions on Key Management Personnel and their Closely Related Parties from voting their shares (or voting undirected proxies) on, amongst other things, remuneration matters.

However, the chair of a meeting may vote an undirected proxy (i.e. a proxy that does not specify how it is to be voted), provided the shareholder who has lodged the proxy has given an express voting direction to the chair to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel.

If you complete a Proxy Form that authorises the Chairman of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chairman to exercise your proxy on Resolution 1. In accordance with this express authority provided by you, the Chairman will vote in favour of Resolution 1. If you wish to appoint the Chairman of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the Proxy Form.

The Chairman of the Meeting intends to vote all available undirected proxies in favour of each item of business.

If you appoint as your proxy any Director of the Company, except the Chairman, or any other Key Management Personnel or any of their Closely Related Parties and you do not direct your proxy how to vote Resolution 1, he or she will not vote your proxy on those resolutions.

6. Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority must be sent to the Company and/or registry at least 24 hours in advance of the Meeting.

Imagion Biosystems Limited ACN 616 305 027

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice convening the Annual General Meeting of Shareholders of Imagion Biosystems Limited (**Company**) to be held at 11.00am (Melbourne time) on Wednesday, 22 July 2020 virtually, via Zoom, by going to <https://boardroomptylimited.zoom.us/j/94522280622>.

This Explanatory Memorandum is to assist Shareholders in understanding the background to, and the legal and other implications of, the Notice and the reasons for the proposed resolutions. Both documents should be read in their entirety and in conjunction with each other.

1. **Item 1: Financial and related reports**

1.1 **Explanation**

Section 317 of the Corporations Act requires the Company's financial report, Directors' report and auditor's report for the financial year ended 31 December 2019 to be laid before the Company's Annual General Meeting. There is no requirement for a formal resolution on this item. The financial report contains the financial statements of the consolidated entity consisting of Imagion and its controlled entities.

As permitted by the Corporations Act, a printed copy of the Company's 2019 Annual Report has been sent only to those shareholders who have elected to receive a printed copy. A copy of the 2019 Annual Report is available from the Company's website (www.imagionbiosystems.com).

The Chairman of the Meeting will allow a reasonable opportunity at the Meeting for shareholders to ask questions. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor questions about its audit report, the conduct of its audit of the Company's financial report for the year ended 31 December 2019, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of Company Auditor in relation to the conduct of the audit.

2. **Resolution 1: Adoption of Remuneration Report (non-binding resolution)**

2.1 **Explanation**

Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the Company's 2020 Annual Report and is available from the Company's website (www.imagionbiosystems.com). The Remuneration Report:

- describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of executives and the Company's performance;
- sets out the remuneration arrangements in place for each Director and for certain members of the senior management team; and
- explains the differences between the basis for remunerating Non-Executive Directors and senior executives, including the CEO.

The vote on this item is advisory only and does not bind the Directors. However, the Board will take into account any discussion on this item and the outcome of the vote when considering the future remuneration policies and practices of the Company.

2.2 **Voting Exclusion**

A voting exclusion statement applies to this resolution, as set out in the Notice.

2.3 **Board Recommendation**

The Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report.

2.4 **Chairman's available proxies**

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

3. **Resolution 2: Re-Election of Director – Ms Dianne Angus**

3.1 **Explanation**

Clause 19.4 of the Company's Constitution and ASX Listing Rule 14.4, provides that a director appointed in addition to the current board is required to submit themselves for election by Shareholders at the next annual general meeting.

Ms Dianne Angus retires in accordance with clause 19.4 of the Company's Constitution and ASX Listing Rule 14.4 and being eligible, offers herself for re-election.

3.2 **About Ms Dianne Angus**

Ms Angus has worked as a senior executive and non-executive director within the biotechnology, biopharmaceutical and agritech industries for over twenty-five years. She has created numerous global industry partnerships which include Prana Biotechnology, Gerolymatos International, Florigene, Suntory & Monsanto to yield novel and competitive medical, pharmaceutical and agricultural products.

Ms Angus has successfully forged strong partnerships with key medical opinion leaders to create innovative clinical research programs and driven the development path for novel neurological pre-clinical agents to late-stage clinical assets before the FDA and European regulators. With over fifteen years' experience in an ASX and NASDAQ listed company, she has expertise in business development, capital raising, investor relations, regulatory affairs and intellectual property, together with corporate governance and compliance capabilities.

Ms Angus holds a Masters Degree in Biotechnology and is a registered patent attorney.

Ms Angus is a member of Australian Institute of Company Directors (AICD) and holds a Graduate Diplomas Intellectual Property (IP) law.

Ms Angus was appointed as a Director of the Company on 11 May 2020 and has a relevant interest of Nil in the Company.

3.3 **Board Recommendation**

The Board, with Ms Angus abstaining, recommends that Shareholders vote in favour of this resolution.

3.4 **Chairman's available proxies**

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

4. **Resolution 3: Re-election of Director – Mr Michael Harsh**

4.1 **Explanation**

Clause 20.3 of the Company's Constitution, provides that one third of all existing Directors, excluding the Managing Director, must retire by rotation each annual general meeting.

Mr Michael Harsh retires in accordance with clause 20.3 of the Company's Constitution and ASX Listing Rule 14.5 and being eligible, offers himself for re-election.

4.2 **About Mr Michael Harsh**

Mr Hash has over 36 years of experience in healthcare technology, focused on diagnostic imaging having served as Vice President and Chief Technology Officer for GE Healthcare. As the Global Technology Leader of Imaging Technologies at GE Global Research, he led the research for XRay, CT, MRI, Ultrasound, Nuclear Medicine, PET and Optical Imaging, and the research associated with computer visualization/image analysis and superconducting systems. In 2008, Mr Hash was elected to the American Institute for Medical and Biological Engineering (AIMBE) College of Fellows, for his significant contributions to the medical and biological engineering field. Mr Harsh is a co-founder of Terapede Systems.

4.3 **Board Recommendation**

The Board, with Mr Hash abstaining, unanimously recommends that shareholders vote in favour this resolution.

4.4 **Chairman's available proxies**

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

5. **Resolution 4: Re-election of Director – Ms Jovanka Naumoska**

5.1 **Explanation**

Clause 20.3 of the Company's Constitution, provides that one third of all existing Directors, excluding the Managing Director, must retire by rotation each annual general meeting.

Ms Jovanka Naumoska retires in accordance with clause 20.3 of the Company's Constitution and ASX Listing Rule 14.5 and being eligible, offers himself for re-election.

5.2 **About Ms Jovanka Naumoska**

Ms Naumoska is an Australian legal practitioner with expertise in intellectual property law, corporate law, and corporate governance. She holds the Officer role of Corporate Secretary for Imagination Biosystems Ltd, and serves Australian scientific development organizations in an expert capacity on matters relating to corporate law, business operations, intellectual property development, and regulatory compliance.

5.3 **Board Recommendation**

The Board, with Ms Naumoska abstaining, unanimously recommends that shareholders vote in favour this resolution.

5.4 **Chairman's available proxies**

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

6. **Resolution 5: Ratification of Prior Issue of Shares and New Options April 2020 Follow-on Placement**

6.1 **Explanation**

The Company seeks Shareholder ratification of a previous issue of Share and New Options on the 28 April 2020, including 45,635,111 Shares at an issue price of \$0.01 per share and 24,220,111 New Options exercisable at \$0.03, expiring on the 28 April 2023 pursuant to ASX Listing Rule 7.4

ASX Listing Rule 7.1 provides that a Company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue Shares during any 12-month period in excess of 15% of the number of Shares on issue at the commencement of that 12-month period without Shareholder approval.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1 by permitting the ratification of previous issues of Shares which were not made under a prescribed exception under ASX Listing Rule 7.2 or with Shareholder approval, provided that such issues did not breach the 15% threshold set out by Listing Rule 7.1. If Shareholders of a company approve the ratification of such previous issues of Shares at a general meeting, those Shares will be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rule 7.1.

Accordingly, if Shareholders ratify the Company's previous issues of Shares (made under Listing Rule 7.1) by way of approving Resolution 5, those Shares will be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rule 7.1 and will no longer be deducted from the Company's 15% Placement Capacity.

As per the announcement released to the ASX on 28 April 2020, the April 2020 Follow-on Placement Shares and New Options were issued under the Company's 15% placement capacity.

In order to restore the Company's capacity to issue equity securities, it is proposed that the Shareholders ratify the issue of ordinary shares and options as detailed below. Ratification provides the Company with flexibility in capital management and allows the Company to make further issues for working capital or other purposes as required.

As Advised in the Company's ASX announcement on 28 April 2020, the proceeds raised will provide funds to maintain current Research and Development and manufacturing programs, and otherwise for general working capital.

6.2 Information required by Listing Rule 7.5

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

Recipients of Issue	The recipients of the follow-on placement were clients of Mahe Capital Pty Ltd, the Lead Manager of the placement.
Number and Class of the Securities issued	45,635,111 Shares 24,220,111 New Options
Material terms of the Securities	Fully Paid Ordinary Shares Options exercisable at \$0.03, expiring on 28 April 2023
Date on which the Securities were issued	28 April 2020
Issue Price	\$0.01 per share Nil cash consideration for Options
Purpose of the issue	To raise funds to maintain current Research and Development and manufacturing programs, and otherwise for general working capital.
Voting exclusion	A voting exclusion statement applies to this item of business as set out in the Notice.

6.3 Board Recommendation

The Board unanimously recommends that shareholders vote in favour of this resolution.

6.4 Chairman's available proxies

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

7. Resolution 6: Approval of future Issue of New Options April 2020 Follow-on Placement

7.1 Explanation

The Company seeks shareholder approval of future issue of 21,415,000 New Options exercisable at \$0.03 and a three-year expiry from the date of issue, pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a Company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue Shares during any 12-month period in excess of 15% of the number of Shares on issue at the commencement of that 12-month period without Shareholder approval.

The Company raised funds to progress activities to complete the manufacture of nanoparticle material and to maintain current Research and Development programs. These Options were unable to be issued under the Company's capacity at the same time as those New Options issued as part of the April 2020 Follow-on Placement, as previously advised to the ASX. The Company requires Shareholder approval under ASX Listing rule 7.1 and none of the exceptions in ASX Listing Rule 7.2 apply. The effect of resolution 6 will be to allow the Company to issue New Options the subject of the Resolution within 3 months after the date of the meeting without using the Company's 15% annual placement capacity granted under ASX Listing rule 7.1.

7.2 Information required by Listing Rule 7.3

In accordance with ASX Listing Rule 7.3, Shareholders are provided the following Information:

Recipients of Issue	The recipients of the follow-on placement who were clients of Mahe Capital Pty Ltd, the Lead Manager of the placement.
Number and Class of the Securities issued	21,415,000 New Options
Material terms of the Securities	Exercisable at \$0.03 and a three-year expiry from the date of issue
Date on which the Securities will be issued	No later than 3 months after the date of the meeting.
Issue Price	Nil cash consideration for the issue of Options
Purpose of the issue	To raise funds to maintain current Research and Development and manufacturing programs, and otherwise for general working capital.
Voting exclusion	A voting exclusion statement applies to this item of business as set out in the Notice.

7.3 Board Recommendation

The Board unanimously recommends that shareholders vote in favour of this resolution.

7.4 Chairman's available proxies

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

8. Resolution7: Approval of future Issue of Options to the Lead Manager and Underwriter of the March 2020 Renounceable Rights Offer

8.1 Explanation

The Company seeks shareholder approval of future issue of 6,000,000 Options to the Lead Manager/Underwriter of the March 2020 Renounceable Rights Issue. The Options to be issued on the same terms as the New Options issued under the 2020 Renounceable Rights Offer, that is exercisable at \$0.03 and a three-year expiry from the date of issue, pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a Company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue Shares during any 12-month period in excess of 15% of the number of Shares on issue at the commencement of that 12-month period without Shareholder approval.

The Company raised funds under a placement of securities to progress activities to complete the manufacture of nanoparticle material and to maintain current Research and Development programs. The Company requires Shareholder approval under ASX Listing rule 7.1 and none of the exceptions in ASX Listing Rule 7.2 apply. The effect of resolution 7 will be to allow the Company to issue the Options the subject of the Resolution within 3 months after the date of the meeting without using the Company's 15% annual placement capacity granted under ASX Listing rule 7.1.

Resolution 7 is an ordinary resolution requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

8.2 Information required by Listing Rule 7.3

In accordance with ASX Listing Rule 7.3, Shareholders are provided the following Information:

Recipients of Issue	Mr Michael Soucik & Mrs Heather Soucik <HMS Superannuation Fund A/C>
Number and Class of the Securities issued	6,000,000 Listed Options
Material terms of the Securities	Listed Options with an exercise price of \$0.03 and a 3 year expiry from the date of issue.
Date on which the Securities will be issued	No later than 3 months after the date of the meeting.
Issue Price	Nil cash consideration for the issue of Options.
Purpose of the issue	As part of the consideration payable to the Lead Manager/Underwriter of the March 2020 Renounceable Rights Issue.
Voting exclusion	A voting exclusion statement applies to this item of business as set out in the Notice.

8.3 Board Recommendation

The Board unanimously recommends that shareholders vote in favour of this resolution.

8.4 Chairman's available proxies

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

9. Resolution 8: Ratification of the Issue of Options to the Lead Manager of the November 2019 Renounceable Rights Issue

9.1 Explanation

The Company seeks shareholder approval for the ratification of a prior issue of 6,000,000 Options to the Lead Manager of the November 2019 Renounceable Rights Issue exercisable at \$0.05 and a two-year expiry from the date of issue, pursuant to ASX Listing Rule 7.4.

ASX Listing Rule 7.1 provides that a Company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue equity securities during any 12-month period in excess of 15% of the number of Shares on issue at the commencement of that 12-month period without Shareholder approval.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1 by permitting the ratification of previous issues of equity securities which were not made under a prescribed exception under ASX Listing Rule 7.2 or with Shareholder approval, provided that such issues did not breach the 15% threshold set out by Listing

Rule 7.1. If Shareholders of a company approve the ratification of such previous issues of equity securities at a general meeting, those equity securities will be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rule 7.1.

Accordingly, if Shareholders ratify the Company's previous issues of Options (made under Listing Rule 7.1) by way of approving Resolution 8, those Shares will be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rule 7.1 and will no longer be deducted from the Company's 15% Placement Capacity.

As per the announcement released to the ASX on 10 December 2019, the Options were issued under the Company's 15% placement capacity.

In order to restore the Company's capacity to issue equity securities, it is proposed that the Shareholders ratify the issue of ordinary shares and options as detailed below. Ratification provides the Company with flexibility in capital management and allows the Company to make further issues for working capital or other purposes as required.

Resolution 8 is an ordinary resolution requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

9.2 Information required by Listing Rule 7.5

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

Recipients of Issue	Mr Michael Soucik & Mrs Heather Soucik <HMS Superannuation Fund A/C>
Number and Class of the Securities issued	6,000,000 Listed Options
Material terms of the Securities	Listed Options with an exercise price of \$0.05 and a 2-year expiry from the date of issue.
Date on which the Securities will be issued	No later than 3 months after the date of the meeting.
Issue Price	Nil cash consideration for the issue of Options
Purpose of the issue	Part of the consideration payable to the Lead Manager of the November 2019 Renounceable Rights Issue.
Voting exclusion	A voting exclusion statement applies to this item of business as set out in the Notice.

9.3 Board Recommendation

The Board unanimously recommends that shareholders vote in favour of this resolution.

9.4 Chairman's available proxies

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

10. Resolution 9: Approval of new Equity Incentive Plan

10.1 Background

The Company has adopted the Equity Incentive Plan (**EIP**) in order to assist in the motivation and retention of selected Company employees. The EIP is designed to align the interests of eligible employees more closely with the interests of the Company by providing an opportunity for eligible employees to receive an equity interest in the Company. Under the EIP, eligible employees may be offered performance rights, options, loan shares, deferred share awards or exempt share awards which may be subject to vesting conditions set by the Board.

This Resolution is an ordinary resolution that provides for the adoption of the EIP to provide ongoing incentives to any full time or part time employee of the Company or any of its subsidiaries (including a Director or company secretary of the Company or its subsidiaries who holds salaried employment with the Company or its subsidiaries on a full or part time basis), or a consultant, who is determined by the Board to be eligible to receive grants of Options under the EIP (Eligible Participants).

10.2 Explanation

The Company seeks shareholder approval pursuant to ASX Listing Rule 7.2 Exception 13 for approval of new EIP and approval to the issue of performance rights, options, loan shares, deferred share awards or exempt share awards under, and pursuant to, the rules of the EIP as an exception to Listing Rule 7.1 for 3 years.

If this Resolution is passed, the Company will be able to grant performance rights, options, loan shares, deferred share awards or exempt share awards to Eligible Participants (or their approved nominee) under the EIP following achievement of the vesting conditions (if any). The vesting conditions applicable to any particular performance rights, options, loan shares, deferred share awards or exempt share awards to be issued under the EIP may vary and will be set at the time of grant at the discretion of the Board and under the terms of the EIP.

It is considered by the Directors that the adoption of the EIP and the future grant of performance rights, options, loan shares, deferred share awards or exempt share awards will provide Eligible Participants with the opportunity to participate in the future growth of the Company. In the case of the grant to a director under the EIP, the acquisition of these securities will require Shareholder approval in accordance with Listing Rule 10.14.

As at the date of this Notice, the EIP has not been established by the Company and subsequently no securities have been issued under the EIP.

The maximum number of Equity Securities proposed to be issued under the scheme following the approval will be capped at 56,500,000. After taking into account the proposed issue of Equity Securities in Resolutions 11 and 12 of this Notice, if approved by Shareholders and issued, the Company will have a remaining capacity to issue 38 million Equity Securities representing the same number of underlying Shares (however, the Company does not currently intend to use up all this capacity).

Listing Rule 7.1

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount that represents 15% of the number of fully paid ordinary securities on issue on the commencement of that 12 month period.

One of the exceptions to Listing Rule 7.1 is Listing Rule 7.2 (Exception 13), which provides that Listing Rule 7.1 does not apply to an issue under an employee incentive scheme if, within the 3 years before the date of issue, shareholders have approved the issue of the securities as an exception to Listing Rule 7.1.

If this Resolution is passed, the Company will be able to issue performance rights, options, loan shares, deferred share awards or exempt share awards to Directors (which will require separate Shareholder approval in accordance with Listing Rule 10.14 at the relevant time), and employees of the Company pursuant to the EIP during the period of 3 years after the Meeting (or a longer period, if allowed by ASX), and to issue Shares to those persons if they achieve the vesting conditions of the performance rights, options, loan shares, deferred share awards or exempt share awards issued, without using the Company's 15% rolling 12 month placement capacity.

Key Terms

The key terms of the EIP are summarised below.

(a) **Employee Rights**

Under the EIP, the Company may offer or issue to eligible employees, the following Employee Rights:

- performance rights: a right to be issued or provided with a Share at nil issue price on specific vesting conditions being achieved;
- options: a right to be issued or provided with a Share on payment of an exercise price and which can only be exercised if specific vesting conditions are achieved;
- loan shares: Shares issued subject to a limited recourse loan and at nil interest rate, subject to specific vesting conditions;
- deferred share awards: Shares issued to employees:
 - who elect to receive Shares in lieu of any wages, salary, director's fees, or other remuneration; or
 - by the Company in its discretion, in addition to their wages, salary and remuneration, or in lieu of any discretionary cash bonus or other incentive payment; or
- exempt share awards: Shares issued for no consideration or at an issue price which is a discount to the market price with the intention that up to \$1,000 (or such other amount which is exempted from tax under the Income Tax Assessment Act 1936 (Cth) or the Income Tax Assessment Act 1997 (Cth) from time to time) of the total value or discount received by each employee will be exempt from tax.

(b) **Eligible employees**

Employee Rights may be granted at the discretion of the Board to any person who is an employee, officer, director or consultant of a member of the Company or any of its subsidiaries.

(c) **Price**

The Board has discretion to determine the issue price and/or exercise price for the Employee Rights.

(d) **Vesting and exercise of Employee Rights**

The Employee Rights held by a participant will vest in and become exercisable by that participant upon the satisfaction of any vesting conditions specified in the offer and in accordance with the rules of the EIP. Vesting conditions may be waived at the discretion of the Board.

(e) **Change of control**

In the event a takeover bid is made to acquire all of the Shares on issue, or a scheme of arrangement, selective capital reduction or other transaction is initiated which has an effect similar to a full takeover bid, the Board may waive unsatisfied vesting conditions in relation to some or all Employee Rights. Further, if a takeover bid is made to acquire all of the Shares on issue, participants may accept the takeover bid in respect of any Employee Rights (other than exempt share awards) which they hold notwithstanding the restriction period in respect of those Employee Rights has not expired.

(f) **Claw-back**

If any vesting conditions of an Employee Rights are mistakenly waived or deemed satisfied when in fact they were not satisfied, then in accordance with the terms of the EIP, the Board may determine that the relevant Employee Rights expire (if not yet exercised), or it may otherwise recover from the participant some or all Shares issued upon exercise of the Employee Rights or any proceeds received from the sale of those shares.

(g) **Variation of Share capital**

If prior to the exercise of an Employee Right, Company undergoes a reorganisation of capital or bonus issue, the terms of the Company Employee Right will be changed to the extent necessary to comply with the Listing Rules.

10.3 Board Recommendation

Given their interest in the outcome of this resolution, the Board does not make a recommendation to shareholders with respect to this resolution.

10.4 Chairman's available proxies

Given their interest in the outcome of this resolution, the Chairman does not make a recommendation to shareholders with respect to this resolution.

11. Resolution 10: Approval of 10% Placement Facility

11.1 Explanation

Under ASX Listing Rule 7.1, every listed entity has the ability to issue 15% of its issued capital without shareholder approval in a 12 month period. ASX Listing Rule 7.1A permits eligible small and mid-cap ASX-listed entities, subject to shareholder approval, to issue Equity Securities of up to an additional 10% of its issued capital by way of placements over a 12 month period, in addition to its ability to issue securities under Listing Rule 7.1 (**10% Placement Capacity**).

The Company seeks shareholder approval under ASX Listing Rule 7.1A for the 10% Placement Capacity. The effect of this resolution will be to allow the Company, subject to the conditions set out below, to issue Equity Securities under the 10% Placement Capacity without using its 15% Placement Capacity under ASX Listing Rule 7.1.

Resolution 10 is a special resolution. Accordingly, at least 75% of votes cast by shareholders present and eligible to vote (in person or by proxy) at the meeting must be in favour of this resolution for it to be passed.

11.2 Eligibility

ASX-listed entities which have a market capitalisation of \$300 million or less, and which are not included in the S&P/ASX 300 Index, are eligible to seek shareholder approval under ASX Listing Rule 7.1A. As at the date of this Notice, the Company is eligible to seek shareholder approval under ASX Listing Rule 7.1A.

11.3 Formula

The exact number of additional Equity Securities that the Company may issue under the 10% Placement Capacity will be determined by a formula set out ASX Listing Rule 7.1A.2 as follows:

(A x D) - E

Where:

A is the number of fully paid ordinary securities on issue at the commencement of the 12 month period before the date of issue or agreement (relevant period):

- plus the number of fully paid ordinary securities issued in the relevant period under an exception in rule 7.2 other than exception 9, 16 or 17,
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,

- plus the number of any other fully paid ordinary securities issued in the relevant period with approval under rule 7.1 or rule 7.4,
- plus the number of partly paid ordinary securities that became fully paid in the relevant period,
- less the number of fully paid ordinary securities cancelled in the relevant period.

(‘A’ has the same meaning in ASX Listing Rule 7.1 when calculating an entity’s 15% placement capacity.)

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under rule 7.4.

11.4 Conditions of issue under the 10% Placement Capacity

There are a number of conditions applicable to the issue of Equity Securities under ASX Listing Rule 7.1A, including a limitation on the discount to prevailing market price at which they may be issued, and additional disclosure requirements. A summary of these conditions is as follows:

- (a) Equity Securities issued under the 10% Placement Capacity can only be in a class of securities already quoted. At the date of this Notice, the Company only has one class of securities which are quoted, being ordinary shares.
- (b) The issue price of each Equity Security issued under the 10% Placement Capacity must be no less than 75% of the volume weighted average market price (**VWAP**) for Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before either:
 - i. the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the securities; or
 - ii. if the Equity Securities are not issued within 10 trading days of the date in paragraph (i), the date on which the securities are issued.

11.5 Period of validity of shareholder approval

In the event that the Company obtains shareholder approval of Resolution 10, such approval will cease to be valid upon the earlier of:

- (a) 12 months after the date of this Annual General Meeting;
- (b) the time and date of the entity’s next Annual General Meeting; or
- (c) if applicable, the time and date on which the Company’s shareholders approve a change to the nature or scale of the Company’s activities under ASX Listing Rule 11.1.2, or the disposal of the Company’s main undertaking under ASX Listing Rule 11.2,

(the **Placement Period**).

11.6 Information to be provided to shareholders under ASX Listing Rule 7.3A

(a) Minimum issue price

The issue price of each Equity Security issued under the 10% Placement Capacity must be no less than 75% of the VWAP for Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before either:

- i. the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the securities; or
- ii. if the Equity Securities are not issued within 10 trading days of the date in paragraph (i), the date on which the securities are issued.

(b) **Risk of dilution to Shareholders**

If Resolution 10 is approved by shareholders, any issue of Equity Securities under the 10% Placement Capacity may present a risk of economic and voting dilution of existing shareholders, including the risk that:

- the market price of the Company's Equity Securities may be significantly lower on the relevant issue date than on the date of the Meeting; and
- the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

The table below shows the potential dilution of existing shareholders under various scenarios on the basis of:

- an issue price of **\$0.016** per share which was the closing price of the Company's shares on the ASX on **4 May 2020**; and
- the variable 'A' being calculated as the number of fully paid ordinary shares on issue as at the date of this Notice, being **761,580,156**.

The table also shows:

- two examples where variable 'A' has increased by 50% and 100%. The number of shares on issue in the Company may increase as a result of the issue of shares that do not require approval of shareholders (for example, pro-rata entitlement issues or scrip issues under takeover offers) or future placements of shares under ASX Listing Rule 7.1 of up to 15% of issued capital that are approved at future general meetings of shareholders; and
- two examples of where the issue price of shares has decreased by 50% and increased by 100%.

VARIABLE 'A'		Dilution		
		50% decrease in issue price \$0.008	Issue price \$0.016	100% increase in issue price \$0.032
Current Variable 'A' 761,580,156 shares	10% voting dilution	76,158,015 shares	76,158,015 shares	76,158,015 shares
	Funds raised	\$609,264	\$1,218,528	\$2,437,056
50% increase in current Variable 'A' 1,142,378,234 shares	10% voting dilution	114,237,823 shares	114,237,823 shares	114,237,823 shares
	Funds raised	\$913,902	\$1,827,805	\$3,655,610
100% increase in current Variable 'A' 1,523,160,312 shares	10% voting dilution	152,316,031 shares	152,316,031 shares	152,316,031 shares
	Funds raised	\$1,218,528	\$2,437,056	\$4,874,112

The table has been prepared on the following assumptions:

- the Company issues the maximum number of shares available under the 10% Placement Capacity;
- no options to acquire shares on issue in the Company are exercised, and no other convertible securities on issue convert into shares;
- the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue;
- the table does not show an example of dilution that may be caused to a particular shareholder as a result of placements under the 10% Placement Capacity based on that shareholder's holding at the date of the Meeting;
- the table shows only the effect of issues of Equity Securities under the 10% Placement Capacity in accordance with ASX Listing Rule 7.1A and not under the 15% placement capacity under ASX Listing Rule 7.1;
- the issue of Equity Securities under the 10% Placement Capacity consists only of shares; and
- the issue price is \$0.016, being the closing price of the Company's shares on the ASX on 4 May 2020.

(c) **Period of validity**

The Company will only issue and allot the Equity Securities during the Placement Period. The approval under Resolution 10 for the issue of the Equity Securities will cease to be valid in the event that shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

(d) **Reason for issue of shares under 10% Placement Capacity**

The Company may seek to issue the Equity Securities for cash consideration only, the proceeds of which will be applied to fund the Company's existing and future activities, appraisal of corporate opportunities, investment in new businesses (if any), the costs incurred in undertaking placement(s) of shares under ASX Listing Rule 7.1.A and for general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

(e) **Allocation policy**

The Company may not issue any or all the Equity Securities for which approval is given and may issue the Equity Securities progressively as the Company places the Equity Securities with investors.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors such as:

- fundraising options (and their viability) available to the Company at the relevant time;
- the effect of the issue of the Equity Securities on the control of the Company;
- the financial situation of the Company and the urgency of the requirement for funds; and
- advice from the Company's corporate, financial, legal and broking advisers.

The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice.

It is intended that the allottees will be suitable professional and sophisticated investors, and other investors not requiring a disclosure document under section 708 of the Corporations Act, that are known to the Company and/or introduced by third parties.

The allottees may include existing substantial shareholders and/or new shareholders, but the allottees will not be related parties of the Company.

(f) **Previous approval**

The Company previously obtained approval under ASX Listing Rule 7.1A on 31 May 2019. In accordance with ASX Listing Rule 7.3A.6, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.1A, the following information is provided to shareholders:

Date of Issue	Class of Equity Securities	No. Issued	Issue Price Per Security \$	Terms	With Shareholder approval under existing capacity	W/o Shareholder Approval subject to Shareholder approval at AGM 2020
24/06/2019	Vesting Performance Rights	962,500	Nil	N/A	Yes, AGM Plan Approved 2018	
24/06/2019	Incentive Plan Options	5,300,000	Nil	exercisable at \$0.028 and expiring on 24/06/2024	Yes, AGM Plan Approved 2018	
30/09/2019	Contractor Share Issue	3,445,310	Nil	N/A	Yes - Under Listing Rule 7.1, using Company's 15% capacity	
30/09/2019	Vesting Performance Rights	31,250	Nil	N/A	Yes, AGM Plan Approved 2018	
30/09/2019	Incentive Plan Options	2,017,553	Nil	a) 198,063 Options exercisable at \$0.0302 and expiring on 28/02/2021. b) 183,950 Options exercisable at \$0.0262 and expiring on 31/03/2021. c) 304,951 Options exercisable at \$0.0256 and expiring on 30/04/2021. d) 377,602 Options exercisable at \$0.0290 and expiring on 31/05/2021. e) 952,987 Options exercisable at \$0.0194 and expiring on 30/06/2021.	Yes, AGM Plan Approved 2018	

Date of Issue	Class of Equity Securities	No. Issued	Issue Price Per Security \$	Terms	With Shareholder approval under existing capacity	W/o Shareholder Approval subject to Shareholder approval at AGM 2020
4/10/2019	Exercise of OP3 Options	187,500	AUD 0.028	Ordinary - Shares were issued upon the exercise of options at an exercise price of \$0.028 per Share.	Yes	
22/10/2019	Advisory Board Options	600,000	Nil	a) 200,000 Options exercisable at \$0.06, vesting quarterly over two years and expiring on 7/10/2024. b) 100,000 Options exercisable at \$0.06, vesting quarterly over two years and expiring on 20/09/2024. c) 300,000 Options exercisable at \$0.06, vesting quarterly over two years and expiring on 22/08/2024.	Yes, AGM Plan Approved 2018	
26/11/2019	2019 Rights issue new shares	181,412,807	AUD 0.020	Ordinary	Yes - Under Listing Rule 7.1, under an exception in rule 7.2	
26/11/2019	2019 Rights issue options	90,706,395	Nil	exercisable into Shares at \$0.05, on or before 26 November 2021.	Yes - Under Listing Rule 7.1, under an exception in rule 7.2	
26/11/2019	2019 Rights Issue - lead manager options	6,000,000	Nil	exercisable into Shares at \$0.05, on or before 26 November 2021.	No	Yes
10/12/2019	FPOs to Vendor - IR Services	2,500,000	AUD 0.02	Ordinary	Yes - Under Listing Rule 7.1, using Company's 15% capacity	
Date of Issue	Class of Equity Securities	No. Issued	Issue Price Per Security \$	Terms	With Shareholder approval under existing capacity	

28/04/2020	Shares under the Renounceable Rights Issue	204,512,854	AUD 0.01	Ordinary	Yes - Under Listing Rule 7.1, using Company's 15% capacity	
28/04/2020	Shares under the Follow-on Placement	45,635,111	AUD 0.01	Ordinary	Yes - Under Listing Rule 7.1, using Company's 15% capacity	
28/04/2020	Options under Renounceable Rights Issue	204,512,854	Nil	exercisable at \$0.03 on or before 28 April 2023	Yes - Under Listing Rule 7.1, using Company's 15% capacity	
28/04/2020	Options under Follow-on Placement	24,220,111	Nil	exercisable at \$0.03 on or before 28 April 2023	Yes - Under Listing Rule 7.1, using Company's 15% capacity	
28/04/2020	Follow-on Placement Options	21,415,000	Nil	exercisable at \$0.03 on or before 28 April 2023	No	Yes
28/04/2020	Lead Manager/Underwriter Options	6,000,000	Nil	exercisable at \$0.03 on or before 28 April 2023	No	Yes
29/04/2020	Vesting Performance Rights	150,000	Nil	N/A	Yes, AGM Plan Approved 2018	

11.7 **Voting Exclusion**

A voting exclusion statement applies to this resolution, as set out in the Notice.

11.8 **Board Recommendation**

The Board unanimously recommend that shareholders vote in favour of this resolution.

11.9 **Chairman's available proxies**

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

12. **Resolution 11: Approval of related party benefits under Performance Rights and Options to Mr Robert Proulx**

12.1 **Explanation**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the giving of the financial benefit falls within one of the relevant exceptions, or prior shareholder approval is obtained to the giving of the financial benefit.

A related party includes directors of the Company under section 228 of the Corporations Act. Section 229 of the Corporations Act defined financial benefit broadly and includes issuing securities, granting an option or providing finance to a related party.

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval (by ordinary resolution) prior to the issue of securities (which includes an option or right to subscribe for a security) under an employee incentive scheme to a director of the company.

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval (by ordinary resolution) prior to the issue of equity securities to a related party of the company. ASX Listing Rule 10.12 exception 8, provides an exception to ASX Listing Rule 10.11 where an issue of equity securities is made under an employee incentive scheme with the approval of shareholders under ASX Listing Rule 10.14. As approval is being sought under ASX Listing Rule 10.14, approval under ASX Listing Rule 10.11 and ASX Listing Rule 7.1 is not required.

Mr Robert Proulx is a director of the Company for the purposes of ASX Listing Rule 10.14.1. Being a director of the Company, he is also a related party of the Company for the purposes of Chapter 2E of the Corporations Act.

12.2 **Proposed grant of securities**

Performance Rights

It is proposed that Mr Proulx is granted, in aggregate, 10,000,000 performance rights over Shares in accordance with the EIP and a rights award agreement (**Performance Rights**), as long term incentives with respect to the 3 year period from 1 May 2020 to 30 April 2023. Each Performance Right, once vested, will automatically oblige the Company to issue one ordinary share in the capital of the Company.

Subject to the terms of issue, the Performance Rights will vest and require the Company to issue Shares, if the relevant performance hurdles set out in section 12.4 of this Notice (**Performance Right Milestones**) are satisfied.

Options

It is also proposed that Mr Proulx is granted 6,000,000 options to be issued Shares in accordance with the EIP and an options award agreement (**Options**), as part of his remuneration package with respect to the 3 year period from 1 May 2020 to 30 April 2023. Each Option, once vested, will be exercisable into one ordinary share in the capital of the Company.

The Options will vest, subject to Mr Proulx's continuous employment with the Company, as follows:

- (a) 2,000,000 on 1 May 2021;
- (b) 2,000,000 on 1 May 2022; and
- (c) 2,000,000 on 1 May 2023.

Approvals

Shareholder approval is sought for the purposes of both ASX Listing Rule 10.14 and Chapter 2E of the Corporations Act with respect to the issue of Performance Rights and the Options to Mr Proulx pursuant to the EIP and relevant terms of issue.

The issue of the Performance Rights and the Options are conditional on the passing of Resolution 9.

12.3 Technical information required by Chapter 2E of the Corporations Act and ASX Listing Rule 10.15

Information required	Particulars
Name of person	Mr Robert Proulx (or nominee)
Relationship of person	Mr Robert Proulx is a director of the Company
Number and class of securities to be issued	10,000,000 Performance Rights 6,000,000 Options
Remuneration package	Mr. Proulx's total remuneration with respect the financial year ending 31 December 2020 is \$399,440, the same as financial year ended 31 December 2019, minus \$5,000 as per waiver of Directors Fees agreement for the second quarter of the year 2020 (which was announced on the ASX on 8 April 2020). Mr. Proulx's total remuneration with respect the financial year ended 31 December 2019 was as follows: (a) Cash and Fees: \$399,440 (b) Equity settled Shares: \$ -939,600. Due to the reversal of performance rights, the share payments for Mr Proulx was negative for the year ended 31 December 2019.
Number of securities previously issued under the EIP and average acquisition price	Nil. As at the date of this Notice, the EIP has not been established by the Company and subsequently no securities have been issued under the EIP.
Summary of the terms of the EIP	The Performance Rights and the Options are to be issued pursuant to the EIP and will be subject to the terms of the EIP. Please refer to section 10.2 of this Notice.
Material terms of the Performance Rights	(a) Each Performance Right is a right to be issued one Share in the capital of the Company. (b) Each Performance Right does not confer upon the holder (Holder) any rights of a shareholder, including for example, a right to notice, an entitlement to vote or receive dividends. (c) A Performance Right does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise. (d) All Shares issued upon vesting of the Performance Rights will upon issue rank pari passu in all respects with all other Shares.

	<p>(e) The Company will not apply for quotation of the Performance Rights on ASX. However, as the Company is listed on the ASX, at the time of the issue of Shares, the Company will apply for quotation of all Shares issued pursuant to the Performance Rights on ASX within the period required by ASX.</p> <p>(f) A Performance Right is not transferable (including encumbering the Performance Rights). Unless the relevant dealing is effected by force of law on death or legal incapacity to the Holder's legal personal representative or the Board otherwise determines, a Holder may not dispose of a Performance Right that has been granted to them. The Company may require that a Performance Right be forfeited if a disposal occurs or is purported to occur other than in accordance with these terms.</p> <p>(g) There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Performance Rights.</p> <p>(h) If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.</p> <p>(i) Each Performance Right confers upon the Holder the right to be issued a certain number of Shares following the later of (i) any ASX imposed escrow period on the relevant Holder (if any); and (ii) the achievement of the Milestones, subject to any other relevant terms of issue.</p> <p>(j) If the relevant Milestone is not achieved by the relevant due date, then the corresponding Performance Rights will automatically lapse.</p> <p>(k) The Performance Rights (not yet vested) will automatically lapse on the third anniversary of the date of grant.</p> <p>(l) The Company will issue the Holder with a new holding statement for any Shares issued pursuant to the Performance Rights.</p> <p>(m) Performance Rights issued will automatically require the Company to issue Shares to the Holder once vested.</p> <p>(n) A Holder must be a Director, consultant or employee of the Company or a subsidiary thereof. A Holder's entitlement to any Performance Rights in relation to Milestones that have not been met, ceases upon the date that is 3 months (or, if earlier, March 1 of the calendar year) after the Holder ceases to be either a Director, consultant or employee of the Company.</p> <p>(o) Performance Rights issued to a Holder may immediately vest, and Shares issued to the Holder at the total discretion of the Board of the Company on the occurrence of a takeover bid is made to acquire all of the issued Shares, or if another transaction is initiated which has an effect similar to a full takeover bid for Shares.</p> <p>(p) The Performance Rights will not be quoted on the ASX.</p>
<p>Material terms of the Options</p>	<p>(a) Each Option may be converted into one Share in the Company prior to the expiry date of the Options.</p> <p>(b) The Options vest; 2,000,000 on 1 May 2021, 2,000,000 on 1 May 2022; and 2,000,000 on 1 May 2023, and may be exercised at any time prior to 5 years from the date on which they vest (Expiry Date), if not exercised.</p>

	<p>(c) The exercise price per Option is \$0.028 (being the closing price of the Company's shares on 1 June 2020, being the date on which the Board determined the terms on which it proposes to issue the Options to Mr Proulx, subject to shareholder approval).</p> <p>(d) If the holder of the Option ceases to be employed or engaged by the Company in their current capacity prior to the date of vesting, the Options will automatically lapse unless the Board has made a determination to the contrary.</p> <p>(e) The holders are not entitled to participate in any new issue to existing shareholders of securities in the Company unless they have exercised their Options before the 'record date' for determining entitlements to the new issue of securities and participate as a result of holding Shares.</p> <p>(f) If there is a reorganisation of capital then the rights of the holder (including the number of Options to which the holder is entitled to and the exercise price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.</p> <p>(g) The Options are exercisable at any time after vesting to on or prior to the Expiry Date (Exercise Period).</p> <p>(h) Subject to escrow, the Options may be exercised during the Exercise Period by notice in writing to the Company in the approved manner (Notice of Exercise) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.</p> <p>(i) A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (Exercise Date).</p> <p>(j) As soon as possible after the Exercise Date, the Company must (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and (iii) do all such things necessary to obtain the grant of official quotation of the Shares on ASX no later than 5 business days after issuing the share.</p> <p>(k) Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.</p> <p>(l) The Options will immediately vest and may be exercised and Shares issued in the event a takeover bid is made to acquire all of the issued Shares, or if another transaction is initiated which has an effect similar to a full takeover bid for Shares.</p> <p>(m) There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.</p> <p>(n) An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.</p> <p>(o) The Options will not be quoted on the ASX.</p>
--	---

	(p) Subject to the Corporations Act, the ASX Listing Rules, and the constitution of the Company, each Option is transferable.												
Why Performance Rights and Options are being used	<p>Achievement of the relevant Performance Right Milestones are beneficial for the Company and the Shareholders and will further align Mr Proulx interests with that of the Shareholders.</p> <p>The Board is of the view (with Mr Proulx abstaining) that the Options will bring Mr Proulx's total remuneration in line with market rates.</p> <p>The Performance Rights and Options are also a cost effective means of providing incentives to Mr Proulx, and to allow the Company to conserve its cash reserves while providing reasonable short and long term incentives to Mr Proulx.</p> <p>The Board does not consider that there are any significant opportunity costs foregone by the Company issuing the Performance Rights or the Options to Mr Proulx.</p>												
Value of Performance Rights and Options	<p>Performance Rights:</p> <p>The estimated accounting value of the Performance Rights to be issued is \$280,000, this has been determined by multiplying the number of Performance Rights by \$0.028, the closing share price of the Company's shares on 1 June 2020, assuming there is a 100% probability that the relevant Performance Right Milestones will be satisfied.</p> <p>Options:</p> <p>The estimated aggregate accounting value of the Options to be issued is approximately \$79,000, this has been determined having regard to the relevant Option Milestones, and is calculated using a Black-Scholes framework.</p> <p>The assumptions used in this calculation are as follows; share price of \$0.28, exercise price of \$0.028, volatility at 90%, risk free rate of 0.038%*, the following vesting dates and settlement dates:</p> <table border="1"> <thead> <tr> <th>Options</th> <th>Vesting Date</th> <th>Settlement Date</th> </tr> </thead> <tbody> <tr> <td>2,000,000</td> <td>1 May 2021</td> <td>1 May 2021</td> </tr> <tr> <td>2,000,000</td> <td>1 May 2022</td> <td>1 May 2022</td> </tr> <tr> <td>2,000,000</td> <td>1 May 2023</td> <td>1 May 2023</td> </tr> </tbody> </table> <p><i>*Australian Bond 5 year yield.</i></p>	Options	Vesting Date	Settlement Date	2,000,000	1 May 2021	1 May 2021	2,000,000	1 May 2022	1 May 2022	2,000,000	1 May 2023	1 May 2023
Options	Vesting Date	Settlement Date											
2,000,000	1 May 2021	1 May 2021											
2,000,000	1 May 2022	1 May 2022											
2,000,000	1 May 2023	1 May 2023											
Dates on which the entity will issue the securities under the EIP	<p>The Company intends to issue the Performance Rights and Options by no later than 1 month following Shareholder approval.</p> <p>It is difficult to determine when the Shares resulting from the satisfaction of the Performance Rights or the exercise of the Options are likely to be issued.</p> <p>The Performance Rights, will result in the issue of Shares if they vest during the relevant vesting period.</p> <p>The Options, if vested, may be exercised during the 5 year period following the date on which they vest (the date of vesting for the Options is set out in section 12.2 of this Notice).</p>												
Price at which securities are to be issued	The Performance Rights and the Options will be issued for a \$Nil issue price.												

	Any amount raised by the Company from the exercise of the Options will be used for working capital purposes.
--	--

Details of any securities issued under the EIP will be published in the annual report of the Company relating to the Period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

12.4 Milestones

Performance Right Milestones:

- (a) 2,500,000 Performance Rights will vest if, during the 3 year period from 1 May 2020 to 30 April 2023, the Company receives U.S. Food and Drug Administration (or other comparable jurisdictional agency) approval for undertaking clinical investigative use of a product, e.g. Investigational Device Exemption (IDE) or Human Research Ethics Committee (HREC) approval.
- (b) 2,500,000 Performance Rights will vest if, during the 3 year period from 1 May 2020 to 30 April 2023, the Company completes one 'Early Feasibility Study' or 'First In Human (Phase 1) study', including reporting of results within 18 months of initiation of the study.
- (c) 2,500,000 Performance Rights will vest if, during the 3 year period from 1 May 2020 to 30 April 2023, the Company establishes strategic or business relationships that provides at least AU\$5 million in non-equity, non-debt cash inflow including from sales, license fees, grants, or other forms of non-dilutive capital (but not research and development tax credits).
- (d) 2,500,000 Performance Rights will vest if, during the 3 year period from 1 May 2020 to 30 April 2023, the Company achieves a market capitalisation of at least \$50 million for a continuous period of at least 20 day trading days.

12.5 Existing Interest

Mr. Proulx's holds the following securities in the Company:

- (a) 987,000 Shares.
- (b) 8,700,000 performance rights*.
- (c) 176,250 Listed Options, exercisable at \$0.05 expiring on 26 November 2021.
- (d) 282,000 Listed Options, exercisable at \$0.03 expiring on 28 April 2023.

**These performance rights expire in June 2020, the Company expects these performance rights will not vest and will not result in an issue of Shares to Mr Proulx.*

12.6 Effect of vesting of the Performance Rights and exercise of Options

If shareholders approve this resolution, and 100% of the Performance Rights vest, and the Options were exercised, and Shares issued, and no other Shares were issued in the intervening period, the effect will be to dilute the holdings of existing Shareholders by an equivalent amount, as follows:

No. of Shares on issue	761,580,156*
No. of shares on exercise of all Options and Performance Rights	16,000,000
No of shares following exercise of Options	777,580,156
% of total equity issued	2.058%

**This includes 2,500,000 Shares which come out of voluntary escrow on 9 Aug 2020, but not any equity securities proposed to be issued under this Meeting, 96,706,695 IBXO listed Options, or 228,732,965 IBXOA Listed Options.*

12.7 **Voting Exclusion**

A voting exclusion statement applies to this resolution, as set out in the Notice.

12.8 **Board Recommendation**

No director (other than Mr Proulx) has an interest in the outcome of this resolution.

The Directors (except for Mr Proulx) unanimously recommend that shareholders vote in favour of this resolution.

12.9 **Chairman's available proxies**

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

13. **Resolution 12: Approval of related party benefits under Options to the Non-executive Directors**

13.1 **Explanation**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the giving of the financial benefit falls within one of the relevant exceptions, or prior shareholder approval is obtained to the giving of the financial benefit.

A related party includes directors of the Company under section 228 of the Corporations Act. Section 229 of the Corporations Act defined financial benefit broadly and includes issuing securities, granting an option or providing finance to a related party.

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval (by ordinary resolution) prior to the issue of securities (which includes an option or right to subscribe for a security) under an employee incentive scheme to a director of the company.

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval (by ordinary resolution) prior to the issue of equity securities to a related party of the company. ASX Listing Rule 10.12 exception 8, provides an exception to ASX Listing Rule 10.11 where an issue of equity securities is made under an employee incentive scheme with the approval of shareholders under ASX Listing Rule 10.14. As approval is being sought under ASX Listing Rule 10.14, approval under ASX Listing Rule 10.11 and ASX Listing Rule 7.1 is not required.

Each of Ms Dianne Angus, Mr Michael John Harsh, Mr David Gerald Ludvigson, Ms Jovanka Naumoska and Mr Mark Gerald Van Asten are directors of the Company for the purposes of ASX Listing Rule 10.14.1. Being a director of the Company, each is also a related party of the Company for the purposes of Chapter 2E of the Corporations Act.

13.2 **Proposed grant of Options**

It is proposed that the Company issues 2,500,000 Options to its non-executive directors as follows:

- (a) 500,000 Options to Ms Dianne Angus (or nominee);
- (b) 500,000 Options to Mr Michael John Harsh (or nominee);
- (c) 500,000 Options to Mr David Gerald Ludvigson (or nominee);
- (d) 500,000 Options to Ms Jovanka Naumoska (or nominee); and
- (e) 500,000 Options to Mr Mark Gerald Van Asten (or nominee).

These options are intended to form part of each director's remuneration package with respect to the 24 month period from 1 May 2020 to 30 April 2022.

Each Option, once vested, will be exercisable into one ordinary share in the capital of the Company. 50% of the Options issued to a director will vest on 1 May 2021, with the balance vesting on 1 May 2022, subject to the relevant director remaining in his or her current role with the Company at each relevant vesting time.

Approvals

Shareholder approval is sought for the purposes of both ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act with respect to the issue of the Options to the directors pursuant to the EIP and relevant terms of issue.

The issue of the Options are conditional on the passing of Resolution 9.

The issue of the Options to Ms Dianne Angus is conditional on the passing of Resolution 2, the issue of the Options to Mr Michael John Harsh is conditional on the passing of Resolution 3, and the issue of the Options to Ms Jovanka Naumoska is conditional on the passing of Resolution 4.

13.3 Technical information required by Chapter 2E of the Corporations Act and ASX Listing Rule 10.15

Name of person	Relationship of person	Number and class of securities to be issued	Remuneration package
Ms Dianne Angus (or nominee)	Ms Angus is a director of the Company	500,000 Options	Ms Angus's total remuneration with respect the financial year ending 31 December 2020 is approximately \$25,650 (representing remuneration from May 2020 to December 2020. (The agreed annual remuneration for Ms Angus is \$35,000 plus superannuation.)
Mr Michael John Harsh (or nominee)	Mr Harsh is a director of the Company	500,000 Options	Mr Harsh's total remuneration with respect the financial year ending 31 December 2020 is \$15,000 including relevant statutory payments superannuation (after the Director's agreement to reduce remuneration by \$5,000 (which was announced on the ASX on 8 April 2020)).
Mr David Gerald Ludvigson (or nominee)	Mr Ludvigson is a director of the Company	500,000 Options	Mr Ludvigson 's total remuneration with respect the financial year ending 31 December 2020 is \$15,000 including relevant statutory payments (after the Director's agreement to reduce remuneration by \$5,000 (which was announced on the ASX on 8 April 2020))
Ms Jovanka Naumoska (or nominee)	Ms Naumoska is a director of the Company	500,000 Options	Ms Naumoska's total remuneration with respect the financial year ending 31 December 2020 is \$15,000 plus superannuation (after the Director's agreement to reduce remuneration by \$5,000 (which was announced on the ASX on 8 April 2020)).

Mr Mark Gerald Van Asten (or nominee)	Mr Van Asten is a director of the Company	500,000 Options	Mr Van Asten's total remuneration with respect the financial year ending 31 December 2020 is \$15,000 plus superannuation (after the Director's agreement to reduce remuneration by \$5,000 (which was announced on the ASX on 8 April 2020)).
---------------------------------------	---	-----------------	--

The following information applies with respect to all Options to be issued:

Information required	Particulars
Number of securities previously issued under the EIP and average acquisition price	Nil. As at the date of this Notice, the EIP has not been established by the Company and subsequently no securities have been issued under the EIP.
Summary of the terms of the EIP	The Performance Rights and the Options are to be issued pursuant to the EIP and will be subject to the terms of the EIP. Please refer to section 10.2 of this Notice.
Material terms of the Options	<p>(a) Each Option may be converted into one Share in the Company prior to the expiry date of the Options.</p> <p>(b) 50% of the Options vest on 1 May 2021 and the remaining 50% of the Options vest on 1 May 2022. Each Option may be exercised from the date of vesting to any time prior to being 5 years from the date on which they vest (Expiry Date), if not exercised.</p> <p>(c) The exercise price per Option is \$0.028 (being the closing price of the Company's shares on 1 June 2020, being the date on which the Board determined the terms on which it proposes to issue the Options to the directors, subject to shareholder approval).</p> <p>(d) If the holder of the Option ceases to be employed or engaged by the Company in their current capacity prior to the date of vesting, any unvested Options will automatically lapse unless the Board has made a determination to the contrary.</p> <p>(e) The holders are not entitled to participate in any new issue to existing shareholders of securities in the Company unless they have exercised their Options before the 'record date' for determining entitlements to the new issue of securities and participate as a result of holding Shares.</p> <p>(f) If there is a reorganisation of capital then the rights of the holder (including the number of Options to which the holder is entitled to and the exercise price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.</p> <p>(g) The Options are exercisable at any time after vesting to on or prior to the Expiry Date (Exercise Period).</p> <p>(h) Subject to escrow, the Options may be exercised during the Exercise Period by notice in writing to the Company in the approved manner (Notice of Exercise) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.</p> <p>(i) A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (Exercise Date).</p>

	<p>(j) As soon as possible after the Exercise Date, the Company must (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and (iii) do all such things necessary to obtain the grant of official quotation of the Shares on ASX no later than 5 business days after issuing the share.</p> <p>(k) Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.</p> <p>(l) The Options will immediately vest and may be exercised and Shares issued in the event a takeover bid is made to acquire all of the issued Shares, or if another transaction is initiated which has an effect similar to a full takeover bid for Shares.</p> <p>(m) There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options. The Options will not be quoted on the ASX.</p> <p>(n) An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.</p> <p>(o) Subject to the Corporations Act, the ASX Listing Rules, and the constitution of the Company, each Option is transferable.</p>									
Why and Options are being used	<p>Options are a cash free way to remunerate directors and further align their interest with that of the Company.</p> <p>The Company does not consider that there are any significant opportunity costs foregone by the Company in issuing the Options.</p>									
Value of Options	<p>The estimated accounting value of the all of the Options to be issued (ie 2,500,000 Options) is approximately \$26,200 (or \$5,240 per director), this has been determined having regard to the relevant Option Milestones, and is calculated using a Black-Scholes framework.</p> <p>The assumptions used in this calculation are as follows; share price of \$0.028, exercise price of \$0.028, volatility at 90%, risk free rate of 0.038%*, the following vesting dates and settlement dates:</p> <table border="1"> <thead> <tr> <th>Options</th> <th>Vesting Date</th> <th>Settlement Date</th> </tr> </thead> <tbody> <tr> <td>1,250,000</td> <td>1 May 2021</td> <td>1 May 2021</td> </tr> <tr> <td>1,250,000</td> <td>1 May 2022</td> <td>1 May 2022</td> </tr> </tbody> </table> <p><i>*Australian Bond 5 year yield.</i></p>	Options	Vesting Date	Settlement Date	1,250,000	1 May 2021	1 May 2021	1,250,000	1 May 2022	1 May 2022
Options	Vesting Date	Settlement Date								
1,250,000	1 May 2021	1 May 2021								
1,250,000	1 May 2022	1 May 2022								
Dates on which the entity will issue the Options	<p>The Company intends to issue the Options by no later than 1 month following Shareholder approval.</p> <p>It is difficult to determine when the Shares resulting from the exercise of the Options are likely to be issued. The Options, if vested, may be exercised during the 5 year period following the date on which they vest.</p>									
Price at which Options are to be issued	<p>The Options will be issued for a \$Nil issue price.</p> <p>Any amount raised by the Company from the exercise of the Options will be used for working capital purposes.</p>									

Details of any securities issued under the EIP will be published in the annual report of the Company relating to the Period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

13.4 Voting Exclusion

A voting exclusion statement applies to this resolution, as set out in the Notice.

13.5 Board Recommendation

All the directors (other than Mr Proulx) have an interest in the outcome of this resolution.

Mr Proulx (with all other directors abstaining) recommends that shareholders vote in favour of this resolution.

13.6 Chairman's available proxies

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

GLOSSARY

Throughout this Explanatory Memorandum the following various words and phrases are capitalised and the definitions of these capitalised words and phrases are set out below:

"**Annual General Meeting**" or "**Meeting**" means the meeting convened by the Notice of Meeting;

"**ASX**" means ASX Limited (ACN 008 624 691);

"**ASX Listing Rules**" or "**Listing Rules**" means the Official Listing Rules of the ASX;

"**Board**" means the board of Directors of the Company;

"**Chairman**" means chairman of the annual general meeting;

"**Closely Related Party**" of a member of the Key Management Personnel means:

- (a) A spouse or child of the member;
- (b) A child of the member's spouse;
- (c) A dependant of the member or the member's spouse;
- (d) Anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) A company the member controls; or
- (f) A person prescribed by the Corporation Regulations

"**Company**" or "**IBX**" means Imagion Biosystems Limited ACN 616 305 027;

"**Constitution**" means the Company's Constitution;

"**Corporations Act**" means the *Corporations Act 2001* (Cth);

"**Corporations Regulations**" means the *Corporations Regulations 2001* (Cth)

"**Directors**" means the current Directors of the Company;

"**Equity Securities**" has the meaning given under the Listing Rules;

"**Explanatory Memorandum**" means this Explanatory Memorandum as modified or varied by any supplementary Memorandum issued by the Company from time to time;

"**Key Management Personnel**" or "**KMP**" has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

"**Lead Manager**" means with respect to Resolutions 5, 6 and 7 Mahe Capital Pty Ltd, and with respect to Resolution 8 CPS Capital Group Pty Ltd;

"**Notice**" or "**Notice of Meeting**" means the notice convening the annual general meeting of the Company to be held on Wednesday, 22 July 2020 which accompanies this Explanatory Memorandum;

"**Option**" means an option to acquire a Share;

"**Proxy Form**" means the proxy form that is enclosed with and forms part of this Notice;

"**Remuneration Report**" means the remuneration report set out in the Directors' Report section of the Company's Annual Financial Report for the year ended 31 December 2019;

"**Resolution**" means a resolution in the form proposed in the Notice of Meeting;

"Share" means a fully paid ordinary share in the capital of the Company; and

"Shareholder" means a registered holder of a Share.



All Correspondence to:

-  **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
-  **By Fax:** +61 2 9290 9655
-  **Online:** www.boardroomlimited.com.au
-  **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00 am (Melbourne time) on Monday, 20th July 2020.**

TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/ibxagm2020>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00 am (Melbourne) on Monday, 20th July 2020.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

-  **Online** <https://www.votingonline.com.au/ibxagm2020>
-  **By Fax** + 61 2 9290 9655
-  **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
-  **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

SAMPLE

Imagion Biosystems Limited

ACN 616 305 027

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Imagion Biosystems Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held **Online Only on Wednesday, 22nd July 2020 at 11:00am (Melbourne time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, and 5-12, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolution/s even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1, and 5-12). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		FOR	AGAINST	ABSTAIN*			FOR	AGAINST	ABSTAIN*
Res 1	Adoption of Remuneration Report (non-binding resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 7	Approval of future Issue of Options to the Lead Manager and Underwriter of the March 2020 Renounceable Rights Offer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 2	Re-Election of Director – Ms Dianne Angus	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 8	Ratification of the Issue of Options to the Lead Manager of the November 2019 Renounceable Rights Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3	Re-Election of Director – Mr Michael Harsh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 9	Approval of new Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 4	Re-Election of Director – Ms Jovanka Naumoska	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 10	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 5	Ratification of Prior Issue of Shares and New Options April 2020 Follow-on Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 11	Approval of related party benefits under Performance Rights and Options to Mr Robert Proulx	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 6	Approval of future Issue of New Options April 2020 Follow-on Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 12	Approval of related party benefits under Options to the Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2020

SAMPLE