



**IMPEDIMED LIMITED**

**ACN 089 705 144**

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Shareholders of ImpediMed Limited (**Company**) will be held at the offices of Johnson Winter & Slattery in Sydney, Level 25, 20 Bond Street, Sydney NSW 2000 on Wednesday 17 October 2018 at 9.00am (AEDT) (**Meeting**).

The Explanatory Notes to this Notice provide additional information on the matters to be considered at the Meeting. The Explanatory Notes and the Proxy Form form part of this notice.

**BUSINESS OF THE MEETING**

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**Item 1: Financial Statements and Reports**

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2018.

**Item 2: Remuneration Report**

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

*"To adopt the Remuneration Report for the year ended 30 June 2018."*

Notes:

- (i) In accordance with section 250R of the Corporations Act 2001, the vote on this resolution will be advisory only and will not bind the Directors or the Company.
- (ii) A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

**Item 3: Election of Directors**

**Item 3.1: Election of Dr Robert Graham**

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

*"That Dr Robert Graham, being a Director who was appointed by the Directors on 15 November 2017 and whose appointment as a Director expires at the conclusion of the Annual General Meeting of the Company and, being eligible, offers himself for election, be elected as a director of the Company."*

**Item 3.2: Re-election of Mr Scott Ward**

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

*"That Mr Scott Ward, being a Director who is retiring in accordance with clause 16 of the Company's Constitution and ASX Listing Rule 14.4, and being eligible, offers himself for re-election, be re-elected as a director of the Company."*

**Item 3.3: Re-election of Mr Gary Goetzke**

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

*"That Mr Gary Goetzke, being a Director who is retiring in accordance with clause 16 of the Company's Constitution and ASX Listing Rule 14.4, and being eligible, offers himself for re-election, be re-elected as a director of the Company."*

**Item 4: Grant of Options to Mr Richard Carreon, Chief Executive Officer and Managing Director**

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

*"That for the purposes of Part 2D.2 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given to the grant and issue of 2,473,000 Options to Mr Richard Carreon, and the issue of Shares on the exercise of those Options, under the ImpediMed Employee Incentive Plan and on the terms and conditions set out in the Explanatory Notes."*

Note: A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

**Item 5: Grant of Performance Rights to Mr Richard Carreon, Chief Executive Officer and Managing Director**

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

*"That for the purposes of Part 2D.2 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given to the grant and issue of 2,988,000 Performance Rights to Mr Richard Carreon, and the issue of Shares on the vesting of those Performance Rights, under the ImpediMed Employee Incentive Plan and on the terms and conditions set out in the Explanatory Notes."*

Note: A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

**Item 6: Approval of additional capacity to issue equity securities under ASX Listing Rule 7.1A**

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

*"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Company having the additional capacity to issue equity securities under ASX Listing Rule 7.1A on the terms and conditions as detailed in the Explanatory Notes is approved."*

Note: A voting exclusion applies to this resolution (see Explanatory Notes for details).

## ENTITLEMENT TO VOTE

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The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company as at 7.00pm (AEDT) on Monday 15 October 2018 (**Entitlement Time**).

This means that if you are not the registered holder of a Share in the Company at the Entitlement Time, you will not be entitled to vote at the Meeting.

## ANNUAL REPORT

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Copies of the Company's full Annual Report may be accessed at our website [www.impedimed.com](http://www.impedimed.com) by clicking on the "Investors" tab and then the "Financials" tab.

## VOTING OPTIONS AND PROXIES

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If you do not plan to attend the Meeting in person, you are encouraged to complete and return the Proxy Form which accompanies this Notice of Annual General Meeting.

### Voting by Proxy

A Shareholder who is entitled to attend and vote at this Meeting is entitled to appoint not more than two proxies to attend and vote in place of the Shareholder.

If the Shareholder appoints two proxies, the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the Shareholder's votes. If the specified proportion or number of votes exceeds that which the Shareholder is entitled to, each proxy may exercise half of the Shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

A proxy need not be a Shareholder of the Company. A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Subject to the specific proxy provisions applying to Items 2, 4, 5 and 6 (see the Explanatory Notes below):

- if a Shareholder has not directed their proxy how to vote, the proxy may vote as the proxy determines; and
- if a Shareholder appoints the Chair of the Meeting as proxy and does not direct the Chair how to vote on an item of business, the Chair will vote in accordance with the Chair's voting intention as stated in this Notice of Meeting.

### Proxy Voting by the Chair

For Item 2 (Remuneration Report), Item 4 (Grant of Options to the CEO) and Item 5 (Grant of Performance Rights to the CEO), where the Chair is appointed as a Shareholder's proxy and that Shareholder has not specified the way in which the Chair is to vote on Items 2, 4 and 5 the Shareholder is directing the Chair to vote in accordance with the Chair's voting intentions for these items of business, even though Items 2, 4 and 5 are connected directly or indirectly with the remuneration of Key Management Personnel.

The Chair intends to vote all undirected proxies in favour of all Items (including Items 2, 4 and 5) in the Notice of Meeting.

## Proxy Forms

To be effective, the Proxy Form must be completed, signed and lodged (together with the relevant original power of attorney or a certified copy if the proxy is signed by an attorney) with the Company's share registry, as an original or by facsimile, **no later than 9.00am (AEDT) on Monday 15 October 2018 (Proxy Deadline)**.

Proxy forms may be submitted in one of the following ways:

- (i) **By mail** to Link Market Services Limited using the reply paid envelope or Locked Bag A14, Sydney South NSW 1235. Please allow sufficient time so that it reaches Link Market Services Limited by the Proxy Deadline;
- (ii) **By fax** to Link Market Services Limited on +61 2 9287 0309;
- (iii) **Online** via the Company's Share Registry website at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au). Please refer to the Proxy Form for more information; or
- (iv) **By hand delivery** to Link Market Services Limited at Level 12, 680 George Street, Sydney NSW 2000.

Proxy Forms and Powers of Attorney must be received by the Proxy Deadline.

## CORPORATE REPRESENTATIVES

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Where a shareholding is registered in the name of a corporation, the corporate Shareholder may appoint a person to act as its representative to attend the Meeting by providing that person with:

- (i) a letter or certificate authorising him or her as the corporation's representative, executed in accordance with the corporation's constitution; or
- (ii) a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

BY ORDER OF THE BOARD



**Leanne Ralph**  
Company Secretary  
11 September 2018

## Explanatory Notes

### ITEM 1 – Financial Statements

As required by section 317 of the Corporations Act the Financial Report, Directors' Report and Auditor's Report of the Company for the most recent financial year will be presented at the Meeting. The Financial Report contains the financial statements of ImpediMed Limited.

There is no requirement for a formal resolution on this Item.

The Chair of the Meeting will allow a reasonable opportunity at the Meeting for Shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor, Ernst & Young (**EY**), questions about the Auditor's Report, the conduct of its audit of the Company's Financial Report for the financial year ended 30 June 2018, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of EY in relation to the conduct of the audit.

Shareholders may submit written questions to the Company in relation to the above matters. Written questions must be received no later than 5.00pm (AEDT) on Wednesday 10 October 2018. A form to facilitate the submission of questions is attached to this Notice and it includes details on the return of this form to the Share Registry.

### ITEM 2 – Adoption of remuneration report

#### Reasons for Resolution

In accordance with section 300A of the Corporations Act the Company has prepared a Remuneration Report for the consideration of Shareholders.

As provided by section 250R(3) of the Corporations Act, the resolution on this item of business is advisory only and does not bind the Board or the Company.

ImpediMed is committed to establishing a remuneration strategy that effectively aligns executive compensation with Shareholder value creation. The Board's Remuneration Committee works to balance Australian corporate governance and remuneration best practices with the business' need to provide remuneration that will attract, retain and motivate key US-based executive talent in a highly competitive market.

ImpediMed's strategy is to deliver medical technology to measure, monitor and manage fluid status and body composition. The Company is advancing the state of the art in BIS technology with our new SOZO® product platform and has expanded into additional disease indications in 2018. The transformation to a high growth medical technology company makes it critical to be able to retain and attract specialised talents, to now include highly sought after information technology skilled talent, necessary to achieve the important regulatory, clinical and commercial milestones on which the success of our strategy depends.

The Company operates in the United States and only 10% of employees are resident in Australia. Thus the majority of the Company's executives and senior managers are recruited and retained within the US employment environment. In order to compete for talent in that environment, the Group must adopt at least some common US remuneration practices, a number of which are not standard practice in Australia.

As detailed more fully in the Remuneration Report, the remuneration philosophy at ImpediMed targets fixed remuneration for executives at the median of its US peers and variable compensation above the median for exceptional performance. In order to determine executive compensation, the Remuneration Committee uses benchmarking data from a peer group of comparable companies and reviews the pay plans and practices of other relevant companies. When considering companies for ImpediMed's peer group, the Remuneration Committee considers companies that are similar in size (i.e. revenue, market capitalisation and employee numbers), scope and complexity; operate in similar or related businesses to the Group; and, may compete with ImpediMed for key talent (e.g., companies based in southern California and the west coast of the US). The peer group is reviewed on a regular basis. The Remuneration Committee may also consider other factors such as internal equity, individual performance, tenure, leadership skills and an ability to impact the Group's performance.

Reflecting this approach, the Company proposes to issue, subject to shareholder approval, Performance Rights to Mr Carreon, the vesting of which will depend on the Group's performance against specified benchmarks. These are described in more detail in relation to Item 5 below.

### **Directors' Recommendation**

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

### **Voting Exclusion Statement**

As required by the Corporations Act, the Company will disregard any votes cast on Item 2 by any member of the Company's Key Management Personnel (**Key Management Personnel or KMP**) or a Closely Related Party of any such member unless the person:

- (i) votes as a proxy appointed by writing (on behalf of a person who is entitled to vote on this Item 2) that specifies how the person is to vote on Item 2; or
- (ii) is the Chair of the Meeting and votes as a proxy appointed by writing (on behalf of a person who is entitled to vote on this Item 2) that authorises the Chair to vote on the resolution even though that resolution is connected with the remuneration of a member of the Company's KMP.

**What this means for Shareholders:** If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure that you direct them how to vote on the proposed resolution in Item 2. If you intend to appoint the Chair of the Meeting as your proxy, you can direct her how to vote by marking the boxes for Item 2 (for example, if you wish to vote for, against or abstain from voting), or you can choose not to mark any of the boxes for Item 2 and give the Chair your express authority to vote your undirected proxy (in which case the Chair will vote in favour of this item of business).

## **ITEM 3 – Election of Directors**

In accordance with the Company's Constitution and the ASX Listing Rules, an election of Directors must be held at each annual general meeting.

Clause 16.1 of the Constitution states that one-third of all Directors (excluding the Managing Director and Directors appointed during the year by the Board) must retire at every annual general meeting and are eligible to stand for re-election. The Directors to retire pursuant to clause 16.1 of the Constitution are the Directors (other than the Managing Director) who have held office the longest since being appointed or last being elected. In the case where Directors were elected on the same day, the Directors to retire are determined by agreement between the Directors, or a ballot.

Mr Goetzke and Mr Ward are obliged to retire at the Meeting by virtue of ASX Listing Rule 14.4 and clause 16.1 of the Constitution. Both, Mr Goetzke and Mr Ward, are offering themselves for re-election. In addition, Dr Graham was appointed during the year as an addition to the Board and must stand for election at the Meeting pursuant to ASX Listing Rule 14.4 and clause 13.2 of the Constitution.

The election of each of the candidates must be considered and voted on as a separate resolution. Details of the candidates are outlined below.

### **ITEM 3.1: Election of Dr Robert Graham**

Dr Graham was appointed to the board in November 2017 and serves on the Remuneration and Nomination Committees.

Dr Graham received his medical training at the University of New South Wales where he is now the Des Renford Professor of Medicine, (UNSW). He has been the inaugural Executive Director, Victor Chang Cardiac Research Institute (VCCRI), Sydney, Australia, since returning to Australia in 1994 after 17 years in the US working at the University of Texas Southwestern Medical School, Dallas; the Massachusetts General Hospital, Harvard Medical School; the Massachusetts Institute of Technology, and the Cleveland Clinic Foundation and Case Western Reserve University School of Medicine. He maintains an active clinical practice as a consultant physician in cardiorenal diseases.

A Fellow of the Australian Academy of Science, the Australian Academy of Health and Medical Sciences, and Foreign Member, Royal Danish Academy of Sciences and Letters, his research focuses on molecular cardiology, with emphasis on circulatory control mechanisms, hypertension, receptor signalling and cardiac hypertrophy, as well as cardiac regeneration and the application of stem cells for the treatment of heart diseases. He is a Fellow of the American Heart Association; Life Member, Heart Foundation of Australia (NSW Division), and Member, American Society for Clinical Investigation; the Appointments and Promotions Committees of the Queensland Institute of Medical Research; the Garvan Institute of Medical Research, and the Centre for Vascular Research, University of NSW.

Current and previous commercial/biotech experience: Founding board member and contributing scientist, EngeneIC Ltd and MirAcl Therapeutics, Ltd. (cancer therapeutics), Sydney; Chairman, ImmunoCare Therapies, Inc., Nevada, USA; Chairman, VCCRI IP&C Committee; Member, Scientific Advisory Boards of Mesoblast Ltd. (stem cells/regenerative medicines), Melbourne, and Zensun Ltd. (cancer and heart failure therapeutics), Shanghai; and Chairman, Scientific Advisory Board of The Bosch Institute, University of Sydney, and Board Member, VCCRI; Member, Board of Directors, Lowy Medical Research Institute (LMRI), and Board of Scientific Governors, LMRI MacTel Project (retinal vasculopathy).

Having had regard to the ASX Corporate Governance Principles and Recommendations (3rd edition) (**ASX Principles**), the Board considers Dr Graham to be an independent director.

#### **Directors' Recommendation**

The Board unanimously (other than Dr Graham) supports the election of Dr Graham and recommends that Shareholders vote in favour of this resolution.

### **ITEM 3.2: Re-election of Mr Scott Ward**

Mr Ward was appointed to the Board on 12 July 2013 and was appointed Chairman on 15 November 2017. He serves on the Remuneration Committee and chairs the Nomination Committee.

Mr Ward is currently Chairman, President and CEO of Cardiovascular Systems Inc. and a Managing Director of SightLine Partners. Mr Ward has over 35 years of experience in the healthcare industry, including nearly 30 years at Medtronic Inc. He was the Senior Vice President and President of the Cardiovascular business of Medtronic Inc., responsible for all worldwide operations of the Cardiovascular Business including the Coronary, Peripheral, Endovascular, Structural Heart Disease and Revascularization and Surgical Therapies businesses. Previously, Mr Ward served as Senior Vice President and President of Medtronic Neurological and Diabetes, with responsibility for the global Neurological, Neurologic Technologies, Diabetes, Gastroenterology and Urology businesses; Vice President and General Manager of the Medtronic Drug Delivery Business; and Director of Medtronic NeuroVentures.

Mr Ward is also the Founder of Raymond Holding, LLC, a firm with activities in venture capital, strategy and transactional advisory services. He holds a Bachelor's Degree in Genetics and Cell Biology, and a Masters Degree in Toxicology, both from the University of Minnesota.

Mr Ward's 35+ years of experience in the healthcare industry, including his significant leadership experience of public medical device companies and his prior service on the boards of public medical device companies, make him a valuable contributor to the Board.

Having had regard to the ASX Principles, the Board considers Mr Ward to be an independent director.

#### **Directors' Recommendation**

The Board unanimously (other than Mr Ward) supports the election of Mr Ward and recommends that Shareholders vote in favour of this resolution.

### **ITEM 3.3: Re-election of Mr Gary Goetzke**

Mr Goetzke was appointed to the Board in August 2016 and serves on the Remuneration and Nomination Committees.

Mr Goetzke has spent over 15 years in senior management positions of three medical device companies where he led efforts in pursuing global coverage and payment for a variety of medical device therapies in the areas of cardiology, neurology, urology, pelvic health, wound care, orthopaedics, ENT and sleep. Mr Goetzke is currently on the management committee of a global medical device company focused on the treatment of sleep apnea, in addition to serving as President and Chief Executive Officer of Compass Medical Advisors, LLC, an enterprise focused on developing regulatory, clinical and reimbursement-related mobile APPs for the medical device industry. Mr Goetzke also serves as an Advisory Board Member for the Center for College Sleep.

Having had regard to the ASX Principles, the Board considers Mr Goetzke to be an independent director.

#### **Directors' Recommendation**

The Board unanimously (other than Mr Goetzke) supports the election of Mr Goetzke and recommends that Shareholders vote in favour of this resolution.

## **ITEMS 4 and 5: Grant of Options and Performance Rights to Mr Richard Carreon, Chief Executive Officer and Managing Director**

Item 4 seeks shareholder approval for the issue of Options to Mr Carreon under the Company's Employee Incentive Plan (EIP). If shareholder approval is obtained, the Company will issue Mr Carreon with 2,453,500 Options under the EIP and on the terms described below.

Item 5 seeks shareholder approval for the grant of 2,988,000 Performance Rights to, and the issue of Shares on the vesting of those Performance Rights, to Mr Carreon under the EIP. If shareholder approval is obtained, the Company will issue Mr Carreon with 2,988,000 Performance Rights under the EIP and on the terms described below.

A full copy of the EIP rules are available on the Company's website.

### **Details of Mr Carreon's remuneration**

As noted in the Remuneration Report, and the discussion in the Explanatory Notes relating to Item 2 (Remuneration Report), the Remuneration Committee of the Board has reviewed the Company's remuneration framework in response to previous concerns raised by Shareholders. An important element of the revised framework is that the at-risk remuneration mix for Key Management Personnel will shift to a greater proportion of performance based remuneration, in line with US and Australian market practice.

The remuneration for Mr Carreon for FY19 will comprise the following components:

- Fixed remuneration of US\$516,334 per annum;
- An at-risk short term incentive of up to 140% of fixed remuneration subject to the achievement of specified targets; and
- An at-risk long term incentive (LTI) of up to 300% of Mr Carreon's fixed remuneration subject to the achievement of specified time-based and performance targets. This will comprise:
  - o If Item 4 is approved by Shareholders, [2,473,000] Options under the EIP as a long term retention incentive representing 100% of Mr Carreon's base salary; and
  - o If Item 5 is approved by Shareholders, [2,988,000] Performance Rights under the EIP as a long term performance incentive, representing 200% of Mr Carreon's base salary.

### **Item 4: Details of grant of Options**

The number of Options to be issued to Mr Carreon has been calculated as follows:

- Maximum LTI awarded as Options (US\$): US\$516,334
- Maximum LTI awarded as Options (A\$): A\$717,131 (at an exchange rate of US\$1.00 = A\$0.72 as at 4 September 2018)
- Options to be granted: 2,473,000 = A\$717,131 divided by A\$0.29, being the calculated fair market value using the Black-Scholes valuation model based on the 5 day VWAP of A\$0.48 of Shares on 4 September 2018. The calculation has been rounded up to the nearest one thousand.

### **Timing of grant**

If Item 4 is approved by Shareholders, the Company will offer Mr Carreon the Options under a letter of offer shortly following the Meeting. The date of that offer will be the date of the grant, and the Options will be issued shortly thereafter and in any case no later than 12 months after the Meeting.

### **Basis on which Options vest**

Subject to Mr Carreon's continued employment with the Company, one-quarter of the total number of Options granted will vest annually, on the anniversary date of the grant. This equates to 618,250 Options vesting on the anniversary of the date of grant of the Options for four years.

The Options are exercisable after they vest, for an exercise price based on the five day volume weighted average market price of Shares at the close of trading on the day prior to the date of grant. On exercise, Mr Carreon will become entitled to receive one Share for each Option that has vested (subject to the terms of the issue of the Options relating to bonus issues and capital reorganisations of the Company).

The EIP only contemplates the grant of options or performance rights over Shares. There is no ability for the Company to provide any cash equivalent on exercise.

Subject to the terms of the EIP, all Options which have not vested shall automatically lapse and be forfeited without consideration upon cessation of Mr Carreon's employment with the Company.

#### **Item 5: Details of grant of Performance Rights**

The number of Performance Rights to be issued to Mr Carreon has been calculated as follows:

- Maximum LTI awarded as Performance Rights (US\$): US\$1,032,668
- Maximum LTI awarded as Performance Rights (A\$): A\$1,434,261 (at an exchange rate of US\$1.00 = A\$0.72 as at 4 September 2018)
- Performance Rights to be granted:  $2,988,000 = \text{A\$1,434,261} \div \text{A\$0.48}$ , being the closing price of the Shares on 4 September 2018. The calculation has been rounded up to the nearest one thousand.

#### **Timing of grant**

If Item 5 is approved by Shareholders, the Company will offer Mr Carreon the Performance Rights under a letter of offer shortly following the Meeting. The date of that offer will be the date of the grant, and the Performance Rights will be issued shortly thereafter and in any case no later than 12 months after the Meeting.

#### **Basis on which Performance Rights vest**

Mr Carreon's Performance Rights will vest to the extent that the Performance Conditions set out below are satisfied at the end of the 3 year Performance Period (being from 1 July 2018 to 30 June 2021).

Upon vesting, ImpediMed will cause the relevant number of Shares (if any) to be issued or transferred to Mr Carreon. One vested Performance Right entitles Mr Carreon to one Share. No amount is payable by Mr Carreon for the issue or transfer of Shares on vesting of the Performance Rights.

As is the case with Options issued under the EIP, there is no ability for the Company to provide any cash equivalent on exercise.

Subject to the terms of the EIP, all Performance Rights which have not vested shall automatically lapse and be forfeited without consideration upon cessation of Mr Carreon's employment with the Company.

#### **Opportunity**

The total number of Performance Rights that vest will depend on the extent to which specific key performance indicator (KPI) targets are achieved. There are two Performance Conditions (see below), which are weighted equally such that one half of the award will be assessed independently against each measure. The extent to which Performance Rights will vest is as follows:

- Threshold performance – 50% of the Target number of Performance Rights will vest
- At target performance – 100% of the Target number of Performance Rights will vest
- Maximum performance – 200% of the Target number of Performance Rights will vest.

Threshold performance is the minimum level of performance required before any Performance Rights will vest. Target performance has been set with a level of 'stretch' built in, and therefore, the maximum number of Performance Rights will only vest in the case of exceptional performance.

The Performance Conditions were established by evaluating the key strategic objectives for the Company, with the focus being on supporting the Company's long-term business strategy and shareholder value. The Board is of the view that the attainment of these strategic objectives are key drivers for the Company's development and success over the performance period.

The number of Performance Rights that vest at relevant performance level for each Performance Condition (or KPI) established by the Board is summarised in the table below:

		Number of Performance Rights that vest at relevant performance level		
	Weighting	Threshold (50% of Target)	Target	Maximum (200% of Target)
KPI 1: Accelerate BIS and method of use inclusion in cancer guidelines for SOZO	50%	373,500	747,000	1,494,000
KPI 2: Contracted Revenue Pipeline growth over 3 years	50%	373,500	747,000	1,494,000
<b>TOTAL</b>		<b>747,000</b>	<b>1,494,000</b>	<b>2,988,000</b>

### Performance Conditions

The Performance Rights offered are subject to the two Performance Conditions, with Threshold, Target and Maximum targets defined for each that reflect increasing levels of complexity, challenge and strategic value:

- (i) **KPI 1:** BIS and method of use included in cancer guidelines in a manner material to the Company by 31 December 2020.
- (ii) **KPI 2:** Contracted Revenue Pipeline growth over a 3 year period (commencing on 1 July 2018) achieving a Contracted Revenue Pipeline based on specific internal milestones.

KPI 1 has been adopted on the basis that the inclusion of BIS and method of use in cancer guidelines to accelerate payment by private payors is considered by the Board to be key to the Company's future growth and success. At a minimum to achieve Threshold vesting, BIS and method of use are included in cancer guidelines by 30 June 2021, and at a maximum to achieve Maximum vesting, BIS and method of use are included in cancer guidelines by 30 June 2020.

KPI 2 has been adopted on the basis that Contracted Revenue Pipeline growth is a key measure of ImpediMed's progress. Contracted Revenue Pipeline consists of future period revenue amounts related to Total Contract Value (TCV) that are yet to be reported as revenue. As stated above, achieving the Target will result in achieving Contracted Revenue Pipeline growth over a 3 year period based on specific internal milestones.

The extent to which a Performance Condition is satisfied will be determined by the Remuneration Committee at the end of the three year performance period. The Remuneration Committee may determine that a Performance Condition has been satisfied to an extent between Threshold and Maximum, in which case the percentage of Performance Rights of Target that vest will be that determined by the Remuneration Committee.

It should be noted that these Performance Conditions have been developed with regard to the current regulatory and competitive landscape in which ImpediMed operates. Should there be significant change in these environmental factors which necessitate a change in the Company's strategic direction, the Board will take this into account in assessing performance.

### Why Shareholder approval is sought

ASX Listing Rule 10.14 provides that the Company must not permit any Directors to acquire securities under an employee incentive scheme without the approval of Shareholders.

Accordingly:

- Item 4 seeks the approval by Shareholders pursuant to ASX Listing Rule 10.14 to grant and issue 2,453,500 Options to Mr Carreon and to the issue of Shares on the exercise of those Options; and
- Item 5 seeks the approval by Shareholders pursuant to ASX Listing Rule 10.14 to grant and issue 2,988,000 Performance Rights to Mr Carreon and to the issue of Shares on the vesting of those Performance Rights.

If an approval under ASX Listing Rule 10.14 is obtained then the securities issued to Mr Carreon will not be counted towards the Company's placement capacity under ASX Listing Rule 7.1.

## Shareholder approval – Corporations Act

Under Part 2D.2 of the Corporations Act, subject to a number of exemptions, Shareholder approval must be obtained before the Company (or a Related Body Corporate or prescribed superannuation fund in relation to the Company) can give a person a “benefit” in connection with the person’s retirement from a managerial or executive office.

Under the EIP, where a participant in that plan ceases to be an employee of ImpediMed all unvested Options and Performance Rights held by that participant lapse. However, the Board has discretion as to how unvested Options or Performance Rights are to be treated in circumstances where the participant ceases employment because of death, total and permanent disability, retirement or redundancy, or for any other reason with the approval of the Board. In the context of exercising this discretion, providing Shares to the person may constitute a termination benefit regulated by Part 2D.2 of the Corporations Act.

For a person who holds a managerial or executive office with the Company (or a Related Body Corporate), if Options or Performance Rights vest because a person ceases to be employed due to death, disability or any other reason in the Board’s discretion, the person will receive a benefit in connection with retirement from office, or position of employment regulated by Part 2D.2 of the Corporations Act. The value of the benefit received will be the market price of the Shares that are received following the exercise of the Options or the vesting of the Performance Rights.

In determining the remuneration of Mr Carreon, including the number of Options and Performance Rights to be issued to him if Shareholders approve Items 4 and 5, the Board considered benchmarking data from a peer group of comparable companies and considered the pay plans and practices of other companies considered relevant. The proposed LTI has been structured to align Mr Carreon’s maximum LTI value with that of the top quartile of the peer group used by the Board as a benchmark. The maximum number of Performance Rights will be achieved only if the Performance Conditions, which reflect the Company’s key strategic objectives over the 3 year performance period, are achieved at the maximum level. These conditions are described in more detail above.

For the purposes of the exception contained in section 211(1) of the Corporations Act, the financial benefit to be given by the grant of Options and Performance Rights to Mr Carreon is considered to constitute reasonable remuneration given the circumstances of the Company and Mr Carreon’s role and responsibilities. Shareholder approval is not therefore sought for the purposes of Chapter 2E of the Corporations Act.

### Other information

Options and Performance Rights are issued subject to the following:

**Cessation of employment:** Where a participant ceases employment prior to vesting, the award is forfeited unless the Board applies its discretion to allow vesting at, or post, cessation of employment.

**Clawback:** The Board has a clawback policy which provides the Board discretion to clawback variable pay of LTI participants in the event of a serious misconduct or fraud by the employee or other specific events.

**Change of Control:** In a situation where there is likely to be a change of control of the Group, the Board may have the discretion to determine whether some, none or all of the Options and Performance Rights will vest.

### Additional information required by ASX Listing Rule 10.15

ASX Listing Rule 10.15 requires the following information to be disclosed in relation to the Options and Performance Rights proposed to be granted to Mr Carreon under the EIP:

#### (i) Number and price of securities

The number of Options that may be acquired by Mr Carreon is 2,453,500. No payment for the Options is required by Mr Carreon and the exercise price of the Options will be calculated in accordance with the formula described above.

The number of Performance Rights that may be acquired by Mr Carreon is 2,988,000. The maximum number of Shares that may be acquired by Mr Carreon on the vesting of Performance Rights is 2,988,000. No payment for the Performance Rights is required by Mr Carreon and, on vesting, Shares will be issued to Mr Carreon for no consideration.

#### (ii) Securities issued under the EIP received since the last approval

1,553,000 Options and 1,262,000 Performance Rights were issued to Mr Carreon for a zero acquisition price during the financial year ended 30 June 2018 following approval at the 2017 AGM. In addition, 912,000 ordinary shares were issued to Mr Carreon for a zero acquisition price on 6 December 2017 following the vesting of LTI performance rights issued to Mr Carreon in 2014 in respect of Mr Carreon’s 2015 LTI.

### **(iii) Persons who are entitled to participate in the EIP**

Participation in the EIP and the number of Options or Performance Rights offered to each individual participant is determined by the Board. Options or Performance Rights may be granted to certain senior executives of the Company on an annual basis as part of their annual remuneration review. Mr Carreon is the only person referred to in ASX Listing Rule 10.14 who is currently entitled to participate in the EIP.

### **(iv) Terms of any related loan**

There is no loan provided in relation to the acquisition of Options or Performance Rights by Mr Carreon.

### **Voting exclusion**

The Company will disregard any votes cast in favour on Items 4 and 5 by or on behalf of Mr Carreon (being the only Director who is eligible to participate in the EIP) and any associate of Mr Carreon. However, the Company need not disregard a vote if:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy does.

In addition, no KMP of the Company or a Closely Related Party of such a KMP may vote as a proxy on Items 4 or 5 unless:

- a) the person votes as a proxy appointed by writing that specifies how the person is to vote on Items 4 or 5 (as applicable); or
- b) the person is the Chair and votes as a proxy appointed by writing that authorises the Chair to vote on Items 4 or 5 (as applicable) even though the resolution is connected directly or indirectly with the remuneration of KMP of the Company.

### **Directors' Recommendation**

The Board unanimously (other than Mr Carreon) recommends that Shareholders vote in favour of each resolution in Items 4 and 5.

## **ITEM 6 – Approval of additional 10% capacity to issue equity securities under ASX Listing Rule 7.1A**

### **General**

ASX Listing Rule 7.1A permits eligible entities to seek shareholder approval by special resolution at an Annual General Meeting to issue an additional 10% of its issued capital by way of placements over a 12-month period (**10% Placement Capacity**). The additional 10% Placement Capacity is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

If Shareholders approve the resolution in Item 6, the effect will be to allow the Directors to issue equity securities under ASX Listing Rule 7.1A during the period of 12 months following the Annual General Meeting without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

Item 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### **Eligibility**

An eligible entity under ASX Listing Rule 7.1A is one which (at the date of the relevant annual general meeting) has a market capitalisation of \$300 million or less and is not included in the S&P / ASX 300 Index. The Company is an eligible entity for the purposes of ASX Listing Rule 7.1A.

The Company hereby seeks shareholder approval by way of special resolution to have the ability to issue equity securities under the 10% Placement Capacity.

The exact number of equity securities that may be issued pursuant to the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 which provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of equity securities calculated as follows:

$(A \times D) - E$
--------------------

Where:

**A** is the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement:

- plus the number of fully paid ordinary securities issued in the 12 months under an exception in ASX Listing Rule 7.2;
- plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- plus the number of fully paid ordinary securities issued in the 12 months with approval of shareholders under ASX Listing Rules 7.1 or 7.4. This does not include an issue of fully paid shares under the Company's 15% placement capacity without shareholder approval;
- less the number of fully paid ordinary securities cancelled in the 12 months;

Note that **A** has the same meaning in the 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 ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of ordinary securities under ASX Listing Rules 7.1 or 7.4.

Any equity securities issued under the 10% Placement Capacity must be in an existing quoted class of the Company's equity securities. The Company presently has one class of quoted securities, being Shares (ASX Code: IPD).

If the Company issues any equity securities under the 10% Placement Capacity, the entity must, pursuant to ASX Listing Rules 7.1A.4 and 3.10.5A:

- (a) give to the ASX a list of the names of persons to whom the Company allotted equity securities and the number of equity securities caused to be allotted to each (but this list is not required to be released to the market); and
- (b) disclose to the market the details of the dilution to the existing holders of ordinary securities caused by the issue; where the equity securities are issued for cash consideration, a statement of the reasons why the eligible entity issued the equity securities as a placement rather than as a pro rata issue; the details of any underwriting arrangements and fees payable to the underwriter; and any other fees or costs incurred in connection with the issue.

#### Required information

The following information is provided to Shareholders to allow them to assess the resolution in Item 6, including for the purposes of ASX Listing Rule 7.3A.

#### Minimum price

Any equity securities issued by the Company Under Listing Rule 7.1A can only be issued at a price that is no less than 75% of the volume weighted average market price for securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the securities are to be issued is agreed; or
- (b) the date on which the securities are issued if the securities are not issued within five trading days of the date on which the issue price is agreed.

#### Dilution to existing Shareholders

If the resolution in Item 6 is approved by Shareholders and the Company issues securities under the 10% Placement Capacity, the additional economic and voting interests in the Company will be diluted. There is a risk that the market price of the Company's securities may be significantly lower on the issue date than on the date of the Annual General Meeting and the securities may be issued at a price that is at a discount to the market price on the issue date.

The table below shows a number of hypothetical scenarios for a 10% placement as required by ASX Listing Rule 7.3A.2 where the number of the Company's shares on issue (variable "A" in the formula in ASX Listing Rule 7.1A.2) has remained current or increased by either 50% or 100% and the share price has decreased by 50%, remained current or increased by 100% based on the closing share price on ASX at 6 September 2018.

Number of shares on issue at 6 September 2018 Variable "A"	Additional 10% Dilution - Shares issued & funds raised	Dilution		
		\$0.205  Issue price at half current market price	\$0.41  Issue price at current market price	\$0.82  Issue price at double current market price
<b>378,993,655</b> Current Variable A (see below assumptions)	Shares issued	37,899,365	37,899,365	37,899,365
	Funds raised	\$7,769,370	\$15,538,740	\$31,077,479
<b>568,490,483</b> 50% increase in current Variable A	Shares issued	56,849,048	56,849,048	56,849,048
	Funds raised	\$11,654,055	\$23,308,110	\$46,616,219
<b>757,987,310</b> 100% increase in current Variable A	Shares issued	75,798,731	75,798,731	75,798,731
	Funds raised	\$15,538,740	\$31,077,480	\$62,154,959

The dilution table uses the following assumptions which the Company does not represent will necessarily occur:

- (a) the "issue price at current market price" is the closing price of the shares on ASX on 6 September 2018;
- (b) Variable A is 378,993,655 which equates to the number of current shares on issue at 6 September 2018;
- (c) the Company issues the maximum number of securities available under the additional 10% placement;
- (d) the table shows only the effect of issues of securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1;
- (e) no options are exercised into shares, or performance rights vest, before the date of issue of equity securities;
- (f) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
- (g) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of the placements under ASX Listing Rule 7.1A, based on that Shareholder's holding at the date of the Annual General Meeting; and
- (h) funds raised are before any capital raising costs which may be incurred.

#### 10% Placement Period

Shareholder approval under ASX Listing Rule 7.1A is valid from the date of the Annual General Meeting until the earlier of:

- (a) 12 months after the Annual General Meeting; or
- (b) the date of approval by Shareholders of 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).

#### Purpose of 10% additional placement

The Company may seek to issue securities under the 10% placement for either:

- (a) cash consideration. The Company may use the funds for working capital, investing activities (including possible complementary business acquisitions if any are identified and approved by the Board), meet financing commitments or capital management activities deemed by the Board to be in the best interests of the Company; or
- (b) non-cash consideration for transactions deemed by the Board to be in the best interests of the Company. In such circumstances the Company will release to the market a valuation of the non-cash consideration that demonstrates that the issue price of the securities complies with ASX Listing Rule 7.1A.3.

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

## Allocation policy

The Company's allocation policy is dependent upon the prevailing market conditions at the time of any proposed issue pursuant to the 10% placement. The identity of allottees of equity securities will be determined on a case by case basis having regard to factors including but not limited to the following:

- (a) the methods of raising funds that are then available to the Company;
- (b) the effect of the issue of the equity securities on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from professional and corporate advisers (if applicable).

Allottees under the 10% placement have not been determined as at the date of this Notice of Meeting and may include existing and/or new Shareholders but cannot include any related parties or associates of a related party of the Company.

## Information provided for compliance with ASX Listing Rule 7.3A.6

The Company last obtained shareholder approval under ASX Listing Rule 7.1A at the 2014 Annual General Meeting.

The Company issued, in the 12 months preceding the date of the Meeting, a total of 14,715,819 equity securities, representing 3.60% of the total number of equity securities on issue at the commencement of that 12 month period.

Details of the equity securities the Company has issued in the 12 month period preceding the date of the Meeting are set out in the table below:

Date of issue	Allottee/s	Equity Security	Number of Equity Securities	Price (and discount to market if any)	Key terms
15-Nov-2017	Employees	Options	6,771,200	\$0.00 / 100%	Grant of options - exercise price of \$0.815. The Options will vest over a four-year period with one-quarter of the number of Total Options granted above vesting annually, on each one-year anniversary of the Date of Grant, with an expiry date for all Options of 15 November 2024.
15-Nov-2017	Employees	Performance Rights	3,203,000	\$0.00 / 100%	Grant of performance rights - an exercise price of nil and the performance vesting conditions as outlined in Appendix 3B of 16 November 2017.
5-Dec-2017	Employees	Shares	2,080,000	\$0.00 / 100%	Vesting of performance rights – same terms as existing Shares
7-Dec-2017	Employees	Shares	1,666	\$0.4618 / 51.2%	Exercise of options - same terms as existing Shares
12-Dec-2017	Employees	Shares	50,000	\$0.11 / 88.0%	Exercise of options - same terms as existing Shares
12-Dec-2017	Employees	Shares	51,066	\$0.26 / 71.7%	Exercise of options - same terms as existing Shares
12-Dec-2017	Employees	Shares	150,000	\$0.45 / 51.1%	Exercise of options - same terms as existing Shares

Date of issue	Allottee/s	Equity Security	Number of Equity Securities	Price (and discount to market if any)	Key terms
15-Dec-2017	Employees	Shares	51,335	\$0.4618 / 49.0%	Exercise of options - same terms as existing Shares
27-Dec-2017	Employees	Shares	16,667	\$0.6818 / 32.2%	Exercise of options - same terms as existing Shares
27-Dec-2017	Employees	Shares	1,667	\$0.4618 / 54.0%	Exercise of options - same terms as existing Shares
27-Dec-2017	Employees	Shares	5,000	\$0.5818 / 42.1%	Exercise of options - same terms as existing Shares
27-Apr-2018	Employees	Shares	19,150	\$0.21 / 64.1%	Exercise of options - same terms as existing Shares
27-Apr-2018	Employees	Shares	25,534	\$0.26 / 55.6%	Exercise of options - same terms as existing Shares
27-Apr-2018	Employees	Options	330,000	\$0.00 / 100%	Grant of options - The Options will vest over a four-year period with one-quarter of the number of Total Options granted above vesting annually, on each one-year anniversary of the Date of Grant, with an expiry date for all Options of 27 April 2025
27-Apr-2018	Employees	Performance Rights	180,000	\$0.00 / 100%	Grant of performance rights - an exercise price of nil and the performance vesting conditions as outlined in Appendix 3B of 1 May 2018.
31-May-2018	Employees	Shares	797,200	\$0.11 / 79.2%	Exercise of options – same terms as existing Shares
31-May-2018	Employees	Shares	68,334	\$0.46 / 13.2%	Exercise of options – same terms as existing Shares
31-Jul-2018	Employees	Options	604,000	\$0.52 / -23.8%	Grant of options - The Options will vest over a four-year period with one-quarter of the number of Total Options granted above vesting annually, on each one-year anniversary of the Date of Grant, with an expiry date for all Options of 31 July 2025
31-Jul-2018	Employees	Performance Rights	310,000	\$0.00 / 100%	Grant of performance rights - an exercise price of nil and the performance vesting conditions as outlined in Appendix 3B of 31 July 2018

**Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues equity securities pursuant to the 10% Placement Capacity, it will give ASX:

- (a) a list of the names of the persons to whom the Company issues the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- (b) the information required by ASX Listing Rule 3.10.5A for release to the market.

**Voting exclusion statement**

The Company will disregard any votes cast in favour of Item 6 by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue of securities, except a benefit solely by reason of being a holder of ordinary securities, and any associates of the aforementioned persons.

However, the Company need not disregard any votes if:

- it is cast as proxy for a person entitled to vote, in accordance with directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

At the date of the Notice of Meeting, the Company has not invited and has not determined to invite any particular existing Shareholder or an identifiable class of existing Shareholder to participate in an offer under ASX Listing Rule 7.1A. Accordingly, no existing Shareholder will be excluded from voting on this Item 6.

**Directors' Recommendation**

The Board unanimously recommends that Shareholders vote in favour of Item 6.

## GLOSSARY

**10% Placement Capacity** has the meaning given in Item 6 of the Notice.

**2017 AGM** means the annual general meeting of the Company held on 15 November 2017.

**2018 AGM** means the annual general meeting of the Company held on 17 October 2018.

**A\$ or \$** means Australian dollars.

**AEDT** means Australian Eastern Daylight Savings Time as observed in Sydney, Australia.

**Annual General Meeting or Meeting** means the meeting convened by the Notice.

**ASX** means ASX Limited ACN 008 624 691.

**ASX Listing Rules** means the Listing Rules of the ASX.

**ASX Principles** means the ASX Corporate Governance Principles and Recommendations (3rd edition).

**Board** means the current board of directors of the Company.

**Closely Related Party** has the meaning as defined in section 9 of the Corporations Act.

**Company** means ImpediMed.

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**EIP** means the Employee Incentive Plan adopted by the Board on 2 October 2014 and approved by Shareholders at the 2017 AGM (and includes the US Sub-Plan).

**Eligible Entity** means an entity that at the date of the Meeting:

- (a) is not included in the A&P/ASX 300 Index; and
- (b) has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of A\$300,000,000.

**Entitlement Time** means 7.00pm (AEDT) on Monday 15 October 2018.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Notes** means the Explanatory Notes accompanying and forming part of the Notice.

**FY18** means the financial year ended 30 June 2018.

**FY19** means the financial year ended 30 June 2019.

**Group** means the Company and subsidiaries of the Company.

**ImpediMed** means ImpediMed Limited (ACN 089 705 144) (ASX code: IPD).

**Incentive** means a Share, an Option or a Performance Right.

**Items** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Key Management Personnel** (or **KMP**) has the meaning as defined in section 9 of the Corporations Act.

**Notice or Notice of Meeting or Notice of Annual General Meeting** means this notice of annual general meeting and the Explanatory Notes accompanying the Notice and the Proxy Form.

**Option** means an option to acquire a Share under the EIP or other employee incentive plan, as the context requires.

**Performance Right** means a performance right to acquire a Share under the EIP.

**Proxy Deadline** means 9.00am (AEDT) on Monday 15 October 2018.

**Proxy Form** means the proxy form accompanying the Notice.

**Related Body Corporate** has the meaning set out in in section 50 of the Corporations Act.

**Remuneration Report** means the remuneration report set out in the Directors' Report section of the Company's annual financial report for the year ended 30 June 2018.

**Right** means a performance right to acquire a Share under the EIP.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**US\$** means United States of America dollars.

**US Sub-Plan** means the United States sub-plan of the EIP.

## LODGE YOUR VOTE



### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)



### BY MAIL

ImpediMed Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



### BY FAX

+61 2 9287 0309



### BY HAND

Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138; or  
Level 12, 680 George Street, Sydney NSW 2000



### ALL ENQUIRIES TO

Telephone: +61 1300 554 474

## PROXY FORM

I/We being a member(s) of ImpediMed Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY



the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **Winter & Slattery in Sydney, Level 25, 20 Bond Street, Sydney NSW 2000 on Wednesday 17 October 2018 at 9.00am (AEDT) (Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Items 2, 4 and 5:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Items 2, 4 and 5, even though the Items are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

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

### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

#### Items

2 Remuneration Report

For Against Abstain\*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

#### Election of Directors

3.1 Election of Dr Robert Graham

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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3.2 Re-election of Mr Scott Ward

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

3.3 Re-election of Mr Gary Goetzke

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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4 Grant of Options to Mr Richard Carreon, Chief Executive Officer and Managing Director

For Against Abstain\*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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5 Grant of Performance Rights to Mr Richard Carreon, Chief Executive Officer and Managing Director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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6 Approval of additional capacity to issue equity securities under ASX Listing Rule 7.1A

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Items are connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares 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; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

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

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

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **9:00am (AEDT) on Monday, 15 October 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MAIL

ImpediMed Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138  
or  
Level 12  
680 George Street  
Sydney NSW 2000

\* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**