



ANATARA  
L I F E S C I E N C E S

## Notice of Annual General Meeting & Explanatory Statement

### Anatara Lifesciences Limited ACN 145 239 872

**To be held at:** Virtually - online (including to listen, vote and ask questions online during the Meeting): [web.lumiagm.com/367197181](http://web.lumiagm.com/367197181)

**To be held on:** Tuesday, 16 November 2021  
**Commencing:** 11:00 a.m. (Melbourne time)

**Your vote is important and given the COVID-19 pandemic, we are convening the Annual General Meeting virtually. We recommend you attend virtually. Shareholders can only participate in the Annual General Meeting virtually or voting by proxy rather than attending the Annual General Meeting in person.**

More information regarding online participation at the General Meeting (including how to vote and ask questions online during the General Meeting) is available in Part C of this Notice of Annual General Meeting.

#### **Important Information**

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisors prior to voting.

## Important dates

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Deadline for lodgement of Proxy Forms for the Annual General Meeting	11:00 a.m. (Melbourne time) Sunday, 14 November 2021
Annual General Meeting	11:00 a.m. (Melbourne time) Tuesday, 16 November 2021

## Letter from the Chair

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Dear Shareholders,

We are pleased to invite you to the Annual General Meeting of Anantara Lifesciences Limited ACN 145 239 872 (**Company**).

To ensure safety and enable participation of all Shareholders, we are holding the 2021 Annual General Meeting via a virtual platform. In order to attend, ask questions and vote virtually via the online platform at [web.lumiagm.com/367197181](http://web.lumiagm.com/367197181), please use the following details:

- Your username is your SRN/HIN
- Your password is your postcode registered on your holding if you are an Australian shareholder
- Overseas Shareholders should refer to the user guide at <https://www.computershare.com.au/virtualmeetingguide>.

Participating in the Annual General Meeting online, enables Shareholders to ask questions and cast direct votes at the appropriate times during the Annual General Meeting.

Shareholders may only ask questions online once they have been verified. It may not be possible to respond to all questions. It is encouraged that Shareholders lodge questions prior to the meeting by submitting your question to the Company Secretary by email at [sdenaro@triobi.com.au](mailto:sdenaro@triobi.com.au).

### Background to the Resolutions

In addition to customary resolutions, this Annual General Meeting seeks the approval of Shareholders for:

- the re-election of Sue MacLeman;
- the issue of options under the Executive Option Plan to each of Ms Sue MacLeman, Dr Jane Ryan and Dr David Brookes (**Director Options**); and
- the additional 10% placement facility under ASX Listing Rule 7.1A.

All of the Directors entitled to make a recommendation in respect of a particular Resolution recommend that you vote in favour of adopting that Resolution.

With respect to the Annual General Meeting, this booklet contains the following:

- The Notice of Meeting for the Annual General Meeting which contains information about the business to be conducted at the Annual General Meeting, including the Resolutions to be put to the Annual General Meeting (see Part B);
- Information explaining the business to be conducted at the Annual General Meeting (see the Explanatory Statement at Part D); and
- Information on how to vote, how to attend the Annual General Meeting electronically and appoint a proxy to vote on the Resolutions to be passed at the Annual General Meeting (see Part C).

Please read the whole of this booklet carefully as it provides important information on the Annual General Meeting, items of business and the Resolutions that you, as a Shareholder, are being asked to vote on.

Should you wish to discuss the matters in this Notice of Annual General Meeting please do not hesitate to contact the Company Secretary, Mr Stephen Denaro on +61 413 453 506 or by email at [sdenaro@triobi.com](mailto:sdenaro@triobi.com).

By order of the Board

Dated: 15 October 2021



David Brookes – Chair  
Anantara Lifesciences Limited

## Section A – Glossary

<b>\$</b>	Australian dollars.
<b>AEDT</b>	Australian Eastern Daylight Savings Time.
<b>Annual General Meeting</b>	The Annual General Meeting of Shareholders.
<b>ASIC</b>	The Australian Securities & Investments Commission.
<b>ASX</b>	The Australian Securities Exchange operated by ASX Limited.
<b>ASX Listing Rules</b>	The listing rules of the ASX.
<b>Board</b>	The board of Directors of the Company.
<b>Closely Related Party</b>	<ul style="list-style-type: none"> <li>• a spouse or child of the Shareholder; or</li> <li>• has the meaning given in section 9 of the Corporations Act.</li> </ul>
<b>Company</b>	Anatara Lifesciences Limited ACN 145 239 872.
<b>Constitution</b>	The constitution of the Company.
<b>Corporations Act</b>	The <i>Corporations Act 2001</i> (Cth).
<b>Corporations Regulations</b>	The <i>Corporations Regulations 2001</i> (Cth).
<b>Directors</b>	The directors of the Company and <b>Director</b> means any one of them.
<b>Director Options</b>	Has the meaning provided in the Letter from the Chair.
<b>Executive Option Plan</b>	The executive incentive plan approved by Shareholders at the 2017 Annual General Meeting.
<b>Equity Securities</b>	Any type of security in the Company, including a Share, option, unit, convertible security, and as otherwise defined in the ASX Listing Rules.
<b>Explanatory Statement</b>	The explanatory statement accompanying the Notice of Annual General Meeting and contained in Part D.
<b>Glossary</b>	The glossary contained in Part A to this booklet.
<b>Group</b>	The Company and its Subsidiaries.
<b>Key Management Personnel</b>	Has the meaning given in the accounting standards as 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.
<b>Notice of Annual General Meeting</b>	The notice of the Annual General Meeting accompanying the Explanatory Statement for the Annual General Meeting and contained in Part B.
<b>Optionholder</b>	A holder of Director Options.
<b>Part</b>	A part of this booklet.
<b>Proxy Form</b>	<p>The online proxy form.</p> <p>If you require a paper proxy form please contact the Share Registry; Computershare Investor Services Pty Ltd on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) or online at <a href="http://www.investorcentre.com/contact">www.investorcentre.com/contact</a>.</p> <p>Otherwise, please log your proxy vote online using the details outlined in the Notice &amp; Access letter or using the personalised link which was sent to all holders that have elected to receive online communications for Notices of Meeting.</p>
<b>Resolution(s)</b>	The resolution(s) contained in the Notice of Annual General Meeting.
<b>Shareholders</b>	The holders of all shares issued in the Company and <b>Shareholder</b> means any one of them.
<b>Shares</b>	All of the shares on issue in the share capital of the Company and <b>Share</b> means any one of them.
<b>Subsidiaries</b>	Has the meaning given in section 9 of the Corporations Act.

## Section B – Notice of Annual General Meeting

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### Time and place

Notice is hereby given that the Annual General Meeting will be held as follows:

- Held: Virtually at [web.lumiagm.com/367197181](http://web.lumiagm.com/367197181).
- Commencing at: 11:00 a.m. (AEDT) on Tuesday, 16 November 2021.

Due to the social distancing restrictions imposed by the Australian Government, the Directors have decided to convene the Annual General Meeting **virtually**. We believe this is the required response to safeguard the health and safety of our Shareholders and people, and to ensure the Company's compliance with government regulations.

We appreciate the support and understanding of our Shareholders during this time and apologise for any inconvenience. Further details about the virtual meeting can be found in sections B, C, and D of the Notice of Annual General Meeting.

### Participate and vote online

In order to attend, ask questions and vote virtually in real time via the online platform, please use the details set out in Section C of this Notice of Annual General Meeting.

Participating in the Annual General Meeting online, enables Shareholders to ask questions and cast direct votes at the appropriate times during the Annual General Meeting.

More information regarding virtual participation at the Annual General Meeting (including how to vote and ask questions online during the Annual General Meeting) is available at [www.investorvote.com.au](http://www.investorvote.com.au). Please enter your pin contained in your Notice & Access letter or use the personalised link contained in the Notice of Meeting email which was sent to all holders that have elected to receive online communications for Notices of Meeting.

Shareholders may only ask questions online once they have been verified. It may not be possible to respond to all questions. It is encouraged that Shareholders lodge questions prior to the meeting by submitting your question to the Company Secretary by email at [sdenaro@triobi.com.au](mailto:sdenaro@triobi.com.au).

### Explanatory Statement

The Explanatory Statement which accompanies and forms part of this Notice of Annual General Meeting describes the matters to be considered at the Annual General Meeting.

### Defined terms

Terms used in this Notice of Annual General Meeting have the meaning given to them in the Glossary in **Section A** of this Notice of Annual General Meeting.

## SPECIAL BUSINESS

### 1. Financial statements and reports

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To receive and consider the Company's 2021 Annual Report, which comprises the Directors' Report, the Auditor's Report and the Financial Report for the financial year ending 30 June 2021.

### 2. Resolution 1: Adoption of Remuneration Report

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

*"That, for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, Shareholders adopt the Remuneration Report for the financial year ended 30 June 2021 as disclosed in the Directors' Report for the year ending 30 June 2021."*

Please note that the vote on this resolution is advisory only, and does not bind the Directors or the Company.

**Short Explanation:** This Resolution is required as a result of section 250R(2) of the Corporations Act, which requires that a resolution that the Remuneration Report of the Company be adopted must be put to a vote. The vote on this Resolution is advisory only and does not bind the Company.

**Voting exclusion statement:** In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- a member of the Key Management Personnel whose remuneration details are included in the remuneration report; or
- a Closely Related Party of such member.

However, the above persons may cast a vote on this Resolution if:

- the person does so as a proxy; and
- the vote is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the remuneration report or a Closely Related Party of such a member; and
- either:
  - the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
  - the voter is the Chair of the Annual General Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution and expressly authorises the Chair to vote as the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company or, if the Company is part of a consolidated entity, for the entity.

### 3. Resolution 2: Re-election of Ms Sue MacLeman

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

*"That Ms Sue MacLeman who retires by rotation as a Director of Anantara Life Sciences Limited in accordance with ASX Listing Rule 14.4 and rule 19.3(a) of the Company's Constitution and, being eligible and offering herself for re-election, be re-elected as a Director of the Company."*

**Short Explanation:** This Resolution is required as 19.3(a) of the Company's Constitution provides that where required by the Corporations Act or the ASX Listing Rules, the Company must hold an election of directors each year. If there would not otherwise not be a vacancy on the board, and no director is required to retire, then the director who has been longest in office since last elected must retire.

Further, ASX Listing Rule 14.4 provides that a director must not hold office (without re-election) past the third annual general meeting following their appointment or three years (whichever is longer).

#### 4. **Resolution 3: Issue of Director Options to a Related Party – Ms Sue MacLeman**

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

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Directors be authorised to grant 450,000 Director Options pursuant to the Company’s Executive Option Plan to Ms Sue MacLeman (or her nominee) and, upon exercise of those Director Options, the acquisition of the ordinary shares underlying those options, in accordance with the terms of the Company’s Executive Option Plan and on the terms specified in the accompanying Explanatory Statement.”*

##### **Short explanation**

This Resolution is required under section 208 of the Corporations Act and ASX Listing Rule 10.14 to allow the issue of securities, in the form of Director Options under the Company’s Executive Option Plan to Ms Sue MacLeman (or her nominee), being a Director.

##### **Voting Exclusion Statement**

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

- Ms Sue MacLeman (and her nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) and a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company’s Executive Option Plan; or
- an associate of that person or persons.

However, this does not apply to a vote cast in favour of a resolution by:

- a person or proxy or attorney for a person who is 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.

#### 5. **Resolution 4: Issue of Director Options to a Related Party – Dr Jane Ryan**

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

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Directors be authorised to grant 450,000 Director Options pursuant to the Company’s Executive Option Plan to Dr Jane Ryan (or her nominee) and, upon exercise of those Director Options, the acquisition of the ordinary shares underlying those options, in accordance with the terms of the Company’s Executive Option Plan and on the terms specified in the accompanying Explanatory Statement.”*

##### **Short explanation**

This Resolution is required under section 208 of the Corporations Act and ASX Listing Rule 10.14 to allow the issue of securities, in the form of Director Options under the Company’s Executive Option Plan to Dr Jane Ryan (or her nominee), being a Director.

**Voting Exclusion Statement**

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

- Dr Jane Ryan (and her nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) and a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company's Executive Option Plan; or
- an associate of that person or persons.

However, this does not apply to a vote cast in favour of a resolution by:

- a person or proxy or attorney for a person who is 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.

## **6. Resolution 5: Issue of Director Options to a Related Party – Dr David Brookes**

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

*"That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Directors be authorised to grant 900,000 Director Options pursuant to the Company's Executive Option Plan to Dr David Brookes (or his nominee) and, upon exercise of those Director Options, the acquisition of the ordinary shares underlying those options, in accordance with the terms of the Company's Executive Option Plan and on the terms specified in the accompanying Explanatory Statement."*

**Short explanation**

This Resolution is required under section 208 of the Corporations Act and ASX Listing Rule 10.14 to allow the issue of securities, in the form of Director Options under the Company's Executive Option Plan to Dr David Brookes (or his nominee), being a Director.

**Voting Exclusion Statement**

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

- Dr David Brookes (and his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) and a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company's Executive Option Plan; or
- an associate of that person or persons.

However, this does not apply to a vote cast in favour of a resolution by:

- a person or proxy or attorney for a person who is 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 10% Placement Facility

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To consider and, if thought fit, pass the following resolution as a **Special Resolution**:

*“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions referred to in, the Explanatory Memorandum accompanying this Notice.”*

**Short Explanation:** Approval under ASX Listing Rule 7.1A will enable the Company to issue “equity securities” up to a further 10% of its issued Share capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**). This is in addition to its 15% placement capacity under ASX Listing Rule 7.1.

**Voting exclusion statement:** The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who is expected to participate, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, this does not apply to a vote cast in favour of a resolution by:

- a person or proxy or attorney for a person who is 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.

## OTHER BUSINESS

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To transact any other business which may be brought forward in accordance with the Company’s Constitution.

## Section C – How to vote

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If you are entitled to vote at the Annual General Meeting, you may vote by attending the meeting virtually or by proxy or, in the case of corporate shareholders, corporate representative.

### 1. How to vote

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If you are entitled to vote at the Annual General Meeting, you may vote by attending the Annual General Meeting virtually or by attending the meeting by proxy by lodging your online Proxy Form at [www.investorvote.com.au](http://www.investorvote.com.au) outlined in the Notice & Access letter or use the personalised link which was sent to all holders that have elected to receive online communications for Notices of Meeting.

**Please note that if you intend to attend the meeting and/or vote at the meeting virtually, you will need your shareholder number (which can be found on your Proxy Form) for verification purposes.**

### 2. Your vote is important

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

### 3. Corporations

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To vote at the Annual General Meeting, a Shareholder that is a corporation must appoint an individual to act as its representative. The appointment must comply with section 250D of the Corporations Act. Alternatively, a corporation may appoint a proxy.

### 4. Voting virtually

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To vote at the Annual General Meeting virtually, login into [web.lumiagm.com/367197181](http://web.lumiagm.com/367197181) using your shareholder number (which can be found on the Proxy Form) on the date and at the time and place set out above. The details are as follows:

- Visit [web.lumiagm.com/367197181](http://web.lumiagm.com/367197181) on your smartphone, table or computer
- Your username is your SRN/HIN. Any Shareholders unable to locate their SRN/HIN should contact Computershare Investor Services by phoning +61 3 9415 4024
- Your password is your postcode registered on your holding if you are an Australian shareholder
- Overseas Shareholders should refer to the user guide which can be found at: <https://www.computershare.com.au/virtualmeetingguide>.

Participating in the Annual General Meeting online, enables Shareholders to ask questions and cast direct votes at the appropriate times during the Annual General Meeting.

You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible. For further instructions on how to participate online please view the online meeting user guide which can be found at the end of this document. For more information, please refer to the Virtual Meeting Guide at: <https://www.computershare.com.au/virtualmeetingguide>.

Please note, Shareholders may only ask questions online once they have been verified. It may not be possible to respond to all questions. It is encouraged that Shareholders lodge questions prior to the meeting by submitting your question to the Company Secretary, Mr Stephen Denaro, by email at [sdenaro@triobi.com.au](mailto:sdenaro@triobi.com.au).

## 5. Voting in person

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There will be no ability to attend the Annual General Meeting in person as the Annual General Meeting is being convened virtually.

## 6. Voting by proxy

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### 6.1 General

To vote by proxy, please complete online at [www.investorvote.com.au](http://www.investorvote.com.au).

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the chair, who must vote the proxies as directed. Further details on these changes are set out below.

### 6.2 Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### 6.3 Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

## **7. Eligibility to vote**

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The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations that the persons eligible to vote at the Annual General Meeting are those that are registered Shareholders at 7:00 p.m. (Melbourne time) on Sunday 14 November 2021. If you are not the registered holder of a relevant Share at that time you will not be entitled to vote in respect of that Share.

## **8. Voting procedure – on a poll**

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Every question arising at this Annual General Meeting will be decided on a poll. Upon a poll, every person entitled to vote who is present at the virtual meeting or by proxy will have one vote for each voting share held by that person.

## **9. Enquiries**

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For all enquiries, please contact the Company Secretary, Mr Stephen Denaro, on +61 413 453 506 or by email at [sdenaro@triobi.com.au](mailto:sdenaro@triobi.com.au).

## Section D – Explanatory Statement

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This Explanatory Statement forms part of the Notice of Annual General Meeting convening the Annual General Meeting of Shareholders of the Company to be held commencing at 11:00 a.m. (Melbourne time) on Tuesday, 16 November 2021 via a virtual meeting platform.

Refer to Section C for details on how to attend and vote at the Annual General Meeting.

This Explanatory Statement is to be read in conjunction with the Notice of Annual General Meeting.

### Purpose

The purpose of this Explanatory Statement is to provide information which the Directors believe is material to Shareholders in deciding whether or not to pass the Resolutions to be put forward in the Annual General Meeting.

The Directors recommend Shareholders read the Notice of Annual General Meeting and this Explanatory Statement in full before making any decisions relating to the Resolutions contained in the Notice of Annual General Meeting.

### Defined terms

Terms used in this Explanatory Statement have the meaning given to them in the Glossary in **Section A** of this Notice of Annual General Meeting in which this Explanatory Statement is contained.

## GENERAL INFORMATION

### 1. Agenda Item 1 – Financial statements and reports

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#### 1.1 Purpose of Resolution

The 2021 Annual Report for the year ending 30 June 2021 includes the Directors' Reports, the Auditor's Report and the Financial Report (which includes the financial statements and Directors' declaration).

The Corporations Act requires that the report of the directors, the auditor's report and the financial report be laid before the annual general meeting.

Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Company's Constitution requires a vote of Shareholders at the annual general meeting on the 2021 Annual Report.

#### 1.2 Questions to the Chair

Shareholders will be given reasonable opportunity at the meeting to raise questions and make comments on the 2021 Annual Report.

In addition to asking questions at the meeting, Shareholders may address written questions to the Chair about the management of the Company or to the Company's auditor, Tim Jackman of Grant Thornton, if the question is relevant to:

- the content of the Auditor's Report; or
- the conduct of its audit of the Financial Report to be considered at the Annual General Meeting.

*Note: Under section 250PA(1) of the Corporations Act a shareholder must submit the question to the Company no later than the fifth business day before the day on which the AGM is held.*

Written questions for the auditor must be delivered by 5:00 p.m. on Friday 12 November 2021 to:

Anatara Lifesciences Ltd.  
 Att: The Company Secretary  
 Level 3, 62 Lygon Street  
 Carlton South, VIC 2053  
 Or via email to: [sdenaro@triobi.com.au](mailto:sdenaro@triobi.com.au)

## **2. Resolution 1: Adoption of Remuneration Report**

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### **2.1 Purpose of Resolution**

The Remuneration Report of the Company for the financial year ending 30 June 2021 is set out in the Directors' Report contained in the 2021 Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors and executive employees of the Company.

The Corporations Act at section 250R(2) requires that a resolution that the Remuneration Report of the Company be adopted must be put to a vote.

A reasonable opportunity will be given for the discussion of the Remuneration Report at the meeting.

This Resolution is an ordinary resolution.

### **2.2 Voting consequences**

In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Company.

However, Part 2G.2, Division 9 of the Corporations Act provides that if at least 25% of the votes cast on this Resolution are voted against the adoption of the Remuneration Report at the Annual General Meeting, then:

- if comments are made on the Remuneration Report at the Annual General Meeting, the Company's Remuneration Report for the next financial year will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reason for this; and
- if at the next Annual General Meeting, at least 25% of the votes cast on the resolution for adoption of the Remuneration Report are against such adoption, the Company will be required to put to Shareholders a resolution proposing that a general meeting be called to consider the election of Directors of the Company (**Spill Resolution**). If a Spill Resolution is passed, all of the Directors, other than the managing director, will cease to hold office at the subsequent general meeting, unless re-elected at that meeting.

### **2.3 Voting exclusion and Directors' recommendations**

As set out in the notes to Resolution 1, a voting exclusion statement applies with respect to the voting on this Resolution by certain persons connected to the Company.

As the resolution relates to matter including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with section 250R(2) of the Corporations Act, makes no recommendations regarding this Resolution.

The Chairman of the Annual General Meeting intends to vote undirected proxies in favour of Resolution 1, subject to compliance with the Corporations Act.

### **3. Resolution 2: Re-election of Ms Sue MacLeman**

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#### **3.1 Purpose of Resolution**

Ms Sue MacLeman was elected as a Director of the Company at the 2018 Annual General Meeting.

Ms Sue MacLeman retires from office under ASX Listing Rule 14.4 and rule 19.3(a) of the Constitution and stands for re-election.

This Resolution is an ordinary resolution.

#### **3.2 The law**

This Resolution is required as rule 19.3(a) of the Company's Constitution provides that where required by the Corporations Act or the ASX Listing Rules, the Company must hold an election of directors each year. If there would not otherwise not be a vacancy on the board, and no director is required to retire, then the director who has been longest in office since last elected must retire.

Further, ASX Listing Rule 14.4 provides that a director must not hold office (without re-election) past the third annual general meeting following their appointment or three years (whichever is longer).

Under rule 19.3(d) of the Company's Constitution, where directors were elected on the same day, the director to retire is (in default of agreement) determined by ballot.

#### **3.3 Director resume**

Ms Sue MacLeman has more than 30 years' experience as a pharmaceutical, biotechnology and medical technology executive with senior roles in corporate, medical, commercial and business development. Sue has served as CEO and Board member of several ASX and NASDAQ listed companies in the sector.

Sue MacLeman is currently Non-Executive Director (and former Chair) - Anantara Lifesciences (ASX:ANR), Chair - MTPConnect (Medical Technology and Pharmaceuticals Industry Innovation Growth Centre), Chair of Oventus Medical Ltd (ASX:OVN), Chair of Tali Digital Ltd (ASX:TD1), Non-Executive Director of Palla Pharma Ltd (ASX:PAL), Non-Executive Director of Planet Innovation Holdings and Non-Executive Director of Omico.

Sue is also appointed to a number of academic and government advisory committees including the Prime Ministers Digital Expert Advisory Board, Australian Advisory Board of Technology and Healthcare Competitiveness, CSIRO Health and Biosecurity Advisory Committee, the Genomics Health Futures Expert Advisory Committee (MRFF), various Covid-19 taskforces, the DMTC Strategic Advisory Medical Countermeasures Committee and the Asialink Business Taskforce. Sue is also Chair of ATSE Health Technology Forum and ATSE Policy Committee.

Her broad commercial experience is underpinned by graduate qualifications in pharmacy and post graduate qualifications in corporate governance, commercial law, business administration and marketing.

#### **3.4 Directors' recommendations and interests**

The Board (with Ms Sue MacLeman abstaining) recommends that Shareholders vote in favour of Resolution 2.

Resolution 2 of the Annual General Meeting is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders.

The Chair of the Annual General Meeting intends to vote undirected proxies in favour of Resolution 2.

## **4. Resolution 3 – Issue of Director Options to a Related Party – Ms Sue MacLeman**

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### **4.1 General**

The Company has agreed, subject to obtaining Shareholder approval, that Ms Sue MacLeman (or her nominee), a Director of the Company, be issued 450,000 Director Options pursuant to the Company's Executive Option Plan.

The rationale for the grant of the Director Options to Ms Sue MacLeman is detailed in paragraph 4.4 below.

Resolution 3 is an ordinary resolution.

### **4.2 Regulatory requirements**

#### Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Director Options constitutes giving a financial benefit and Ms Sue MacLeman is a related party of the Company by virtue of being a Director.

As it is proposed that Director Options be issued to three of the four Directors, the Directors have been unable to form quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act or ASX Listing Rule 10.12 applies to these issues. Accordingly, Shareholder approval is sought for the issue of Director Options to Ms Sue MacLeman.

#### Section 195 of the Corporations Act

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered.

Three of the four Directors have a material personal interest in the outcome of Resolutions 3 to 5 (inclusive). In the absence of Resolutions 3 to 5 (inclusive), the Directors have not been able to form a quorum at Directors meetings necessary to carry out the terms of Resolutions 3 to 5 (inclusive). The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

#### ASX Listing Rule 10.14

ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

### **4.3 Information required pursuant to Chapter 2E of the Corporations Act and ASX Listing Rule 10.15**

The following information is provided to satisfy the requirements of Chapter 2E of the Corporations Act and ASX Listing Rule 10.15 (being the information required to be disclosed for the purposes of ASX Listing Rule 10.14).



Relationship between Ms Sue MacLeman and the Company	Ms Sue MacLeman is a Non-Executive Director of the Company and consequently a related party of the Company.											
Maximum number of Director Options	450,000 Director Options.  One fully paid ordinary share in the Company will be allocated in relation to each Director Option which is exercised, upon payment of the exercise price.											
The terms and price of the Director Options	The Director Options will be issued for nil consideration.  Refer to Schedule 1 for a summary of the terms of issue of the Director Options.  The Director Options are exercisable as follows:											
	<table><tr><th>Number of Director Options</th><th>Vesting Date</th><th>Exercise Period</th><th>Exercise Price</th></tr><tr><td>450,000</td><td>50% vests on 16 November 2022  50% vests on 16 November 2023</td><td>Commences on the Vesting Date and expires on 14 November 2025</td><td>50% premium to the 5 day VWAP ending on the business day immediately preceding the date of the Annual General Meeting</td></tr></table>				Number of Director Options	Vesting Date	Exercise Period	Exercise Price	450,000	50% vests on 16 November 2022  50% vests on 16 November 2023	Commences on the Vesting Date and expires on 14 November 2025	50% premium to the 5 day VWAP ending on the business day immediately preceding the date of the Annual General Meeting
	Number of Director Options	Vesting Date	Exercise Period	Exercise Price								
450,000	50% vests on 16 November 2022  50% vests on 16 November 2023	Commences on the Vesting Date and expires on 14 November 2025	50% premium to the 5 day VWAP ending on the business day immediately preceding the date of the Annual General Meeting									
Value of the Director Options and the pricing methodology	The value of the Director Options and the pricing methodology is set out in Schedule 2 to this Notice of Annual General Meeting.											
Names of all persons referred to in ASX Listing Rule 10.14 who received securities under the Executive Option Plan since the last approval, the number of securities received and the acquisition price	<p>The Executive Option Plan was last approved at the 2020 Annual General Meeting.</p> <p>Since the 2020 Annual General Meeting, Shareholders have approved the issue of the following securities under the Executive Option Plan:</p> <ul style="list-style-type: none"><li>122,548 Options issued to Ms Sue MacLeman on 3 December 2020 and expiring on 3 December 2022 with an exercise price of \$0.2476 per option.</li><li>65,658 Options issued to Dr Jane Ryan on 3 December 2020 and expiring on 3 December 2022 with an exercise price of \$0.2476 per option.</li><li>65,658 Options issued to Dr David Brookes on 3 December 2020 and expiring on 3 December 2022 with an exercise price of \$0.2476 per option.</li></ul>											
The names of all persons referred to in ASX Listing Rule 10.14 entitled to participate in the Executive Option Plan	The Board may determine that any Directors may be eligible to participate in the Executive Option Plan.											
Terms of any loan in relation to the acquisition	The Company will not provide loans to participants to acquire securities under the Company's Executive Option Plan.											
Date by which the Director Options will be issued	The Director Options will be issued immediately following approval of this Resolution but in any event, no later than three years after the date of the Annual General Meeting.											

Relevant Interest of the Director	The relevant interest of Ms Sue MacLeman in the Company as at the date of this Notice of Annual General Meeting is set out below:																
	Related Party		Shares	Options													
	Dalroar Pty Ltd as Trustee for MacLeman Investment Trust		78,069	122,548													
Remuneration and other payments to Director	The remuneration and emoluments from the Company to Ms Sue MacLeman for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below.																
	Financial year ending 30 June 2021																
	Name	Salary and fees	Super	Options	Total												
	Sue MacLeman	\$135,046	\$12,829	\$9,623	\$157,498												
	Financial year ended 30 June 2022																
	Name	Salary and fees	Super	Options	Total												
	Sue MacLeman	\$60,000	\$6,000	26,833	\$92,833												
Implications on the capital deck	<p>If the maximum amount of Director Options granted to Ms Sue MacLeman as detailed in the Notice of Annual General Meeting are exercised, a total of 450,000 Shares would be issued. This will increase the number of Shares currently on issue from 71,019,508 to 71,469,508 assuming that no other Shares are issued (including from the issue of Shares on exercise of any other Director Options), with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 0.629%.</p> <p>In the event all 1,800,000 Director Options are approved (as detailed in Resolution 3 to 5 (inclusive) (based on assumed Director Option numbers), and exercised this will increase the number of Shares currently on issue from 71,019,508 to 72,819,508 assuming that no other Shares are issued, with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.47%.</p>																
Trading history	<p>The trading history of Shares on the ASX in the 12 months before the date of this Notice of General Meeting is set out below:</p> <table><tr><td></td><td>Price</td><td>Date</td></tr><tr><td>Highest</td><td>\$0.24</td><td>24 September 2020</td></tr><tr><td>Lowest</td><td>\$0.14</td><td>25 June 2021</td></tr><tr><td>Last</td><td>\$0.16</td><td>17 September 2021</td></tr></table>						Price	Date	Highest	\$0.24	24 September 2020	Lowest	\$0.14	25 June 2021	Last	\$0.16	17 September 2021
	Price	Date															
Highest	\$0.24	24 September 2020															
Lowest	\$0.14	25 June 2021															
Last	\$0.16	17 September 2021															
The intended use of the funds raised	<p>No funds will be raised from the issue of the Director Options.</p> <p>If all the Director Options issued to Sue MacLeman are exercised, \$108,000 will be raised (assuming an exercise price of \$0.24), which will be used for working capital purposes.</p>																
Other	Details of any securities issued under the Company's Executive Option Plan will be published in the annual report of the Company relating to																

	<p>the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.</p> <p>Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Company's Executive Option Plan after the Resolution is approved and who were not named in the Notice of Annual General Meeting will not participate until approval is obtained under that rule.</p>
<b>Voting exclusion statement</b>	Voting exclusion statements are contained in the Notice of Annual General Meeting.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Options to Ms Sue MacLeman (or her nominee) as approval is being obtained under ASX Listing Rule 10.14. Accordingly, under ASX Listing Rule 7.2 exception 14, the issue of Director Options to Ms Sue MacLeman (or her nominee) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

#### 4.4 **Rationale, recommendation and voting requirements**

Given Director Options are proposed to be issued to all Directors, no Directors make any recommendation in regards to this issue. All Directors other than Ms Sue MacLeman note that:

- (a) the grant of the Director Options to Ms Sue MacLeman are a means of retaining on the Board, persons of the calibre and with the skills and experience that Ms Sue MacLeman has and align the interests of Ms Sue MacLeman with those of Shareholders;
- (b) the grant of the Director Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Director. To that end, the Directors note that total remuneration of Sue MacLeman for the 30 June 2022 financial year has decreased since the prior 12 month period. Refer to the table in paragraph 4.3 for further information;
- (c) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Director Options upon the terms proposed; and
- (d) the Director Options will reward her for achieving increases in the Company's value as determined by the market price of Shares.

Whilst the grant of the Options to a Non-Executive Director will mean the Company is not fully complying with Recommendation 8.2 of the ASX's Corporate Governance Council's Corporate Governance Principles and Recommendations (4<sup>th</sup> edition), for the above reasons the Board (other than Ms Sue MacLeman) consider the grant of the Options reasonable in the circumstances given the experience of each Director, the current market price of Shares, the current market practices when determining the number of Director Options to be granted as well as the exercise price and expiry date of those Director Options.

Resolution 3 of the Annual General Meeting is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders.

A voting exclusion statement is contained after the Resolution. Votes cast by Shareholders contrary to the voting exclusion statement will be disregarded.

The Chair of the Annual General Meeting intends to vote all available undirected proxies in favour of Resolution 3.

## **5. Resolution 4 – Issue of Director Options to a Related Party – Dr Jane Ryan**

### **5.1 General**

The Company has agreed, subject to obtaining Shareholder approval, that Dr Jane Ryan (or her nominee), a Director of the Company, be issued 450,000 Director Options pursuant to the Company's Executive Option Plan.

The rationale for the grant of the Director Options to Dr Jane Ryan is detailed in paragraph 5.4 below.

Resolution 4 is an ordinary resolution.

### **5.2 Regulatory requirements**

#### Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Director Options constitutes giving a financial benefit and Dr Jane Ryan is a related party of the Company by virtue of being a Director.

As it is proposed that Director Options be issued to three of the four Directors, the Directors have been unable to form quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act or ASX Listing Rule 10.12 applies to these issues. Accordingly, Shareholder approval is sought for the issue of Director Options to Dr Jane Ryan.

#### Section 195 of the Corporations Act

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered.

Three of the four Directors have a material personal interest in the outcome of Resolutions 3 to 5 (inclusive). In the absence of Resolutions 3 to 5 (inclusive), the Directors have not been able to form a quorum at Directors meetings necessary to carry out the terms of Resolutions 3 to 5 (inclusive). The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

#### ASX Listing Rule 10.14

ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

### **5.3 Information required pursuant to Chapter 2E of the Corporations Act and ASX Listing Rule 10.15**

The following information is provided to satisfy the requirements of Chapter 2E of the Corporations Act and ASX Listing Rule 10.15 (being the information required to be disclosed for the purposes of ASX Listing Rule 10.14).

<b>Relationship between Dr Jane Ryan and the Company</b>	Dr Jane Ryan is a Non-Executive Director of the Company and consequently a related party of the Company.			
<b>Maximum number of Director Options</b>	<p>450,000 Director Options.</p> <p>One fully paid ordinary share in the Company will be allocated in relation to each Director Option which is exercised, upon payment of the exercise price.</p>			
<b>The terms and price of the Director Options</b>	<p>The Director Options will be issued for nil consideration.</p> <p>Refer to Schedule 1 for a summary of the terms of issue of the Director Options.</p> <p>The Director Options are exercisable as follows:</p>			
	<b>Number of Director Options</b>	<b>Vesting Date</b>	<b>Exercise Period</b>	<b>Exercise Price</b>
	450,000	<p>50% vests on 16 November 2022</p> <p>50% vests on 16 November 2023</p>	Commences on the Vesting Date and expires on 14 November 2025	50% premium to the 5 day VWAP ending on the business day immediately preceding the date of the Annual General Meeting
<b>Value of the Director Options and the pricing methodology</b>	The value of the Director Options and the pricing methodology is set out in Schedule 2 to this Notice of Annual General Meeting.			
<b>Names of all persons referred to in ASX Listing Rule 10.14 who received securities under the Executive Option Plan since the last approval, the number of securities received and the acquisition price</b>	<p>The Executive Option Plan was last approved at the 2020 Annual General Meeting. Since the 2020 Annual General Meeting, Shareholders have approved the issue of the following securities under the Executive Option Plan:</p> <ul style="list-style-type: none"> <li>122,548 Options issued to Ms Sue MacLeman on 3 December 2020 and expiring on 3 December 2022 with an exercise price of \$0.2476 per option.</li> <li>65,658 Options issued to Dr Jane Ryan on 3 December 2020 and expiring on 3 December 2022 with an exercise price of \$0.2476 per option.</li> <li>65,658 Options issued to Dr David Brookes on 3 December 2020 and expiring on 3 December 2022 with an exercise price of \$0.2476 per option.</li> </ul>			
<b>The names of all persons referred to in ASX Listing Rule 10.14 entitled to participate in the Executive Option Plan</b>	The Board may determine that any Directors may be eligible to participate in the Executive Option Plan.			
<b>Terms of any loan in relation to the acquisition</b>	The Company will not provide loans to participants to acquire securities under the Company's Executive Option Plan.			
<b>Date by which the Director Options will be issued</b>	The Director Options will be issued immediately following approval of this Resolution but in any event, no later than three years after the date of the Annual General Meeting.			

Relevant Interest of the Director	<p>The relevant interest of Dr Jane Ryan in the Company as at the date of this Notice of Annual General Meeting is set out below:</p> <table><tr><th>Related Party</th><th>Shares</th><th>Options</th></tr><tr><td>Jane Ryan</td><td>183,078</td><td>65,658</td></tr></table>	Related Party	Shares	Options	Jane Ryan	183,078	65,658														
Related Party	Shares	Options																			
Jane Ryan	183,078	65,658																			
Remuneration and other payments to Director	<p>The remuneration and emoluments from the Company to Dr Jane Ryan for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:</p> <p><b><u>Financial year ending 30 June 2021</u></b></p> <table><tr><th>Name</th><th>Salary and fees</th><th>Super</th><th>Options</th><th>Total</th></tr><tr><td>Jane Ryan</td><td>\$72,346</td><td>\$6,873</td><td>\$5,156</td><td><b>\$84,375</b></td></tr></table> <p><b><u>Financial year ended 30 June 2022</u></b></p> <table><tr><th>Name</th><th>Salary and fees</th><th>Super</th><th>Options</th><th>Total</th></tr><tr><td>Jane Ryan</td><td>\$60,000</td><td>\$6,000</td><td>\$26,833</td><td><b>\$92,833</b></td></tr></table>	Name	Salary and fees	Super	Options	Total	Jane Ryan	\$72,346	\$6,873	\$5,156	<b>\$84,375</b>	Name	Salary and fees	Super	Options	Total	Jane Ryan	\$60,000	\$6,000	\$26,833	<b>\$92,833</b>
Name	Salary and fees	Super	Options	Total																	
Jane Ryan	\$72,346	\$6,873	\$5,156	<b>\$84,375</b>																	
Name	Salary and fees	Super	Options	Total																	
Jane Ryan	\$60,000	\$6,000	\$26,833	<b>\$92,833</b>																	
Implications on the capital deck	<p>If the maximum amount of Director Options granted to Dr Jane Ryan as detailed in the Notice of Annual General Meeting are exercised, a total of 450,000 Shares would be issued. This will increase the number of Shares currently on issue from 71,019,508 to 71,469,508 assuming that no other Shares are issued (including from the issue of Shares on exercise of any other Director Options), with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 0.629%.</p> <p>In the event all 1,800,000 Director Options are approved (as detailed in Resolution 3 to 5 (inclusive) (based on assumed Director Option numbers), and exercised this will increase the number of Shares currently on issue from 71,019,508 to 72,819,508 assuming that no other Shares are issued, with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.47%.</p>																				
Trading history	<p>The trading history of Shares on the ASX in the 12 months before the date of this Notice of General Meeting is set out below:</p> <table><tr><th></th><th>Price</th><th>Date</th></tr><tr><td>Highest</td><td>\$0.24</td><td>24 September 2020</td></tr><tr><td>Lowest</td><td>\$0.14</td><td>25 June 2021</td></tr><tr><td>Last</td><td>\$0.16</td><td>17 September 2021</td></tr></table>		Price	Date	Highest	\$0.24	24 September 2020	Lowest	\$0.14	25 June 2021	Last	\$0.16	17 September 2021								
	Price	Date																			
Highest	\$0.24	24 September 2020																			
Lowest	\$0.14	25 June 2021																			
Last	\$0.16	17 September 2021																			
The intended use of the funds raised	<p>No funds will be raised from the issue of the Director Options.</p> <p>If all the Director Options issued to Dr Jane Ryan are exercised, \$108,000 will be raised (assuming an exercise price of \$0.24), which will be used for working capital purposes.</p>																				
Other	<p>Details of any securities issued under the Company's Executive Option Plan 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.</p>																				

	Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Company's Executive Option Plan after the Resolution is approved and who were not named in the Notice of Annual General Meeting will not participate until approval is obtained under that rule.
<b>Voting exclusion statement</b>	Voting exclusion statements are contained in the Notice of Annual General Meeting.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Options to Dr Jane Ryan (or her nominee) as approval is being obtained under ASX Listing Rule 10.14. Accordingly, under ASX Listing Rule 7.2 exception 14, the issue of Director Options to Dr Jane Ryan (or her nominee) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

#### 5.4 **Rationale, recommendation and voting requirements**

Given Director Options are proposed to be issued to all Directors, no Directors make any recommendation in regards to this issue. All Directors other than Dr Jane Ryan note that:

- (a) the grant of the Director Options to Dr Jane Ryan are a means of retaining on the Board, persons of the calibre and with the skills and experience that Dr Jane Ryan has and align the interests of Dr Jane Ryan with those of Shareholders;
- (b) the grant of the Director Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Director. To that end, the Directors note that total cash remuneration of Dr Jane Ryan for the 30 June 2022 financial year has decreased since the prior 12 month period. Refer to the table in paragraph 5.3 for further information;
- (c) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Director Options upon the terms proposed; and
- (d) the Director Options will reward her for achieving increases in the Company's value as determined by the market price of Shares.

Whilst the grant of the Options to a Non-Executive Director will mean the Company is not complying with Recommendation 8.2 of the ASX's Corporate Governance Council's Corporate Governance Principles and Recommendations (4<sup>th</sup> edition), for the above reasons the Board (other than Dr Jane Ryan) consider the grant of the Options reasonable in the circumstances given the experience of each Director, the current market price of Shares, the current market practices when determining the number of Director Options to be granted as well as the exercise price and expiry date of those Director Options.

Resolution 4 of the Annual General Meeting is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders.

A voting exclusion statement is contained after the Resolution. Votes cast by Shareholders contrary to the voting exclusion statement will be disregarded.

The Chair of the Annual General Meeting intends to vote all available undirected proxies in favour of Resolution 4.

## **6. Resolution 5 – Issue of Director Options to a Related Party – Dr David Brookes**

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### **6.1 General**

The Company has agreed, subject to obtaining Shareholder approval, that Dr David Brookes (or his nominee), a Director of the Company, be issued 900,000 Director Options pursuant to the Company's Executive Option Plan.

The rationale for the grant of the Director Options to Dr David Brookes is detailed in paragraph 6.4 below.

Resolution 5 is an ordinary resolution.

### **6.2 Regulatory requirements**

#### Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Director Options constitutes giving a financial benefit and Dr David Brookes is a related party of the Company by virtue of being a Director.

As it is proposed that Director Options be issued to three of the four Directors, the Directors have been unable to form quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act or ASX Listing Rule 10.12 applies to these issues. Accordingly, Shareholder approval is sought for the issue of Director Options to Dr David Brookes.

#### Section 195 of the Corporations Act

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered.

Three of the four Directors have a material personal interest in the outcome of Resolutions 3 to 5 (inclusive). In the absence of Resolutions 3 to 5 (inclusive), the Directors have not been able to form a quorum at Directors meetings necessary to carry out the terms of Resolutions 3 to 5 (inclusive). The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

#### ASX Listing Rule 10.14

ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

### **6.3 Information required pursuant to Chapter 2E of the Corporations Act and ASX Listing Rule 10.15**

The following information is provided to satisfy the requirements of Chapter 2E of the Corporations Act and ASX Listing Rule 10.15 (being the information required to be disclosed for the purposes of ASX Listing Rule 10.14).



Relationship between Dr David Brookes and the Company	Dr David Brookes is a Non-Executive Director of the Company and consequently a related party of the Company.			
Maximum number of Director Options	900,000 Director Options.  One fully paid ordinary share in the Company will be allocated in relation to each Director Option which is exercised, upon payment of the exercise price.			
The terms and price of the Director Options	The Director Options will be issued for nil consideration.  Refer to Schedule 1 for a summary of the terms of issue of the Director Options.  The Director Options are exercisable as follows:			
	Number of Director Options	Vesting Date	Exercise Period	Exercise Price
	900,000	50% vests on 16 November 2022  50% vests on 16 November 2023	Commences on the Vesting Date and expires on 14 November 2025	50% premium to the 5 day VWAP ending on the business day immediately preceding the date of the Annual General Meeting
Value of the Director Options and the pricing methodology	The value of the Director Options and the pricing methodology is set out in Schedule 2 to this Notice of Annual General Meeting.			
Names of all persons referred to in ASX Listing Rule 10.14 who received securities under the Executive Option Plan since the last approval, the number of securities received and the acquisition price	<p>The Executive Option Plan was last approved at the 2020 Annual General Meeting. Since the 2020 Annual General Meeting, Shareholders have approved the issue of the following securities under the Executive Option Plan:</p> <ul style="list-style-type: none"><li>122,548 Options issued to Ms Sue MacLeman on 3 December 2020 and expiring on 3 December 2022 with an exercise price of \$0.2476 per option.</li><li>65,658 Options issued to Dr Jane Ryan on 3 December 2020 and expiring on 3 December 2022 with an exercise price of \$0.2476 per option.</li><li>65,658 Options issued to Dr David Brookes on 3 December 2020 and expiring on 3 December 2022 with an exercise price of \$0.2476 per option.</li></ul>			
The names of all persons referred to in ASX Listing Rule 10.14 entitled to participate in the Executive Option Plan	The Board may determine that any Directors may be eligible to participate in the Executive Option Plan.			
Terms of any loan in relation to the acquisition	The Company will not provide loans to participants to acquire securities under the Company's Executive Option Plan.			
Date by which the Director Options will be issued	The Director Options will be issued immediately following approval of this Resolution but in any event, no later than three years after the date of the Annual General Meeting.			

Relevant Interest of the Director	The relevant interest of Dr David Brookes in the Company as at the date of this Notice of Annual General Meeting is set out below:																
	Related Party		Shares		Options												
	David & Elisabeth Brookes as trustee for Dr DL Brookes Personal Superfund		300,000		65,658												
Remuneration and other payments to Director	The remuneration and emoluments from the Company to Dr David Brookes for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below.																
	Financial year ending 30 June 2021																
	Name	Salary and fees	Super	Options	Total												
	David Brookes	\$72,346	\$6,873	\$5,156	\$84,375												
	Financial year ended 30 June 2022																
	Name	Salary and fees	Super	Options	Total												
	David Brookes	\$110,000	\$11,000	\$53,667	\$174,667												
Implications on the capital deck	<p>If the maximum amount of Director Options granted to David Brookes as detailed in the Notice of Annual General Meeting are exercised, a total of 900,000 Shares would be issued. This will increase the number of Shares currently on issue from 71,019,508 to 71,919,508 assuming that no other Shares are issued (including from the issue of Shares on exercise of any other Director Options), with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 0.1.25%.</p> <p>In the event all 1,800,000 Director Options are approved (as detailed in Resolution 3 to 5 (inclusive) (based on assumed Director Option numbers), and exercised this will increase the number of Shares currently on issue from 71,019,508 to 72,819,508 assuming that no other Shares are issued, with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.47%.</p>																
Trading history	<p>The trading history of Shares on the ASX in the 12 months before the date of this Notice of General Meeting is set out below:</p> <table><tr><td></td><td>Price</td><td>Date</td></tr><tr><td>Highest</td><td>\$0.24</td><td>24 September 2020</td></tr><tr><td>Lowest</td><td>\$0.14</td><td>25 June 2021</td></tr><tr><td>Last</td><td>\$0.16</td><td>17 September 2021</td></tr></table>						Price	Date	Highest	\$0.24	24 September 2020	Lowest	\$0.14	25 June 2021	Last	\$0.16	17 September 2021
	Price	Date															
Highest	\$0.24	24 September 2020															
Lowest	\$0.14	25 June 2021															
Last	\$0.16	17 September 2021															
The intended use of the funds raised	<p>No funds will be raised from the issue of the Director Options.</p> <p>If all the Director Options issued to David Brookes are exercised, \$216,000 will be raised (assuming an exercise price of \$0.24), which will be used for working capital purposes</p>																
Other	Details of any securities issued under the Company's Executive Option Plan will be published in the annual report of the Company relating to																

	<p>the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.</p> <p>Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Company's Executive Option Plan after the Resolution is approved and who were not named in the Notice of Annual General Meeting will not participate until approval is obtained under that rule.</p>
<b>Voting exclusion statement</b>	Voting exclusion statements are contained in the Notice of Annual General Meeting.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Options to Dr David Brookes (or his nominee) as approval is being obtained under ASX Listing Rule 10.14. Accordingly, under ASX Listing Rule 7.2 exception 14, the issue of Director Options to Dr David Brookes (or his nominee) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

#### 6.4 **Rationale, recommendation and voting requirements**

Given Director Options are proposed to be issued to all Directors, no Directors make any recommendation in regards to this issue. All Directors other than Dr David Brookes note that:

- (a) the grant of the Director Options to Dr David Brookes are a means of retaining on the Board, persons of the calibre and with the skills and experience that Dr David Brookes has and align the interests of Dr David Brookes with those of Shareholders;
- (b) the grant of the Director Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Director. To that end, the Directors note that total remuneration of Dr David Brookes for the 30 June 2022 financial year has decreased since the prior 12 month period (taking into account that he was appointed to the role of Chairman in that period). Refer to the table in paragraph 6.3 for further information;
- (c) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Director Options upon the terms proposed; and
- (d) the Director Options will reward him for achieving increases in the Company's value as determined by the market price of Shares.

Whilst the grant of the Options to a Non-Executive Director will mean the Company is not complying with Recommendation 8.2 of the ASX's Corporate Governance Council's Corporate Governance Principles and Recommendations (4<sup>th</sup> edition), for the above reasons the Board (other than Dr David Brookes) consider the grant of the Options reasonable in the circumstances given the experience of each Director, the current market price of Shares, the current market practices when determining the number of Director Options to be granted as well as the exercise price and expiry date of those Director Options.

Resolution 5 of the Annual General Meeting is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders.

A voting exclusion statement is contained after the Resolution. Votes cast by Shareholders contrary to the voting exclusion statement will be disregarded.

The Chair of the Annual General Meeting intends to vote all available undirected proxies in favour of Resolution 5.

## 7. Resolution 6: Approval of 10% Placement Facility

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### 7.1 Purpose of Resolution

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

ASX Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% (**10% Placement Facility**).

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$10.65 million.

This Resolution seeks Shareholder approval by way of special resolution for the Company to have the additional 10% Placement Facility provided for in ASX Listing Rule 7.1A to issue equity securities without shareholder approval.

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in the ASX Listing Rules 7.1 and 7.1A without further Shareholder approval.

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

### 7.2 The law — Description of ASX Listing Rule 7.1A

#### (a) Shareholder Approval

The ability to issue equity securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an Annual General Meeting.

#### (b) Equity Securities

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company. The Company, as at the date of the Notice, has on issue Shares.

#### (c) Formula for Calculating the 10% Placement Facility

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

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

**A** is the number of Shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid ordinary securities issued in the 12 months under an exception to ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- (ii) plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
  - (A) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - (B) the issue of, or agreement to issue the convertible securities was approved, or taken under these rules to have been approved under ASX Listing Rules 7.1 or 7.4;

- (iii) plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:
  - (A) the agreement was entered into before the commencement of the relevant period; or
  - (B) the agreement or issue was approved, or taken under these rules to have been approved under ASX Listing Rules 7.1 or 7.4;
- (iv) plus the number of any other fully paid ordinary securities that became fully paid in the relevant period;
- (v) less the number of fully paid ordinary securities cancelled in the last 12 months.

Note that A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%

**E** the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the last 12 months immediately preceding the date of issue of the shares where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under ASX Listing Rule 7.4.

(d) **ASX Listing Rule 7.1 and ASX Listing Rule 7.1A**

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

In accordance with ASX Listing Rule 7.1, as at the date of this Notice, the Company currently has on issue 71,019,508 Shares and the capacity to issue 10,652,926 equity securities.

Under ASX Listing Rule 7.1A the Company requests an additional 10% capacity which will increase the total number of equity securities that can be placed without Shareholder approval to 7,101,950 for the next 12 months.

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

(e) **Minimum Issue Price**

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

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

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the Annual General Meeting at which approval is obtained;

- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by the ASX (**10% Placement Period**).

### 7.3 **Effect of ASX Listing Rule 7.1A**

The effect of Resolution 6 will be to allow the Directors to issue the equity securities under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

### 7.4 **Specific information required by ASX Listing Rule 7.3A**

In accordance with ASX Listing Rule 7.3A, information is provided as follows:

- (a) **Minimum price** - The equity securities will be issued at an issue price of not less than 75% of the VWAP for the Company's equity securities over the 15 Trading Days immediately before:
  - (i) the date on which the price at which the equity securities are to be issued is agreed; or
  - (ii) if the equity securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the equity securities are issued.
- (b) **Risk** - If Resolution 6 is approved by Shareholders and the Company issues equity securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
  - (i) the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the Meeting; and
  - (ii) 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 or the equity securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the equity securities.

- (c) **Dilution** - The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of the Notice.

The table also shows:

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

- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Number of Shares on issue (Variable "A" in Listing Rule 7.1A.2)	Dilution			
	No. of Shares issued under 10% placement capacity (10% voting dilution)	Issue price		
		\$0.08	\$0.16	\$0.24
		Issue price at 50% decrease to current price	Issue price at current price	Issue price at 50% increase in current price
		Funds raised		
Current Shares 71,019,508	7,101,950	\$568,156	\$1,136,312	\$1,704,468
50% increase to the current Shares 106,529,262	10,652,926	\$852,234	\$1,704,468	\$2,556,702
100% increase to the current Shares 142,039,106	14,203,910	\$1,136,312	\$2,272,624	\$3,408,936

\* The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under ASX Listing Rule 7.1.

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of equity securities available under the 10% Placement Facility.
  - (ii) No Convertible Securities (including any Convertible Securities issued under the 10% Placement Facility) are converted into Shares before the date of the issue of the equity securities.
  - (iii) The voting dilution reflects the aggregate percentage dilution against the issued share capital both pre and post issue. This is why the voting dilution is shown in each example as 10% (pre issue) and 9.09% (post issue).
  - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
  - (v) The table shows only the effect of issues of equity securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1.
  - (vi) The issue of equity securities under the 10% Placement Facility consists only of Shares.
  - (vii) The issue price is \$0.16 being the closing price of Shares on the ASX on 17 September 2021.
- (d) **Period of approval** - The Company will only issue the equity securities during the 10% Placement Period. The approval of Resolution 6 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 of the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).
- (e) **Purpose of issue** - The Company may seek to issue the equity securities in consideration for cash only. In such circumstances, the Company intends to use the funds raised towards clinical trials and to meet additional working capital requirements.

- (f) **Disclosure obligations** - The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4. Namely, upon issue of any equity securities:
- (i) it will state in its announcement of the proposed issue under ASX Listing Rule 3.10.3 or in its application for quotation of the securities under ASX Listing Rule 2.7 that the securities are being issued under ASX Listing Rule 7.1A; and
  - (ii) give to the ASX immediately after the issue a list of names of the persons to whom the entity issued the equity securities and the number of the equity securities issued to each.
- (g) **Allocation policy** - The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
  - (ii) the effect of the issue of the equity securities on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company. Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

- (h) **Issues in prior 12 months** - The Company obtained Shareholder approval under ASX Listing Rule 7.1A at the 2020 Annual General Meeting and provides the following information:

Date of issue	Names of allottees (or basis on which they were selected)	Number and class issued	Price at which they were issued and the discount to the closing price on the date of issue or agreement	Total cash consideration received, amount spent and what it was or is intended to be spent on
Nil	N/A	N/A	N/A	N/A

- (i) **Voting Exclusion statement** - A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the equity securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Annual General Meeting.

## 7.5 Directors' recommendations and interests

The Board recommends that Shareholders vote in favour of Resolution 6.

Resolution 6 is a special resolution and so requires the approval of 75% or more of the votes cast by Shareholders.

The Chair of the Annual General Meeting intends to vote undirected proxies in favour of Resolution 6.



### Schedule 1 — Term and conditions of the Director Options

The terms and conditions of the Director Options proposed to be granted are:

- (a) Each Director Option will entitle the holder (**Optionholder**) to subscribe for one Share (subject to possible adjustments referred to in paragraphs (j) and (k) below).
- (b) Each Director Option will be exercisable during the Exercise Period detailed in the Offer made to Eligible Participants. Director Options not exercised before the Expiry Date, set out in the Offer, will lapse.
- (c) The exercise price of each Director Option is the price detailed in the Offer (**Exercise Price**).
- (d) The Director Options will be exercisable by notice in writing to the Company, delivered to the registered address of the Company and accompanied by the full payment of the Exercise Price in cleared funds.
- (e) Shares issued pursuant to the exercise of any of the Director Options will rank in all respects on equal terms with the existing Shares.
- (f) The Company will apply for official quotation by the ASX of the Shares issued upon exercise of the Director Options.
- (g) The Director Options will not be quoted on the ASX.
- (h) The legal or beneficial interest in a Director Option may not be sold, transferred, assigned or otherwise disposed without the prior written consent of the Board.
- (i) The Director Options will not entitle the Optionholder to participate in any new issue of securities by the Company unless the Director Option has been duly exercised prior to the relevant record date. For the avoidance of doubt, this does not impact any rights that a holder of Director Options may have in respect of any other securities it holds in the Company. The Company will ensure that for the purposes of determining entitlements to participate in any new issues of securities to holders of Shares, the record date will comply with the timetables prescribed by the ASX Listing Rules.
- (j) If there is a bonus issue to the holders of Shares:
  - (i) the number of Shares over which each Director Option is exercisable will be adjusted as specified in ASX Listing Rule 6.22 and written notice will be given to the Participant; and
  - (ii) no change will be made to the Exercise Price.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

## Schedule 2 — Valuation of Director Options

The Directors have had the fair value of the Director Options to be awarded valued on a preliminary basis using a Black-Scholes model.

The actual value of the Director Options will however be determined on a similar basis as at the actual date of the grant.

The assumptions underlying the Black-Scholes model used in calculating the preliminary value of the Options were as follows:

5-day VWAP = 0.152778799

Share exercise price (5-day VWAP + 50% premium) = \$0.2292 per share for 1,800,000 shares

Expected life = 4 years

Risk-free rate (r) = 0.63%

Expected share volatility (q)\* = 65.49%

Dividend yield = 0%

Using this method of valuation, the Company has determined a preliminary value per Director Option of \$0.0596 per Option for 1,800,000 shares

The expected total financial benefit of the Director Options to be issued to or for the benefit of:

- (a) Dr David Brookes is \$53,667;
- (b) Dr Jane Ryan is \$26,833; and
- (c) Ms Sue MacLeman is \$26,833.



ANATARA  
LIFESCIENCES

Anatara Lifesciences Limited  
ABN 41 145 239 872

## Need assistance?



**Phone:**  
1300 552 270 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00 AM (Melbourne time) on Sunday, 14 November 2021.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

### PARTICIPATING IN THE MEETING

#### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

**Control Number: 185470**

**SRN/HIN:**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark ☒ to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Anantara Lifesciences Limited hereby appoint

☐ the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Anantara Lifesciences Limited to be held virtually at web.lumiagm.com/367197181 on Tuesday, 16 November 2021 at 11:00 AM (Melbourne time) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 3, 4 & 5 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 3, 4 & 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 3, 4 & 5 by marking the appropriate box in step 2.

## Step 2 Item of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Ms Sue MacLeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Director Options to a Related Party – Ms Sue MacLeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Director Options to a Related Party – Dr Jane Ryan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Director Options to a Related Party – Dr David Brookes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically