



ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) of the shareholders of Vectus Biosystems Limited will be held on Tuesday, 25 January 2022 commencing at 11:00am (AEDT). In light of the COVID-19 pandemic and the restrictions placed in relation to public gatherings, the AGM is being held as a virtual meeting. There will not be a physical meeting held.

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (AGM) of the shareholders of Vectus Biosystems Limited (Vectus or the Company) will be held on Tuesday, 25 January 2022 commencing at 11:00am (AEDT). In light of the COVID-19 pandemic and the restrictions placed in relation to public gatherings, the AGM is being held as a virtual meeting.

BUSINESS

1. **Item 1: Financial Statements and Reports**

To receive and consider the Annual Report of the Company for the year ended 30 June 2021, which includes the Annual Financial Report, the Directors' Report, the Directors' Declaration and the Auditor's Report.

Note

This item of business is for discussion only and is not a Resolution. However, pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity during the AGM to ask questions about, or make comments in relation to, each of the aforementioned Reports during consideration of these Reports.

2. **Resolution 1: To Elect a Director – Mr Maurie Stang**

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

That, Mr Maurie Stang, who retires by rotation as a Director pursuant to clause 6.1(f) of Vectus' Constitution and, being eligible, offers himself for re-election, be elected a Director of the Company.

3. **Resolution 2: To Adopt the Remuneration Report**

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

That Vectus' Remuneration Report for the financial year ended 30 June 2021, as set out in the Directors' Report in the Company's 2021 Annual Report, be received, approved and adopted.

Note

The vote on this Resolution is advisory only and does not bind the Directors or Vectus.

4. To transact any other business brought forward in accordance with the Company's Constitution.

Further information in relation to the matters to be considered at the AGM is set out in the attached Explanatory Notes.

VOTING EXCLUSION STATEMENT

In respect of **Resolution 2** (To Adopt the Remuneration Report), Vectus will disregard any votes cast (in any capacity) by or on behalf of any person who is a member of the key management personnel (KMP) whose remuneration details are included in the Remuneration Report in the Company's 2021 Annual Report or a Related Party of such a member. The prohibition in the Corporations Act 2001 (Cth) on the voting of members of Vectus' KMP does not apply to the Chairman of the AGM as proxy for a member entitled to vote where the proxy appointment expressly authorises the Chairman of the AGM to vote. However, the Company need not disregard any vote by any such persons if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form.

PROXIES

To be effective, Proxy Forms must be received by Vectus at least 48 hours before the time for holding the AGM i.e. by 11:00am (AEDT) on Sunday, 23 January 2022:

by post to the following address:

**PO Box 324
Crows Nest
NSW 1585 Australia;** or

by facsimile on:

+61 2 9662 1720; or

by hand delivery to:

3-11 Primrose Avenue, Rosebery NSW.

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth), the Board has determined that a person's entitlement to vote at the AGM will be the entitlement of that person set out in the Register of Shareholders as at 11:00am (AEDT) on Sunday, 23 January 2022. Share transfers registered after that time will be disregarded in determining entitlements to vote during the AGM. In addition, Australian legal requirements limit the eligibility of certain people to vote on some items of business to be considered at the AGM. This voting exclusion is designed to limit the capacity of people who stand to benefit from a Resolution to influence whether or not the Resolution is passed.

A member entitled to join and vote during the AGM is entitled to appoint not more than two persons as his / her proxy to join and vote instead of the member. A proxy need not be a member of the Company. If more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. Unless under Power of Attorney (which should have been previously noted by Vectus), a Proxy Form by a corporation should be executed under its common seal or in accordance with the Corporations Act 2001.

If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting on that Resolution as they think fit. Should any resolution, other than those specified in the Notice of AGM, be proposed at the AGM, a proxy may vote on that resolution as they think fit.

If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on any poll that may take place and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

Shareholders who return their Proxy Forms with a direction on how to vote, but do not nominate the identity of their proxy, will be taken to have appointed the Chairman of the AGM as their proxy to vote on their behalf. If a Proxy Form is returned, but the nominated proxy does not join the AGM, or does not vote on the Resolution, the Chairman of the AGM will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the AGM, the Company Secretary or any Director that do not contain a direction on how to vote will be used where possible to support each of the Resolutions proposed in the Notice of AGM.

Dated in Sydney on this 15th day of December 2021.

By authority of the Board.

Robert J Waring
Company Secretary

EXPLANATORY NOTES

Introduction

These Explanatory Notes set out information designed to assist the shareholders of the Company to vote on the Resolutions outlined in the Notice of AGM. The Directors recommend that Shareholders read the accompanying Notice of AGM and these Explanatory Notes in full before making any decisions relating to the Resolutions.

BUSINESS

Item 1: Financial Statements and Reports

Vectus' 2021 Annual Financial Report, including the Directors' Reports and the Auditor's Report for the year ended 30 June 2021, will be laid before the AGM, as required by the Corporations Act. There is no requirement for Shareholders to approve the Financial Report. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about the Financial Report and the management of the Company. Shareholders will also be given an opportunity to ask the Auditor questions about the:

- (a) conduct of the audit;
- (b) preparation and content of the Auditor's Report;
- (c) accounting policies adopted by Vectus in relation to the preparation of the financial statements; and
- (d) independence of the Auditor in relation to the conduct of the audit.

In addition to taking questions at the AGM, written questions to the Chairman about the management of the Company, Vectus' Auditor, the content of the Auditor's Report and the conduct of the audit may be submitted no later than five business days before the date of the AGM to PO Box 324, Crows Nest, NSW 1585.

The Company's 2021 Annual Report is available on its website at:
<http://www.vectusbiosystems.com.au/investor-centre/reports-and-presentations>

General Explanatory Notes Applying to Resolution 1

Vectus undertakes appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director and provides security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director. These include checks as to the person's character, experience, education, criminal record and bankruptcy history. Candidates for appointment or election as Non-Executive Directors provide the Board with the information above and a consent for the Company to conduct any background or other checks Vectus would ordinarily conduct. The candidate also provides details of his or her other commitments and an indication of time involved, and specifically acknowledges to the Company that he or she will have sufficient time to fulfil his or her responsibilities as a Director. A candidate for election as a Director discloses to Vectus all interests, positions, associations and relationships that may bear on his or her independence.

Resolution 1: To Elect a Director – Mr Maurie Stang

Non-Executive Director Mr Maurie Stang has more than three decades of experience building and managing companies in the healthcare and biotechnology industry in Australia and internationally. His strong business development and marketing skills have resulted in the successful commercialisation of intellectual property across global markets.

Mr Stang was appointed to the Board on 12 December 2005 (i.e. the term of office he has currently served as a Director is 16 years). Mr Stang is not considered by the Board to be an independent Director as he is a substantial shareholder of Vectus. Shareholders are being asked to re-elect him as a Non-Executive Director at the Company's AGM.

Directorships held in other listed entities in the past three years: Non-Executive Chairman of Nanosonics Limited (ASX:NAN) since it listed on 15 May 2007 (and a member of its Board since 14 November 2000) and Non-Executive Chairman of Aeris Environmental Ltd (ASX:AEI) since 24 July 2002.

Directors' Recommendation:

The Board, with Mr Stang abstaining, recommends that Shareholders vote in favour of Resolution 1.

Resolution 2: To Adopt the Remuneration Report

Vectus' Remuneration Report is required to be considered for adoption in accordance with the Corporations Act 2001 (Cth). The Remuneration Report is contained in the Directors' Report of the Company's Annual Report. The vote on this Resolution is advisory only and non-binding. The Resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the AGM. Under the Corporations Act 2001 (Cth), if 25% or more of the votes that are cast vote against the adoption of the remuneration report at two consecutive annual general meetings, shareholders will be required to vote at the second of those annual general meetings on a resolution (a spill resolution) that another meeting be held within 90 days at which all of a company's directors (other than the managing director) must go up for re-election. Vectus encourages all Shareholders to cast their votes on this Resolution.

Any undirected proxies held by the Chairman of the AGM, other Directors, other KMP or any of their closely-related parties will not be included in the votes for this Resolution. However, the Company need not disregard a vote by any such persons if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the person who is chairing the AGM as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides. The KMP of Vectus are the Directors of the Company, and those other persons having authority and responsibility for planning, directing and controlling the activities of Vectus, directly or indirectly. The Remuneration Report identifies the Company's KMP for the financial year to 30 June 2021. Related Parties are defined in the Corporations Act 2001 (Cth), and include certain family members, dependents and companies that the KMP control.

Directors' Recommendation

The Board recommends that Shareholders vote in favour of Resolution 2. Voting exclusions apply.

DEFINITIONS

In these Explanatory Notes:

Annual General Meeting or **AGM** means the meeting of the Shareholders convened for the purposes of considering the Resolutions contained in the Notice of AGM.

ASX means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

Board means the Board of Directors of Vectus.

Company or **Vectus** means Vectus Biosystems Limited ABN 54 117 526 137.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Explanatory Notes means the explanatory notes accompanying the Notice of AGM.

Listing Rules means the listing rules of the ASX.

Notice means the notice convening the AGM accompanying these Explanatory Notes.

Proxy Form means the form of proxy accompanying this Notice of AGM.

Related Party means a party so defined by section 228 of the Corporations Act.

Resolution means a resolution proposed to be passed at the AGM and contained in the Notice of AGM.

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

Shareholder means a person entered in the Company's register as a holder of a Share.

VIRTUAL MEETING AND VOTING BY PROXY OR IN POLL

The conduct of the AGM has been modified to accommodate current restrictions relating to the coronavirus (COVID-19) pandemic. With the health and safety of Vectus' shareholders, employees and guests being of paramount importance, it is not feasible or advisable for the Company's shareholders to physically attend the Meeting due to restrictions on physical distancing and gatherings. Accordingly, Vectus has arranged for its shareholders to participate in the AGM online this year (via a 'virtual' meeting). It is therefore not possible to attend the Meeting at a physical location this year. Shareholders are encouraged to vote by proxy before the AGM and to submit any questions they may have before the Meeting. Shareholders will be able to join the AGM live via Zoom (details of which have been individually provided to shareholders by either email or mail), and will also be able to ask questions online in relation to the business of the Meeting and to vote during the AGM in the poll. Instructions on how to vote in the poll will be outlined at the AGM. The Company is closely monitoring developments relating to COVID-19 and corresponding Government guidance.



ABN 54 117 526 137

PROXY FORM

I / We
(full name in block letters)

of
(address)

being a Shareholder / Shareholders of Vectus Biosystems Limited (the Company) appoint:

.....
(name of proxy holder)

or failing the person so named (or if no person is named) the **Chairman of the Meeting** as my / our proxy to vote in accordance with the following directions (or if no directions have been given, as the proxy or the Chairman see fit) at the Annual General Meeting (AGM) of the shareholders of the Company to be held virtually, via Zoom, on Tuesday, 25 January 2022 commencing at 11:00am (AEDT), and at any adjournment.

Exercise of Proxy by Chairman

For undirected proxies, the Chairman intends to vote in favour of each of the Resolutions.

Chairman Authorised to Exercise Undirected Proxies on Remuneration-Related Resolution

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 Resolution 2 (except where I / we have indicated a different voting intention below) even though Resolution 2 is connected directly or indirectly with the remuneration of members 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 Resolution 2 by marking the appropriate box below. If you desire to direct your proxy / proxies how to vote (or to abstain from voting) on any Resolution, please insert an X in the appropriate box. If you do not direct your proxy / proxies, the proxy holder may vote as they think fit or may abstain from voting.

BUSINESS

	For	Against	Abstain
Resolution 1 – To Elect a Director – Mr Maurie Stang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Executed in accordance with section 127 of the Corporations Act:

Signature of shareholder (This section **MUST** be signed to enable your directions to be implemented. Companies are to execute under seal or director's signature if applicable.)

Dated this day of

Signing Instructions

You **must** sign this Proxy Form, in the spaces provided, as follows:

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

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

Power of Attorney: If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this Proxy 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 Proxy Form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by completing the information in the appropriate place.

If a representative of a company shareholder or a company proxy is to attend the AGM the appropriate Appointment of Corporate Representative Certificate should be produced prior to admission. This form may be obtained from the Company.

If Appointing a Second Proxy

State here the percentage of your voting rights:

%**or**

the number of shares applicable to this Proxy Form:

Shares

Name of Second Proxy Holder

Insert your daytime telephone number:

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Note: for your proxy to be entitled to vote your shares at the AGM, the Company must receive the completed Proxy Form not later than 48 hours prior to the AGM i.e. by 11:00am (AEDT) on Sunday, 23 January 2022.

Proxy Information

Additional Proxy Forms will be supplied by the Company on request. A body corporate may appoint a representative to attend, vote at and otherwise act for it at the AGM in accordance with section 250D of the Corporations Act 2001.

1. A Shareholder entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in their place. A proxy need not be a Shareholder of the Company.
2. When more than one proxy is appointed, each proxy must be appointed to represent a specified number of shares held by the Shareholder.
3. Proxies must be appointed in writing under the hand of the Shareholder or the Shareholder's attorney, or if the Shareholder is a company under its common seal or the hand of a duly authorised attorney and in accordance with the Corporations Act.
4. To be effective, proxies, and the Power of Attorney if applicable, must be lodged with the Company not less than 48 hours before the appointed time for the holding of the AGM.

To be effective, the Proxy Form and the Power of Attorney or other authority (if any) under which it is signed (or a certified copy) must be received by Vectus at least 48 hours before the time for holding the AGM (as specified in the Company's Constitution) i.e. 11:00am (AEDT) on Sunday, 23 January 2022, by:

- a) **mail** to PO Box 324, Crows Nest, NSW 1585; or
- b) **hand delivery** to 3-11 Primrose Avenue, Rosebery NSW; or
- c) **facsimile** to +61 2 9662 1720.