



Living Cell Technologies Limited
ACN 104 028 042

Notice of Meeting and Explanatory Statement

Date: Friday, 1 September 2023

Time: 12.00pm (Melbourne time)

Place: Thomson Geer

Level 23, Rialto South Tower,
525 Collins Street,
Melbourne VIC 3000 Australia

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR ATTENTION. YOU SHOULD READ THIS DOCUMENT BEFORE YOU DECIDE WHETHER OR NOT TO VOTE IN FAVOUR OF THE RESOLUTIONS.

If, after reading this document, you have any questions, please contact the Company for more information or alternatively seek independent professional advice on any aspects of which you are not certain.

Important Notices

General

This Notice of Meeting and explanatory statement is dated 28 July 2023.

This document is important. The explanatory statement provides additional information on matters to be considered at the Meeting and forms part of the Notice of Meeting. You should read this document in its entirety before making a decision on how to vote on the Resolutions to be considered at the Meeting.

A Proxy Form for the Meeting is also enclosed. If you are in doubt as to what you should do, you should consult your legal, financial or other professional adviser. The Meeting will be a physical meeting only. If you are unable to join the Meeting, we encourage you to complete and return the enclosed Proxy Form in accordance with the instructions included in this Notice of Meeting.

The Company advises that a poll will be conducted for all Resolutions.

Interpretation

Capitalised terms used in the Notice of Meeting are defined in the Glossary at the end of this document.

All numbers are rounded unless otherwise indicated. A reference to \$ or to A\$ is to Australian currency, unless otherwise stated.

All times referred to in this Notice of Meeting are references to the time in Melbourne, Australia, unless otherwise stated.

A reference to a Section is to a section in the Notice of Meeting, unless otherwise stated.

ASIC and ASX

Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Notice of Meeting.

No financial product advice

This document is not financial product or investment advice nor is it a recommendation in respect of the Shares. It has been prepared without taking into account the objectives, financial situation or needs of Shareholders or other persons. Before deciding how to vote or act, Shareholders and other persons should consider the appropriateness of the information having regard to their own objectives, financial situation and needs, and seek legal, taxation, financial and other advice appropriate to their jurisdiction and circumstances. The Company is not licensed to provide financial product advice in respect of the Shares.

Notice of meeting

Notice is given that a general meeting of Shareholders will be held at the offices of Thomson Geer at Level 23, Rialto South Tower, 525 Collins Street, Melbourne VIC 3000 Australia at 12.00pm (Melbourne time) on Friday, 1 September 2023.

The business to be considered at the Meeting is set out below. Information on the resolutions to which the business relates is contained in the explanatory statement.

This Notice of Meeting should be read in conjunction with the explanatory statement. This Notice of Meeting and explanatory statement is not investment advice. You should seek your own financial and professional advice before making any decision on how to vote at the Meeting.

Terms used in this Notice of Meeting will, unless the context otherwise requires, have the same meaning given to them in the Glossary at the end of this document.

Business

Resolution 1 – Change of Company Name

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

"THAT, pursuant to and in accordance with section 157 of the Corporations Act and for all other purposes, approval be given for the name of the Company to be changed from 'Living Cell Technologies Limited' to 'Algorae Pharmaceuticals Limited' with effect from the date that ASIC alters the details of the Company's registration."

Resolution 2 – Ratification of the issue of Shares and Options under the Pre-Entitlement Offer Placement

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

"THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the issue by the Company under the Pre-Entitlement Offer Placement completed on 9 March 2023 of 100,000,000 Shares at an issue price of \$0.0075 per Share and 50,000,000 Options for no monetary consideration to sophisticated and professional investors, on such terms as more particularly described in the explanatory memorandum which accompanies and forms part of this Notice of Meeting."

Resolution 3 – Ratification of the issue of Shares and Options under the Greenshoe Placement

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

"THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the issue of 75,000,000 Shares at an issue price of \$0.0075 per Share and 37,500,000 Options for no monetary consideration to sophisticated and professional investors, on such terms as more particularly described in the explanatory memorandum which accompanies and forms part of this Notice of Meeting."

Resolution 4 – Ratification of the issue of Lead Manager Options

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

"THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the issue by the Company of 100,000,000 Options to Alignment Capital Pty Ltd, on such terms as more particularly described in the explanatory memorandum which accompanies and forms part of this Notice of Meeting."

Resolution 5 – Approval of the issue of Lead Manager Options

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

"THAT, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders approve and agree to the issue by the Company of 32,107,493 Options to Alignment Capital Pty Ltd (or its nominee), on such terms as more particularly described in the explanatory memorandum which accompanies and forms part of this Notice of Meeting."

Resolution 6 – Approval of the issue of Performance Shares to David Hainsworth

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

"THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders approve and agree to the issue of 40 million Performance Shares to David Hainsworth, on such terms as more particularly described in the explanatory memorandum which accompanies and forms part of this Notice of Meeting."

Resolution 7 – Approval of the issue of Performance Shares to Brad Dilkes

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

"THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders approve and agree to the issue of 40 million Performance Shares to Bradley Dilkes, on such terms as more particularly described in the explanatory memorandum which accompanies and forms part of this Notice of Meeting."

Voting exclusion statements

Resolution 1 – Change of Company Name

There are no voting exclusions for Resolution 1.

Resolution 2 – Ratification of the issue of Shares and Options under the Pre-Entitlement Offer Placement

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of any person who has participated in, or obtained a material benefit as a result of, the issue of Shares and Options under the Pre-Entitlement Offer Placement or any associate of that person.

Resolution 3 – Ratification of the issue of Shares and Options under the Greenshoe Placement

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of any person who has participated in the issue of the Shares and Options under the Greenshoe Placement or any associate of that person.

Resolution 4 – Ratification of the issue of Lead Manager Options

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Alignment Capital Pty Ltd (or its nominee) or any associate of Alignment Capital Pty Ltd (or its nominee).

Resolution 5 – Approval of the issue of Lead Manager Options

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of Alignment Capital Pty Ltd (or its nominee) or any associate of Alignment Capital Pty Ltd (or its nominee) or any person who will obtain a material benefit as a result of the proposed issue of the Lead Manager Options (except a benefit solely by reason of being a holder of Shares).

Resolution 6 – Approval of the issue of Performance Shares to David Hainsworth

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of David Hainsworth (or his nominee) and any other person 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) or an associate of David Hainsworth or those persons.

Resolution 7 – Approval of the issue of Performance Shares to Brad Dilkes

The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of Brad Dilkes (or his nominee) and any other person 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) or an associate of Brad Dilkes or those persons.

All Resolutions

With respect to each of the voting exclusions above, the Company need not disregard a vote cast in favour of a Resolution by a person excluded if:

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

Majorities required for the Resolutions to be passed.

Resolution 1 is a special resolution. Resolution 1 will be passed if 75% or more of the votes cast on that Resolution (either in person, by proxy, by attorney or by corporate representative) are in favour of that Resolution.

Resolutions 2, 3, 4, 5, 6 and 7 are ordinary resolutions. Each of Resolutions 2, 3, 4, 5, 6 and 7 will be passed if more than 50% of the votes cast on the relevant Resolution (either in person, by proxy, by attorney or by corporate representative) are in favour of that Resolution.

Entitlement to vote

The Company has determined, in accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations, that the Shareholders entitled to attend and vote at the Meeting shall be those persons who are recorded on the register of members at 7.00pm (Melbourne time) on Wednesday, 30 August 2023. Accordingly, those persons are entitled to attend and vote (if not excluded) at the Meeting.

All Resolutions by Poll

The Chairman intends to call a poll on each of the Resolutions proposed at the Meeting. Consequently, each Resolution considered at the Meeting will be conducted by poll, rather than a show of hands.

Proxies

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

- (a) each Shareholder entitled to vote at the Meeting has a right to appoint a proxy;

- (b) the proxy need not be a Shareholder;
- (c) a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportional number is specified, each proxy may exercise half of the Shareholder's votes; and
- (d) a Shareholder may specify the way in which the proxy is to vote on the Resolutions or may allow the proxy to vote at its discretion. If the way in which a proxy is to vote on a Resolution is specified by a Shareholder, the proxy may not vote on that Resolution except as specified by the Shareholder.

Voting of proxies

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. Shareholders and their proxies should be aware of the requirements under the Corporations Act, as they will apply to this meeting.

A member who is entitled to vote at the Meeting may appoint:

- (a) one proxy if the member is only entitled to one vote; or
- (b) one or two proxies if the member is entitled to more than one vote.

Where the member appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise half of the votes, in which case any fraction of votes will be disregarded.

A proxy need not be a member of the Company.

If you require an additional proxy form, the Company will supply it on request.

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 LCT at least 48 hours before the time for holding the Meeting (i.e. by no later than 12.00pm (Melbourne time) on Wednesday, 30 August 2023):

- (a) By post:
Living Cell Technologies Limited
C/- Automic Group
GPO Box 5193 Sydney NSW 2001;
- (b) In person:
Automic
Level 5, 126 Phillip Street
Sydney NSW 2000;
- (c) By email:
meetings@automic.com.au.

Proxies given by corporate shareholders must be executed in accordance with their constitutions, or under the hand of a duly authorised attorney.

A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Company's constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with that direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit.

If a Shareholder appoints the Chairman of the Meeting as the Shareholder's proxy and does not specify how the Chairman is to vote on an item of business, the Chairman will vote, as proxy for that Shareholder, in favour of the item on a poll.

Voting by corporate representatives

Corporate Shareholders or proxies wishing to vote by corporate representative should obtain an appointment of corporate representative form from the Share Registry and complete and sign the form in accordance with the corporate Shareholder's constitution or by a duly authorised attorney.

The corporate representative form and the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof) must be received by before the start or resumption of the meeting at which the representative is to vote, by post in the reply paid envelope provided.

How the Chairman will vote undirected proxies

If you return your Proxy Form but do not nominate a proxy, the Chairman will be your proxy and will vote on your behalf as you direct on the Proxy Form. If your nominated representative does not attend the meeting then your proxy will revert to the Chairman and he will vote on your behalf as you direct on the Proxy Form.

If a proxy is not directed how to vote on an item of business or Resolution, the proxy (including, if applicable, the Chairman) may vote, or abstain from voting, as they think fit.

If you appoint the Chairman as your proxy (or if the Chairman is appointed by default) and do not direct the Chairman how to vote on a particular Resolution, the Chairman will vote your proxy in favour of that item of business, even if the Chairman has an interest in the outcome of that particular Resolution and votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

By order of the Board

Mr Madhukar Bhalla
Company Secretary

28 July 2023

1 Information on the Resolutions

1.1 Resolution 1 – Change of Company Name

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 1 seeks the approval of Shareholders for LCT to change its name to '**Algorae Pharmaceuticals Limited**'. Upon the change of the Company's name taking effect, the Company will rebrand and use the following branding going forward:



Resolution 1 is a special resolution and therefore requires approval by 75% of the votes cast by Shareholders present and voting (in person, by proxy, by attorney or by corporate representative).

The Directors propose the Company changes its name to 'Algorae Pharmaceuticals Limited'. Algorae is a unique word over which the company has lodged a pending trademark. It derives from the term algorithm, which underpins artificial intelligence. The revised business model of the company incorporates the use of artificial intelligence to assist all drug discovery and development programs. The new name better reflects and represents the overall business of LCT as it looks to expand into new research and developments opportunities in addition to the longstanding NTCELL research project.

As part of the proposed name change, it is proposed that the Company's ASX code will change to '1AI' if Resolution 1 is passed.

The proposed new name of the Company has been reserved with ASIC and the Directors will look to implement the change of name as soon as practicable after Resolution 1 is passed (assuming it is passed). Formally, the name of the Company will change as soon as ASIC processes the change in the details of the Company's registration.

Board Recommendation for Resolution 1

Your Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

1.2 **Resolution 2 – Ratification of the issue of Shares and Options under the Pre-Entitlement Offer Placement**

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the placement of 100,000,000 Shares and 50,000,000 Options that occurred on 9 March 2023 (**Pre-Entitlement Offer Placement**). The Pre-Entitlement Offer Placement was made to sophisticated and professional investors under the Company's capacity to issue securities pursuant to ASX Listing Rule 7.1 and ASX Listing Rule 7.1A. The proposed issue of these Shares and Options was first disclosed to Shareholders on 1 March 2023, as part of the Company's announcement of the Entitlement Offer.

ASX Listing Rule 7.1 provides that an ASX listed company must not, without the prior approval of shareholders or otherwise pursuant to limited exceptions, issue or agree to issue securities if the number of securities issued, when aggregated with the number of securities issued by the company during the previous 12 months, exceeds 15% of the number of securities on issue at the commencement of that 12 month period.

Under ASX Listing Rule 7.1A, eligible ASX listed companies have the opportunity to extend their placement capacity to 25% in a 12 month period, with shareholder approval. The Company's Shareholders granted this approval at the Company's 2022 Annual General Meeting.

ASX Listing Rule 7.4 allows the shareholders of a listed company to ratify an issue of equity securities after it has been made or agreed to be made provided that the issue of securities did not breach the company's placement capacity under ASX Listing Rule 7.1. Upon such ratification, the issue is taken to have been approved under ASX Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval.

If the Shareholders ratify the issue of Shares and Options under the Pre-Entitlement Offer Placement, those securities will be deemed to have been issued with Shareholder approval.

Reasons

While the Shares and Options issued under the Pre-Entitlement Offer Placement were issued under the Company's placement capacity under ASX Listing Rules 7.1 and 7.1A, the Directors consider it prudent to keep available as much of the Company's placement capacity under the ASX Listing Rules as possible from time to time, particularly if further capital is needed in the near term to strengthen the Company's balance sheet. It is for this reason that Shareholder approval for the purposes of ASX Listing Rule 7.4 is sought.

The effect of the ratification of the issue of the Shares and Options under the Pre-Entitlement Offer Placement is that the Company's placement capacity under the ASX Listing Rules will be reinstated, enabling it to issue further securities, subject to the ASX Listing Rules, in the next 12 months without Shareholder approval.

If Resolution 2 is not passed, the Pre-Entitlement Offer Placement will not be affected, but the Company's capacity to issue further securities before 9 March 2024 will be significantly reduced, unless such issues of further securities are approved by Shareholders in general meeting or otherwise fall within an exception to ASX Listing Rule 7.1 under ASX Listing Rule 7.2.

Specific information required by ASX Listing Rule 7.5

In compliance with ASX Listing Rule 7.5, the Company provides the following information:

Number of securities issued: 100,000,000 Shares and 50,000,000 Options have been issued under the Pre-Entitlement Offer Placement pursuant to ASX Listing Rule 7.1 and 7.1A.

Fixed issue price per Share: The 100,000,000 Shares issued under the Pre-Entitlement Offer Placement were issued at a price of \$0.0075 per Share. The 50,000,000 Options issued under the Pre-Entitlement Offer Placement were issued for no monetary consideration.

Recipients of issue: Sophisticated and professional investors.

Date of issue: 9 March 2023.

Terms of securities: The Shares issued under the Pre-Entitlement Offer Placement are fully paid ordinary shares and rank equally with other existing fully paid ordinary shares in the Company. The terms of the Options that have been issued are set out below.

Use of funds raised: The funds raised by the issue of Shares under the Pre-Entitlement Offer Placement (and upon the exercise of any Options) will be applied towards general working capital expenditure and the Company's research and development activities.

Voting: A voting exclusion statement is included in the Notice of Meeting.

Terms of Options

The key terms of the Options issued under the Pre-Entitlement Offer Placement are set out in Section 2 of this Notice of Meeting.

Board Recommendation

Your Directors unanimously recommend that eligible Shareholders vote in favour of Resolution 2.

1.3 Resolution 3 – Ratification of the issue of Shares and Options under the Greenshoe Placement

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the placement of 75,000,000 Shares and 37,500,000 Options that took place on 10 July 2023, as first announced to Shareholders on 1 March 2023 (**Greenshoe Placement**). The Greenshoe Placement was made to sophisticated and professional investors.

ASX Listing Rule 7.1 provides that an ASX listed company must not, without the prior approval of shareholders or otherwise pursuant to limited exceptions, issue or agree to issue securities if the number of securities issued, when aggregated with the number of securities issued by the company during the previous 12 months, exceeds 15% of the number of securities on issue at the commencement of that 12 month period.

Under ASX Listing Rule 7.1A, eligible ASX listed companies have the opportunity to extend their placement capacity to 25% in a 12 month period, with shareholder approval. The Company's Shareholders granted this approval at the Company's 2022 Annual General Meeting.

ASX Listing Rule 7.4 allows the shareholders of a listed company to ratify an issue of equity securities after it has been made or agreed to be made provided that the issue of securities did not breach the company's placement capacity under ASX Listing Rule 7.1. Upon such ratification, the issue is taken to have been approved under ASX Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval.

If the Shareholders ratify the issue of Shares and Options under the Greenshoe Placement, those securities will be deemed to have been issued with Shareholder approval.

Reasons

The Directors consider it prudent to keep available as much of the Company's placement capacity under the ASX Listing Rules as possible from time to time, particularly if further capital is needed in the near term to strengthen the Company's balance sheet. It is for this reason that Shareholder ratification for the purposes of ASX Listing Rule 7.4 is sought shortly after the Greenshoe Placement is expected to take place.

The effect of the ratification by Shareholders to the issue of the Shares and Options under the Greenshoe Placement is that the Company's placement capacity under the ASX Listing Rules will be preserved, enabling it to issue further securities, subject to the ASX Listing Rules, in the next 12 months without Shareholder approval.

If Resolution 3 is not passed, the Greenshoe Placement will not be affected (because the Company has existing capacity to undertake the Greenshoe Placement), but the Company's capacity to issue any further securities in the 12 months after the Greenshoe Placement will be reduced, unless such

issues of further securities are approved by Shareholders in general meeting or otherwise fall within an exception to ASX Listing Rule 7.1 under ASX Listing Rule 7.2.

Specific information required by ASX Listing Rule 7.5

In compliance with ASX Listing Rule 7.5, the Company provides the following information:

Number of securities issued: 75,000,000 Shares and 37,500,000 Options issued under the Greenshoe Placement.

Fixed issue price per Share: The 75,000,000 Shares issued under the Greenshoe Placement were issued at a price of \$0.0075 per Share. The 37,500,000 Options issued under the Greenshoe Placement were issued for no monetary consideration

Recipients of issue: Sophisticated and professional investors.

Terms of securities: The Shares to be issued under the Greenshoe Placement are fully paid ordinary shares and rank equally with other existing fully paid ordinary shares in the Company. The terms of the Options that have been issued are set out below.

Date of issue: The Shares and Options issued under the Greenshoe Placement were issued on 10 July 2023.

Use of funds raised: The funds raised by the issue of Shares under the Greenshoe Placement (and upon the exercise of any Options) will be applied towards general working capital expenditure and the Company's research and development activities.

Terms of Options

The key terms of the Options issued under the Greenshoe Placement are set out in Section 2 of this Notice of Meeting.

Board Recommendation

Your Directors unanimously recommend that eligible Shareholders vote in favour of Resolution 3.

1.4 Resolution 4 – Ratification of the Issue of Lead Manager Options

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 100,000,000 Options to Alignment Capital Pty Ltd, in connection with Alignment's engagement by the Company as the Lead Manager for the Entitlement Offer undertaken by the Company in March and April 2023 and as corporate adviser to the Company on an ongoing basis (**Lead Manager Options**).

ASX Listing Rule 7.1 provides that an ASX listed company must not, without the prior approval of shareholders or otherwise pursuant to limited exceptions, issue or agree to issue securities if the number of securities issued, when aggregated with the number of securities issued by the company during the previous 12 months, exceeds 15% of the number of securities on issue at the commencement of that 12 month period.

Under ASX Listing Rule 7.1A, eligible ASX listed companies have the opportunity to extend their placement capacity to 25% in a 12 month period, with shareholder approval. The Company's Shareholders granted this approval at the Company's 2022 Annual General Meeting.

ASX Listing Rule 7.4 allows the shareholders of a listed company to ratify an issue of equity securities after it has been made or agreed to be made provided that the issue of securities did not breach the company's placement capacity under ASX Listing Rule 7.1. Upon such ratification, the issue is taken to have been approved under ASX Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval.

If the Shareholders ratify the issue of 100,000,000 Lead Manager Options, those securities will be deemed to have been issued with Shareholder approval.

Reasons

The Directors consider it prudent to keep available as much of the Company's placement capacity under the ASX Listing Rules as possible from time to time, particularly if further capital is needed in the near term to strengthen the Company's balance sheet. It is for this reason that Shareholder ratification for the purposes of ASX Listing Rule 7.4 is sought in respect of the 100,000,000 Lead Manager Options that were recently issued.

The effect of the ratification by Shareholders to the issue of the Lead Manager Options is that the Company's placement capacity under the ASX Listing Rules will be preserved, enabling it to issue further securities, subject to the ASX Listing Rules, in the next 12 months without Shareholder approval.

If Resolution 4 is not passed, the issue of 100,000,000 Lead Manager Options will not be affected (because the Company has existing capacity to undertake the issue of these Lead Manager Options), but the Company's capacity to issue any further securities in the 12 months after the issue of these Lead Manager Options will be reduced, unless such issues of further securities are approved by Shareholders in general meeting or otherwise fall within an exception to ASX Listing Rule 7.1 under ASX Listing Rule 7.2.

Specific information required by ASX Listing Rule 7.5

In compliance with ASX Listing Rule 7.5, the Company provides the following information:

Number of securities issued: 100,000,000 Options were issued to Alignment Capital Pty Ltd or nominee.

Fixed issue price per Share: The Lead Manager Options were issued at a price of \$0.00001 per Option.

Recipients of issue: Alignment Capital Pty Ltd.

Terms of securities: The terms of the Lead Manager Options are set out in Section 2.

Date of issue: 100,000,000 Lead Manager Options were issued to Alignment on 10 July 2023.

Use of funds raised: The Lead Manager Options were issued at a nominal price meaning that there will not be any meaningful funds raised by the issue of Options. If the Lead Manager Options are ultimately exercised, it is the Company's present intention that the funds raised on exercise will be applied towards general working capital expenditure and the Company's research and development activities.

Terms of Lead Manager Options

The key terms of the Lead Manager Options are set out in Section 2.

Board Recommendation for Resolution 4

Your Directors unanimously recommend that eligible Shareholders vote in favour of Resolution 4.

1.5 Resolution 5 – Approval of the Issue of Lead Manager Options

Resolution 5 seeks Shareholder approval to issue 32,107,493 Options to Alignment Capital Pty Ltd (or its nominee), in connection with Alignment's engagement by the Company as the Lead Manager for the Entitlement Offer undertaken by the Company in March and April 2022 and as corporate adviser to the Company on an ongoing basis.

In connection with this engagement, Alignment (or its nominee) is entitled to be issued 132,107,493 Options (**Lead Manager Options**). 100,000,000 Lead Manager Options were issued on 10 July and the proposed ratification of these Lead Manager Options is the subject of Resolution 4. The remaining 32,107,493 Lead Manager Options are proposed to be issued to Alignment (or its nominee) under Resolution 5. Therefore, Resolution 5 seeks Shareholder approval pursuant to

ASX Listing Rule 7.1 for the issue of 32,107,493 Options to Alignment (or its nominee) pursuant to ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that an ASX listed company must not, without the prior approval of shareholders or otherwise pursuant to limited exceptions, issue or agree to issue securities if the number of securities issued, when aggregated with the number of securities issued by the company during the previous 12 months, exceeds 15% of the number of securities on issue at the commencement of that 12 month period.

Under ASX Listing Rule 7.1A, a company may seek shareholder approval at its annual general meeting to extend this security placement limit to 25% of the Company's equity securities. The Company's Shareholders granted this approval at the Company's 2022 Annual General Meeting.

Reasons

Approval under ASX Listing Rule 7.1 is being sought as the Company's existing placement capacity has been exhausted.

Therefore, the issue of the Lead Manager Options without Shareholder approval would be in breach of ASX Listing Rule 7.1.

Accordingly, if Resolution 5 is not passed, the issue of Lead Manager Options may not occur. In these circumstances, the Company would be required to remunerate Alignment through other means (eg, cash, an allowable number of Shares and/or Options under ASX Listing Rule 7.1, or a combination of each of these).

Specific information required by ASX Listing Rule 7.3

In compliance with ASX Listing Rule 7.3, the Company provides the following information:

Number of securities to be issued: 32,107,493 Options will be issued to Alignment Capital Pty Ltd or nominee.

Fixed issue price per Share: The Lead Manager Options will be issued at a price of \$0.00001 per Option.

Recipients of issue: Alignment Capital Pty Ltd or nominee.

Terms of securities: The terms of the Lead Manager Options are set out in Section 2 of this Notice of Meeting.

Date of issue: It is anticipated that, subject to Shareholder approval, the Lead Manager Options will be issued on or about 4 September 2023.

Use of funds raised: The Options are to be issued at a nominal price meaning that there will not be any meaningful funds raised by the issue of Options. If the Lead Manager Options are ultimately exercised, it is the Company's present intention that the funds raised on exercise will be applied towards general working capital expenditure and the Company's research and development activities.

Terms of Lead Manager Options

The key terms of the Lead Manager Options are set out in Section 2 of this Notice of Meeting.

1.6 Resolution 6 – Approval of the issue of Performance Shares to David Hainsworth

The Company has agreed, subject to obtaining Shareholder approval, to issue 40 million Performance Shares to David Hainsworth, a Director, on the terms and conditions set out below. The Performance Shares are to be issued to David Hainsworth as remuneration and in acknowledgement of the experience and drive he brings to the Company. The Performance Shares will only vest into Fully Paid Ordinary Shares upon the successful achievement of the Performance Milestones, which are outlined in the Terms of Performance Shares.

ASX Listing Rule 10.11 provides that an ASX listed company must not, without the prior approval of shareholders or otherwise pursuant to limited exceptions, issue or agree to issue securities to a related party.

As a Director, David Hainsworth is a related party of the Company. Therefore, under ASX Listing Rule 10.11, Performance Shares may only be issued to him with the approval of Shareholders.

Reasons

David Hainsworth is a Director and a valued member of the LCT team. In order to incentivise David and to remunerate him for the contribution he makes and will continue to make to the Company, it is appropriate to offer him 40 million Performance Shares.

If Resolution 6 is not passed, no Performance Shares will be issued to David Hainsworth. In these circumstances, the Company will look to other ways to incentivise and reward David Hainsworth, which would likely involve an increase in the amount of cash paid to him.

Specific information required by ASX Listing Rule 10.13

In compliance with ASX Listing Rule 10.13, the Company provides the following information:

Number of securities issued: 40 million Performance Shares will be issued.

Fixed issue price per Performance Share: The Performance Shares will be issued for no cash consideration.

Date of issue: It is anticipated that, subject to Shareholder approval, the Performance Shares will be issued on or about 4 September 2023.

Recipients of issue: David Hainsworth, Director.

Terms of securities: The terms of the Performance Shares are set out below.

Use of funds raised: As the Performance Shares are being issued for no cash consideration, no funds will be raised from the grant of the Performance Shares to David Hainsworth.

Voting: A voting exclusion statement is included in the Notice of Meeting.

Terms of Performance Shares

The key terms of the Performance Shares to be granted to David Hainsworth are as follows:

Two Collaborations Representing Project Initiations: Performance Shares (Tranche A)

- If the Company collaborates with two or more pharmaceutical, biotechnology or R&D companies for the advancement of any prospective R&D projects between 13 July 2023 and 1 September 2026, David Hainsworth will be issued 10 million fully paid ordinary shares (corresponding to the vesting of 10 million performance shares).

Two Patents - Intellectual Property Growth: Performance Shares (Tranche B)

- If the Company files patent applications, including provisional patent applications, relevant to any two or more prospective R&D projects between 13 July 2023 and 1 September 2026, David Hainsworth will be issued 10 million fully paid ordinary shares (corresponding to the vesting of 10 million performance shares).

Market Capitalisation Growth: Performance Shares (Tranche C)

- If the Company achieves a Market Capitalisation of \$50 million between 13 July 2023 and 1 September 2026, David Hainsworth will be issued 10 million fully paid ordinary shares (corresponding to the vesting of 10 million performance shares). Market Capitalisation is calculated as total shares multiplied by share price at any point in time.

Two Clinical Trials - Clinical Research Development Milestone: Performance Shares (Tranche D)

• If the Company receives human research ethics approval to commence two clinical trials between 13 July 2023 and 1 September 2026, David Hainsworth will be issued 10 million fully paid ordinary shares (corresponding to the vesting of 10 million performance shares).

For any tranche of performance shares to vest, David Hainsworth must remain engaged by the Company as a director or executive at the time the relevant milestone is achieved.

Board Recommendation for Resolution 6

Your Directors unanimously recommend that eligible Shareholders vote in favour of Resolution 6.

1.7 Resolution 7 – Approval of the issue of Performance Shares to Brad Dilkes

The Company has agreed, subject to obtaining Shareholder approval, to issue 40 million Performance Shares to Brad Dilkes, a Director, on the terms and conditions set out below. The Performance Shares are to be issued to Brad Dilkes as remuneration and in acknowledgement of the experience and drive he brings to the Company. The Performance Shares will only vest into Fully Paid Ordinary Shares upon the successful achievement of the Performance Milestones, which are outlined in the Terms of Performance Shares.

ASX Listing Rule 10.11 provides that an ASX listed company must not, without the prior approval of shareholders or otherwise pursuant to limited exceptions, issue or agree to issue securities to a related party.

As a Director, Brad Dilkes is a related party of the Company. Therefore, under ASX Listing Rule 10.11, Performance Shares may only be issued to him with the approval of Shareholders.

Reasons

Brad Dilkes is a Director and a valued member of the LCT team. In order to incentivise Brad and to remunerate him for the contribution he makes and will continue to make to the Company, it is appropriate to offer him 40 million Performance Shares.

If Resolution 6 is not passed, no Performance Shares will be issued to Brad Dilkes. In these circumstances, the Company will look to other ways to incentivise and reward Brad Dilkes, which would likely involve an increase in the amount of cash paid to him.

Specific information required by ASX Listing Rule 10.13

In compliance with ASX Listing Rule 10.13, the Company provides the following information:

Number of securities issued: 40 million Performance Shares will be issued.

Fixed issue price per Performance Shares: The Performance Shares will be issued for no cash consideration.

Recipients of issue: Brad Dilkes, Director.

Date of issue: It is anticipated that, subject to Shareholder approval, the Performance Shares will be issued on or about 4 September 2023.

Terms of securities: The terms of the Performance Shares are set out below.

Use of funds raised: As the Performance Shares are being issued for no cash consideration, no funds will be raised from the grant of the Performance Shares to Brad Dilkes.

Voting: A voting exclusion statement is included in the Notice of Meeting.

Terms of Performance Shares

The key terms of the Performance Shares to be granted to Brad Dilkes are as follows:

Two Collaborations Representing Project Initiations: Performance Shares (Tranche A)

- If the Company collaborates with two or more pharmaceutical, biotechnology or R&D companies for the advancement of any prospective R&D projects between 13 July 2023 and 1 September 2026, Brad Dilkes will be issued 10 million fully paid ordinary shares (corresponding to the vesting of 10 million performance shares).

Two Patents - Intellectual Property Growth: Performance Shares (Tranche B)

- If the Company files patent applications, including provisional patent applications, relevant to any two or more prospective R&D projects between 13 July 2023 and 1 September 2026, Brad Dilkes will be issued 10 million fully paid ordinary shares (corresponding to the vesting of 10 million performance shares).

Market Capitalisation Growth: Performance Shares (Tranche C)

- If the Company achieves a Market Capitalisation of \$50 million between 13 July 2023 and 1 September 2026, Brad Dilkes will be issued 10 million fully paid ordinary shares (corresponding to the vesting of 10 million performance shares). Market Capitalisation is calculated as total shares multiplied by share price at any point in time.

Two Clinical Trials - Clinical Research Development Milestone: Performance Shares (Tranche D)

- If the Company receives human research ethics approval to commence two clinical trials between 13 July 2023 and 1 September 2026, Brad Dilkes will be issued 10 million fully paid ordinary shares (corresponding to the vesting of 10 million performance shares).

For any tranche of performance shares to vest, Brad Dilkes must remain engaged by the Company as a director or executive at the time the relevant milestone is achieved.

Board Recommendation for Resolution 7

Your Directors unanimously recommend that eligible Shareholders vote in favour of Resolution 7.

2 Key terms of Options

Set out below are the key terms of each of the Options referred to in the relevant Resolutions in this Notice of Meeting.

- (a) **Entitlement:** Subject to and conditional upon any adjustment in accordance with these conditions, each of the Options entitle the holder to apply for one (1) Share upon payment of the Exercise Price.
- (b) **Exercise Price:** The Exercise Price for each Option is \$0.012 per Share.
- (c) **Expiry Date:** Each Option will expire at 5.00pm (AEST) on 31 March 2026. An Option not exercised before that expiry date will automatically lapse on that Expiry Date.
- (d) **Exercise period:** The Options are exercisable at any time from the date of issue until 5.00pm on the Expiry Date (AEST).
- (e) **Exercise notice:** The Options may be exercised during the exercise period specified in these conditions by forwarding to the Company the Exercise Notice together with payment (in cleared funds) of the Exercise Price for the number of Shares to which the Exercise Notice relates.
- (f) **Partial exercise:** The Options may be exercised in full or in parcels of at least 300,000 Options (or such lesser amount in the event the holding of Options by an Optionholder is less than 300,000 Options).
- (g) **Timing of issue of Shares on exercise:** Within 15 business days after the Exercise Notice is received, the Company will allot and issue the number of Shares as specified in the Exercise Notice and for which the Exercise Price has been received by the Company in cleared funds and apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (h) **Participation in new issues:** The Options do not confer any right on the Optionholder to participate in a new issue of securities without exercising the Options. An Optionholder will be given at least 15 business days prior to the record date for the new issue of securities, to exercise their Options.
- (i) **Shares issued on exercise:** Shares issued as a result of the exercise of the Options will rank equally in all respects with all other Shares then on issue.
- (j) **Dividend:** The Options do not confer any rights to dividends. Shares issued upon the exercise of the Options will only carry an entitlement to receive a dividend if they were issued on or before the Record Date for the dividend.
- (k) **Adjustment for pro rata issue:** In the event of a pro rata issue of Shares by the Company (except a bonus issue), the Exercise Price for the Options will be adjusted in accordance with ASX Listing Rule 6.22.2.
- (l) **Adjustment for bonus issue:** If there is a bonus issue to Shareholders, the number of Shares over which each Option is exercisable will be increased by the number of Shares which the Optionholder would have received if the Options had been exercised before the Record Date for the bonus issue.
- (m) **Adjustment for reorganisation of capital:** If the Company reorganises its capital, the rights of the Optionholder (and the Exercise Price) will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital, at the time of the reorganisation.
- (n) **Not quoted:** The Company will not apply for quotation of the Options on ASX.
- (o) **Transferability:** The Options are only transferable up until it lapses, with the Company's prior written consent.

Glossary

Unless the context otherwise requires, the singular includes the plural and vice versa, and the following terms will have the following meaning:

AEST means Australian Eastern Standard Time.

Alignment means Alignment Capital Pty Ltd ACN 167 124 754.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires.

ASX Listing Rules means the official listing rules of ASX.

Board means the board of directors of the Company at the date of this Notice of Meeting.

Company means Living Cell Technologies Limited ACN 104 028 042.

Constitution means the constitution of the Company.

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

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

Directors means the directors of the Company at the date of this Notice of Meeting (excluding alternate directors).

Entitlement Offer means the entitlement offer of Shares and Options by the Company to its Shareholders undertaken in March and April 2023.

Greenshoe Placement means the placement of 75,000,000 Shares at \$0.0075 and 37,500,000 Options for nil monetary consideration, to raise a total of \$562,500, that took place on 10 July 2023.

LCT means Living Cell Technologies Limited ACN 104 028 042.

Lead Manager Options means the Options that have been issued to Alignment which are the subject of Resolution 4 and the Options to be issued to Alignment which are the subject of Resolution 5.

Meeting means the general meeting of the members of the Company to which this Notice of Meeting and explanatory statement relates, which has been convened to be held at the offices of Thomson Geer, Level 23, 525 Collins Street, Melbourne at 12.00pm (Melbourne time) on Friday, 1 September 2023.

Notice of Meeting means this notice of general meeting and explanatory statement.

Option means an option giving the holder the right but not the obligation to acquire a Share.

Pre-Entitlement Offer Placement means the placement of 100,000,000 Shares at \$0.0075 and 50,000,000 Options for nil monetary consideration, to raise a total of \$750,000, that was completed on 9 March 2023.

Proxy Form means the proxy form that accompanies the Notice of Meeting.

Resolutions means the resolutions that are set out and explained in the Notice of Meeting.

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

Share Registry means Automic.

Shareholder means a holder of one or more Shares.

Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **12:00pm (AEST) on Wednesday, 30 August 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

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

Joint holding: Where the holding is in more than one name, all Shareholders 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 Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

