



NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

WHEN: Friday 27th October 2017 at 10:30am (AEDT)

WHERE: Deloitte Touche Tohmatsu
Level 10,
550 Bourke St,
Melbourne

MEDICAL DEVELOPMENTS INTERNATIONAL LIMITED ABN 14 106 340 667

NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

Notice of Meeting

Notice is hereby given that the Annual General Meeting (AGM) of Medical Developments International Limited (the Company) will be held at Level 10, Deloitte Touche Tohmatsu, 550 Bourke St, Melbourne on Friday, 27 October 2017 at 10:30am (AEDT).

Ordinary Business

1. Financial Statements and Reports

To receive and consider the Financial Report, Directors' Report and Auditor's Report for the period ended 30 June 2017.

2. Remuneration Report

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

"That the Remuneration Report, required by section 300A of the Corporations Act, as contained in the Directors' Report for the year ended 30 June 2017, is adopted."

Note: A vote on this resolution is advisory only and does not bind the directors or the Company.

Note: A voting exclusion statement applies to this resolution. See Explanatory Notes on the Items of Business below.

3. Election of Directors

To consider, and if thought fit, to pass the following separate resolutions:

NOTE – 2 of the below Directors need to be selected for re-election this year

- (a) "That Mr. Allan McCallum, being a Director of the Company who retires in accordance with rule 12.4 of the Company's Constitution, and, being eligible, is re-elected as a Director."
- (b) "That Mr. Max Johnston, being a Director of the Company who retires in accordance with rule 12.4 of the Company's Constitution, and, being eligible, is re-elected as a Director."

4. Amendments to the Constitution of the Company

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

"That the Constitution of the company is modified by:

- (a) omitting rule 12.9 (Age limit for directors);
- (b) amending rule 13.1 (Determination of fees) as follows:
 - (i) insert 'non-executive' immediately before 'directors' where appearing in rule 13.1.1;
 - (ii) insert immediately after rule 13.1.1 the following new rule 13.1.1A:

'13.1.1A When calculating a director's fees for the purpose of the aggregate sum under rule 13.1.1 and the maximum under rule 13.2, any amount paid by the Company or a related body corporate:

- (a) to a superannuation, retirement or pension fund for a director so that the Company is not liable to pay the superannuation guarantee charge or similar statutory charge is to be included; and
- (b) for any insurance premium period or agreed to be paid for a director under rule 24.2 is to be excluded.' and
- (iii) insert 'that may be paid to all of the Company's non-executive directors' immediately after 'directors fees' where appearing in rule 13.1.5 and insert immediately after rule 13.1.5 the following new rule 13.1.6:

'13.1.6 Shares, options, rights and other share based payments may be provided to non-executive directors as part of their remuneration according to the rules of any share plan for the remuneration of any non-executive director that has been or may be introduced by the Company, subject to the Listing Rules and the requirements of the Corporations Act. For the purposes of rule 13.1.1, and rule 13.2, the value of any such shares, options, rights and share based payments will not be included in the aggregate sum under rule 13.1.1 or the maximum in rule 13.2.';

and

- (c) amending rule 13.5 (Payments to former directors) as follows:
 - (i) re-number existing rule 13.5 as rule 13.5.1; and
 - (ii) insert immediately after rule 13.5.1 the following new rule 13.5.2:

'13.5.2 Subject to the Corporations Act, the Company may enter into an agreement or contract with a person for the giving to the person or any other person of a benefit in connection with a director's retirement from a managerial or executive office in the Company or a related body corporate of the Company,'.

Note: A voting exclusion statement applies to this resolution. See Explanatory Notes on the Items of Business below.

5. Increase in non-executive directors' remuneration

To consider and, if thought fit, to pass (with or without modification) the following resolution:

That for the purposes of rule 13.1.5 of the Company's constitution and ASX listing rule 10.17, the Company increase the total aggregate amount of directors' fees that may be payable to all of the Company's non-executive directors by \$100,000 from \$300,000 per annum to \$400,000 per annum, so that the maximum sum that may be paid after the increase is \$400,000 per annum.

Note: A voting exclusion statement applies to this resolution. See Explanatory Notes on the Items of Business below.

By Order of the Board



Mark Edwards
Secretary
21 September 2017

Information for Shareholders

1. Entitlement to attend and vote

On a poll, subject to the Company's Constitution, shareholders have 1 vote for every fully paid ordinary share held.

For the purposes of Regulation 7.11.37 of the *Corporations Regulations* 2001 (Cth) and the Company's Constitution, the Directors have determined that the voting entitlements for the purposes of the Meeting will be based on the registered holdings as at 7pm (AEDT) on Wednesday, 25 October 2017. You may vote by attending the Meeting in person, by proxy, attorney or authorized representative.

Shareholders also have the option to vote online at www.investorvote.com.au. Note - Votes submitted through this site must be received by 10:30am (AEDT) Wednesday 25 October 2017.

2. Entitlement to attend and vote

Each Shareholder has the right to appoint a proxy. A proxy need not be a Shareholder.

A proxy form and envelope have been enclosed for Shareholders with this Notice. If an additional proxy form is required, the Company's share registry, Computershare Investor Services Pty Limited, will supply it on request (telephone: +61 3 9415 4000).

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 no such proportion or number is specified, each proxy may exercise half of your votes. Fractions of votes will be disregarded.

Proxies given by corporate Shareholders must be executed in accordance with the constitutions or under the hand of a duly authorized officer or attorney.

To be effective, the Company must receive the completed proxy form and, if the form is signed by the Shareholder's attorney, the authority under which the proxy form is signed (or a certified copy of the authority), at least 48 hours before the AGM:

- at its share registry, Computershare Investor Services Pty Limited, GPO BOX 242, MELBOURNE VIC 3001, Australia or by facsimile on fax number 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

Any revocations of proxies must be received at the share registry before the commencement of the Meeting, or at the registration desk for the Meeting at Level 10, Deloitte Touche Tohmatsu, 550 Bourke Street, Melbourne, Victoria, Australia.

For more information concerning the appointment of proxies, please refer to the reverse side of the enclosed proxy form.

3. Custodian Voting

For intermediary online subscribers only (custodians), please visit www.intermediaryonline.com to submit your voting intentions.

4. Voting in Person

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 30 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the share register and attendances recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorized to attend and vote at the Meeting.

A corporation, which is a shareholder, may appoint an individual to act as its representative and to vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority which it is signed, unless previously given to the Company's share registry.

5. Voting Intentions

Subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of all resolutions on the agenda.

In respect of undirected proxies, subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of all resolutions on the agenda.

In relation to Item 2 (Adoption of Remuneration Report) if you have not marked the 'For', 'Against' or 'Abstain' boxes you will have expressly authorised the Chairman of the Meeting to vote in favour of this resolution, even though this item is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. If you do not wish to give the Chairman of the Meeting such a directed proxy, you should ensure that a box other than the 'For' box is clearly marked.

6. Definitions

Words that are defined in the Glossary have the same meaning when used in this Notice unless the context requires, or the definitions in the Glossary provide, otherwise.

7. Recent Amendments

Amendments to the Corporations Act have been made which apply to proxy voting for this Meeting. Broadly, the changes 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 Chairman of the Meeting, who must vote the proxies as directed.

Proxy vote if appointment specifies way to vote

Section 250BB 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; and
- if the proxy has two 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 Chairman 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 Chairman of the Meeting – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

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 Chairman of the Meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the Chairman 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 that meeting.

Explanatory Notes on the Items of Business

Item 1 - Financial Statements and Reports

Section 317 of the *Corporations Act 2001* requires that the report of the Directors, the report of the Auditor and the Financial Statements of the Company be presented at the Annual General Meeting.

Neither the *Corporations Act 2001* nor the Company's Constitution requires a vote of shareholders at the AGM to adopt such reports. However, shareholders will be asked to receive and consider the reports and will be given the opportunity to raise questions with respect to these reports at the AGM.

Item 2 - Adoption of the Remuneration Report

Pursuant to section 250R of the Corporations Act, a resolution must be put to the Shareholders that the Remuneration Report be adopted. The vote on this resolution is advisory only and does not bind the Directors or the Company. The Board will, however take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

The Remuneration Report set out on pages 25 to 31 of the Company's 2017 Annual Report:

- explains the Board's policies in relation to the nature and level of remuneration paid to Directors and the key management personnel of the Company;
- discusses the link between the Board's remuneration policies and the Company's performance;
- provides a summary of performance conditions applicable to the Directors and the key management personnel of the Company, explaining why they were chosen and how performance is measured against them;
- sets out remuneration details for each Director, the key executives of the Company; and
- makes clear that the basis of remunerating non-executive Directors is distinct from the basis for remunerating executives, including the Chief Executive Officer.

A reasonable opportunity will be provided to the members as a whole to ask questions about or make comments on the Remuneration Report at the Meeting.

Pursuant to section 250R of the Corporations Act, a resolution must be put to the Shareholders that the Remuneration Report be adopted.

Noting each Director has a personal interest in their remuneration from the Company, as described in the Remuneration Report, the Board unanimously recommends that the Shareholders vote in favour of adopting the Remuneration Report.

Voting Exclusion Statement

In accordance with Section 250R(4) of the Corporations Act, the Company will disregard any votes cast in respect of the resolution in item 2 by:

- (a) A member of the key management personnel (KMP), details of whose remuneration are included in the remuneration report, or
- (b) A closely related party of such a member.

However, the Company need not disregard a vote in respect of the resolution in Item 2 if it is cast by a person as proxy appointed by writing that directs the proxy how to vote on Item 2, and the vote is not cast on behalf of a member of the KMP, details of whose remuneration are included in the remuneration report or a closely related party of such a member.

If you are a member of the KMP or a Closely Related Party (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

Please note that persons referred to in paragraph (a) and (b) above, cannot vote on Item 2 as proxy, unless given voting directions on the proxy form. Please direct your proxy how to vote by crossing the 'For', 'Against' or 'Abstain' box for Item 2 on the proxy form. In respect of the Chairman of the meeting, if you have not marked the 'For', 'Against' or 'Abstain' box you will have expressly authorised the Chairman of the Meeting to vote in favour of this resolution, even though this item is connected directly or indirectly with the remuneration of a member of the KMP.

Item 3(a) –Election of Directors

The Company's Constitution (rule 12.4) requires that one third of the Directors, excluding the Managing Director, (or if that number is not 3 or a multiple of 3, then the number nearest one third) retire at each AGM. The Company's Constitution (rule 12.4) also provides that each Director who has been in office for 3 years or more since that Director's election or last re-election retires at the AGM.

Mr. Allan McCallum retires pursuant to rule 12.4, and, being eligible, offers himself for re-election.

Item 3(b) –Election of Director

The Company's Constitution (rule 12.4) requires that one third of the Directors, excluding the Managing Director, (or if that number is not 3 or a multiple of 3, then the number nearest one third) retire at each AGM. The Company's Constitution (rule 12.4) also provides that each Director who has been in office for 3 years or more since that Director's election or last re-election retires at the AGM.

Mr. Max Johnston retires pursuant to rule 12.4, and, being eligible, offers himself for re-election.

The Board unanimously recommends that the Shareholders vote in favour of Items 3a and 3b.

Item 4 – Amendments to the Constitution of the Company

The resolution in Item 4 proposes amendments to the Constitution of the Company:

- to remove the 72 years age limit for directors;
- to clarify that the cap that applies to directors' fees applies to the fees that may be paid to non-executive directors and that while superannuation contributions are to be counted towards the cap, the payment of insurance premiums for D&O insurance is not; and
- to confirm that in addition to the Company paying retirement benefits on the retirement of non-executive directors, the Company may enter into an agreement to do so. No retirement benefits are proposed for non-executive directors but it is possible that this may change in the future. Retirement benefits are regulated by the Corporations Act.

Voting Exclusion Statement

Because the proposed amendments to the Company's constitution include amendments connected directly or indirectly with the remuneration of KMPs, a person appointed as a proxy must not vote on resolution 4 on the basis of the appointment if:

- (a) the person is either:

- (i) a KMP; or
- (ii) a closely related party of a KMP; and
- (b) the appointment does not specify the way the proxy is to vote, unless,
- (c) the person is the chair of the meeting; and
- (d) the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a KMP.

The Board unanimously recommends that the Shareholders vote in favour of Item 4.

Item 5 – Increase in Non-executive directors remuneration

The resolution in Item 5 proposes to increase by \$100,000 the aggregate amount of fees that may be paid to all the non-executive directors of the Company from \$300,000 to \$400,000 per annum.

The existing fee limit of \$300,000 per annum has remained unchanged for 14 years and the Company proposes to increase this cap by \$100,000 to \$400,000 per annum to provide greater flexibility and enable it to continue to attract and retain a suitably qualified Board of Directors. The maximum amount that may be paid by way of fees to non-executive directors will be \$400,000 per annum.

No securities have been issued to any non-executive director of the Company under ASX listing rule 10.11 or 10.14 with the approval of the Company's shareholders at any time within the preceding 3 years.

Voting Exclusion Statement

The Company will disregard any votes cast on resolution 5 by:

- (a) any director of the Company; and
- (b) an associate of the director; and
- (c) any person who is a KMP or a closely related party of a KMP and appointed as a proxy.

However, the Company need not disregard a vote if:

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

The constitution is proposed to be amended to clarify that the fee cap only applies to non-executive directors.

Note a person appointed as a proxy must not vote on resolution 5 on the basis of the appointment if:

- (f) the person is either:
 - (i) a KMP; or
 - (ii) a closely related party of a KMP; and
- (g) the appointment does not specify the way the proxy is to vote, unless,

- (h) the person is the chair of the meeting; and
- (i) the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a KMP.

The Board unanimously recommends that the Shareholders vote in favour of Item 5.

Glossary

In this Notice and Explanatory Memorandum:

Annual General Meeting means the annual general meeting of the Company to be held on Friday, 27 October 2017 at 10:30am (AEDT) at Level 10, Deloitte Touche Tohmatsu, 550 Bourke Street, Melbourne, Victoria, Australia.

ASX means ASX Limited ACN 106 340 667, or, as the context requires, the financial market operated by it;

ASX Listing Rules means the listing rules of the ASX;

Board means the board of Directors of the Company;

Closely Related Party means, in relation to a member of a KMP, any of the following:

- A spouse, child or dependent of the member;
- A child or dependent of the member's spouse;
- Anyone else who is one of the member's family and may be expected to influence, or be influenced, by the member in the member's dealings with the Company; or
- A company in the member controls;

Company means Medical developments International Limited ACN 106 340 667;

Corporations Act means *Corporations Act 2001*;

Directors mean the directors of the Company and **Director** means any of them;

Explanatory Memorandum means the explanatory memorandum that accompanies, and is incorporated as part of, this Notice;

FY means financial year, being a year ending 30 June;

Glossary means this glossary;

KMP means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly. Members of key management personnel include its directors and certain senior executives;

Meeting means the annual general meeting and the explanatory notes;

Resolution means a resolution set out in the Notice of Meeting;

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

Shareholder means a holder of at least one Share.

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

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

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

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

 **For your vote to be effective it must be received by 10:30am (AEDT) Wednesday 25 October 2017**

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 the securityholders should sign.

Power of Attorney: If you have not already lodged a Power of Attorney with the registry, please attach a certified copy 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.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**



☐

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 Medical Developments International Limited hereby appoint

☐

the Chairman
of the Meeting **OR**



PLEASE NOTE: 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 Medical Developments International Limited will be held at Level 10, Deloitte Touche Tohmatsu, 550 Bourke Street, Melbourne on Friday, 27 October 2017 at 10:30am (AEDT) 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 Items 2, 4 and 5 (except where I/we have indicated a different voting intention below) even though Items 2, 4 and 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 Items 2, 4 and 5 by marking the appropriate box in step 2 below.

STEP 2 Items 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
Item 2	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3a	Re-election of Mr. Allan McCallum as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3b	Re-election of Mr. Max Johnston as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Amendments to the Constitution of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5	Increase in Non-executive directors remuneration	<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.

SIGN

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /
