



Notice of Annual General Meeting

Imugene Limited ACN 009 179 551

Notice of Annual General Meeting

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Notice is given that the Annual General Meeting of Imugene Limited ACN 009 179 551 (**Company**) will be held at:

Location	The offices of McCullough Robertson Lawyers, Level 32, 19 Martin Place, Sydney NSW 2000
Date	Friday, 8 November 2019
Time	11.00 am (Sydney time) Registration from 10:45 am (Sydney time)

Ordinary Business

Financial Statements and Reports

To consider and receive the financial report, the Directors' report and the auditor's report for the year ended 30 June 2019.

Resolution 1 - Directors' Remuneration Report

To consider and, if in favour, pass the following resolution in accordance with section 250R(2) Corporations Act:

'That the Remuneration Report be adopted.'

Note: This resolution shall be determined under section 250R(2) Corporations Act. Votes must not be cast on this resolution by Key Management Personnel and closely related parties in contravention of section 250R or 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this resolution.

Resolution 2 - Re-election of Mr Paul Hopper

To consider and, if in favour, pass the following resolution as an ordinary resolution:

'That Mr Paul Hopper, who retires by rotation in accordance with Listing 14.4 and rule 6.3(b) of the Company's constitution, and being eligible, be re-elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Mr Paul Hopper abstaining) unanimously recommend that you vote in favour of this resolution.

Resolution 3 - Election of Director – Dr Lesley Russell

To consider and, if in favour, pass the following resolution as an ordinary resolution:

'That, Dr Lesley Russell, who, having previously been appointed to fill a casual vacancy, retires in accordance with Listing Rule 14.4 and rule 6.3(j) of the Company's Constitution and having consented to act and being eligible, be elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Dr Russell abstaining) unanimously recommend that you vote in favour of this resolution.

Resolution 4 - Election of Director – Dr Jens Eckstein

To consider and, if in favour, pass the following resolution as an ordinary resolution:

'That, Dr Jens Eckstein, who, having previously been appointed to fill a casual vacancy, retires in accordance with Listing Rule 14.4 and rule 6.3(j) of the Company's Constitution and having consented to act and being eligible, be elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Dr Eckstein abstaining) unanimously recommend that you vote in favour of this resolution.

Special business

Resolution 5 - Approval of Employee Share Option Plan

To consider and, if in favour, to pass the following resolution as an ordinary resolution:

'That the purpose of Listing Rule 7.2, exception 9(b) and for all other purposes, the Company hereby approves the renewal of the Company's Employee Share Option Plan, the terms and conditions of which are summarised in the Explanatory Memorandum.'

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this resolution.

Resolution 6 - Issue of options to Director - Dr Lesley Russell

To consider and, if in favour, to pass the following resolution as an ordinary resolution:

'That, pursuant to Listing Rule 10.14, Shareholders approve the granting of 25,000,000 options to Dr Lesley Russell, Director, or her nominee, on the terms set out in the Explanatory Memorandum.'

Note: if approval is obtained under Listing Rule 10.14, approval is not required under Listing Rule 7.1 or Listing Rule 10.11, as set out in the Explanatory Memorandum.

The Directors abstain, in the interests of good corporate governance, from making a recommendation in relation to this resolution.

Resolution 7 - Issue of options to Director - Dr Jens Eckstein

To consider and, if in favour, to pass the following resolution as an ordinary resolution:

'That, pursuant to Listing Rule 10.14, Shareholders approve the granting of 25,000,000 options to Dr Jens Eckstein, Director, or his nominee, on the terms set out in the Explanatory Memorandum.'

Note: if approval is obtained under Listing Rule 10.14, approval is not required under Listing Rule 7.1 or Listing Rule 10.11, as set out in the Explanatory Memorandum.

The Directors abstain, in the interests of good corporate governance, from making a recommendation in relation to this resolution.

Resolution 8 - Issue of options to Director - Dr Axel Hoos

To consider and, if in favour, to pass the following resolution as an ordinary resolution:

'That, pursuant to Listing Rule 10.14, Shareholders approve the granting of 25,000,000 options to Dr Axel Hoos, Director, or his nominee, on the terms set out in the Explanatory Memorandum.'

Note: if approval is obtained under Listing Rule 10.14, approval is not required under Listing Rule 7.1 or Listing Rule 10.11, as set out in the Explanatory Memorandum.

The Directors abstain, in the interests of good corporate governance, from making a recommendation in relation to this resolution.

Resolution 9 - Issue of options to Director – Mr Charles Walker

To consider and, if in favour, to pass the following resolution as an ordinary resolution:

'That, pursuant to Listing Rule 10.14, Shareholders approve the granting of 25,000,000 options to Mr Charles Walker, Director, or his nominee, on the terms set out in the Explanatory Memorandum.'

Note: if approval is obtained under Listing Rule 10.14, approval is not required under Listing Rule 7.1 or Listing Rule 10.11, as set out in the Explanatory Memorandum.

The Directors abstain, in the interests of good corporate governance, from making a recommendation in relation to this resolution.

Resolution 10 - 10% capacity to issue shares under Listing Rule 7.1A

To consider and, if in favour, to pass the following as a special resolution:

'That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 over a 12 month period from the date of the Annual General Meeting, at a price no less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions set out in the Explanatory Memorandum.'

The Directors unanimously recommend that you vote in favour of this resolution.

Dated: 4 October 2019

By order of the Board

A handwritten signature in black ink, appearing to be 'P. Hains', with a stylized flourish at the end.

Phillip Hains

Company Secretary

Voting Exclusion Statement

Corporations Act

Resolution 1 - The Company will disregard votes cast by a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a closely related party of such a member, in contravention of section 250R or 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

Resolutions 5, 6, 7, 8 and 9 - The Company will disregard votes cast as proxy by Key Management Personnel or their closely related parties in contravention of section 250BD Corporations Act.

Listing Rules

In accordance with the Listing Rule 14.11, the Company will disregard votes cast in favour of the resolution by or on behalf of:

Resolution 5 - Approval of Employee Share Option Plan	any director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those persons.
Resolution 6 – Issuance of options to Director Dr Lesley Russell	any director of the Company who is eligible to participate in the employee incentive scheme in respect of which approval is sought and any associates of those persons.
Resolution 7 – Issuance of options to Director Dr Jens Eckstein	any director of the Company who is eligible to participate in the employee incentive scheme in respect of which approval is sought and any associates of those persons.
Resolution 8 – Issuance of options to Director Dr Axel Hoos	any director of the Company who is eligible to participate in the employee incentive scheme in respect of which approval is sought and any associates of those persons.
Resolution 9 – Issuance of options to Director Mr Charles Walker	any director of the Company who is eligible to participate in the employee incentive scheme in respect of which approval is sought and any associates of those persons.
Resolution 10 - Approval of additional capacity to issue shares under Listing Rule 7.1A	any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associate of those persons. NB. In accordance with Listing Rule 14.11.1 and the relevant note under that rule concerning Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no security holders are currently excluded.

However, for the purposes of Listing Rule 14.11, the Company will not disregard a vote if:

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

- (b) it is cast by the 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.

Notes

- (a) Terms used in this Notice of Meeting which are defined in the Explanatory Memorandum have the meaning given to them in the Explanatory Memorandum.
- (b) Subject to the Corporations Act, including sections 250R and 250BD, a Shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (c) The proxy need not be a Shareholder of the Company. 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.
- (d) If you wish to appoint a proxy and are entitled to do so, then complete and return the **attached** proxy form to the Company's share registry Automic Registry Service Limited as detailed in the attached proxy form.
- (e) You can also lodge your proxy online at <https://investor.automic.com.au/#/loginsah> which is also located on the front of the accompanying proxy form. Alternatively, you can scan the QR code with your mobile device.
- (f) To be effective, the proxy must be received at the share registry of the Company no later than 10.00 am (Sydney time) on Wednesday, 6 November 2019 (48 hours before the commencement of the meeting).
- (g) A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- (h) The Company has determined under regulation 7.11.37 Corporations Regulations that for the purpose of voting at the meeting or adjourned meeting, securities are taken to be held by those persons recorded in the Company's register of Shareholders as at 7:00 p.m. (Sydney time) on Wednesday, 6 November 2019.
- (i) If you have any queries, including how to cast your votes, please contact the Company's registered office on 03 9824 5254 (within Australia) or +61 3 9824 5254 (outside Australia) during business hours.

Explanatory Memorandum

Imugene Limited ACN 009 179 551 (**Company**)

This Explanatory Memorandum accompanies the notice of Annual General Meeting of the Company to be held at the offices of McCullough Robertson Lawyers, Level 32, 19 Martin Place, Sydney NSW 2000 on Friday, 8 November 2019 at 11.00 am (Sydney time).

The Explanatory Memorandum has been prepared to assist Shareholders in determining how to vote on the resolutions set out in the Notice of Meeting and is intended to be read in conjunction with the Notice of Meeting.

Financial Statements and Reports

- 1 The *Corporations Act 2001* (Cth) (**Corporations Act**) requires that the report of the Directors, the auditor's report and the financial report be laid before the Annual General Meeting.
- 2 Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the financial statements and reports.
- 3 Shareholders will be given a reasonable opportunity at the meeting to raise questions and make comments on these reports.
- 4 In addition to asking questions at the meeting, Shareholders may address written questions to the chairman about the management of the Company or to the Company's auditor, Grant Thornton, if the question is relevant to:
 - (a) the content of the auditor's report; or
 - (b) the conduct of its audit of the annual financial report to be considered at the meeting.

Note: Under section 250PA(1) Corporations Act, a Shareholder must submit the question to the Company no later than the fifth business day before the day on which the Annual General Meeting is held.

- 5 Written questions for the auditor must be delivered by 5:00 p.m. on Friday, 1 November 2019. Please send any written questions for Grant Thornton to:

The Company Secretary
PO Box 655
Carlton South, VIC 3053

or via email to: info@thecfo.com.au

Resolution 1: Remuneration Report

- 6 The Remuneration Report is contained in the Annual Report. A copy is available on the Company's website.
- 7 The Corporations Act requires that the Remuneration Report be put to a vote of Shareholders.
- 8 The resolution of Shareholders is advisory only and not binding on the Company. The Board will take the discussion at the meeting into consideration when determining the Company's remuneration policy and appropriately respond to any concerns Shareholders may raise in relation to remuneration issues.
- 9 The Remuneration Report:
- (a) reports and explains the remuneration arrangements in place for non-executive Directors, executive Directors and senior management; and
 - (b) explains Board policies in relation to the nature and value of remuneration paid to non-executive Directors, executives and senior managers within the Company.
- 10 The Chairman will give Shareholders a reasonable opportunity to ask questions about, or to make comments on, the Remuneration Report.

Directors' Recommendation

- 11 As the resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with the spirit of section 250R(4) Corporations Act, makes no recommendation regarding this resolution.

Resolution 2: Re-election of Mr Paul Hopper

- 12 Mr Hopper retires from office under rule 6.3(c) of the Constitution and Listing Rule 14.4 and stands for re-election.
- 13 Mr Hopper has over 20 years' experience in the management and funding of biotechnology and healthcare public companies both as chief executive officer and director in Australia and the United States. Mr Hopper's sector experience has covered a number of therapeutic areas with a particular emphasis on immunotherapy and cancer vaccines. He also has extensive capital markets experience in equity and debt raisings in Australia, Asia, Europe, and the United States.

Directors' Recommendation

- 14 The Directors (with Mr Hopper abstaining), unanimously recommend the appointment Mr Hopper to the Board.

Resolution 3: Election of Dr Lesley Russell

- 15 Dr Lesley Russell was appointed as a Director of the Company on 23 April 2019 and retires in accordance with rule 6.3(j) of the Company's Constitution and Listing Rule 14.4 and stands for election.
- 16 Dr Lesley Russell is a haematologist/oncologist and has over 25 years' experience and leadership in the international pharmaceutical field as a chief medical officer. She has undertaken clinical development in a number of therapeutic areas including haematology/oncology has had multiple new drug approvals with both Food and Drug Administration (FDA) and European Medicines

Agency (EMA). Dr Russell has extensive experience as a director of NASDAQ listed pharmaceutical companies. She is a member of the Royal College of Physicians UK.

Directors' Recommendation

- 17 The Directors (with Dr Russell abstaining), unanimously recommend the appointment Dr Russell to the Board.

Resolution 4: Election of Dr Jens Eckstein

- 18 Dr Eckstein was appointed as a Director of the Company on 20 May 2019 and retires in accordance with rule 6.3(j) of the Company's Constitution and Listing Rule 14.4 and stands for election.
- 19 Dr Eckstein has more than 15 years' venture capital experience in the biopharmaceutical industry and 10 years' operational experience in drug discovery and development. He is a Kauffman Fellow and a mentor for lifescience entrepreneurs and start-up teams in the area of innovative lifescience and healthcare information technology companies. Before joining Apollo Ventures, Dr Eckstein served as president of SR One for eight years. He is also co-founder and managing director of Action Potential Venture Capital (APVC). Previously, he was a general partner at TVM Capital.

Directors' Recommendation

- 20 The Directors (with Dr Eckstein abstaining), unanimously recommend the appointment Dr Eckstein to the Board.

Resolution 5 - Approval of Employee Share Option Plan

- 21 A key foundation of the Company's equity incentive program is the Company's Employee Share Option Plan (**Share Plan**).
- 22 The Share Plan is designed to:
- (a) align employee incentives with shareholders' interest;
 - (b) assist employee attraction and retention; and
 - (c) encourage share ownership by employees.
- 23 The Share Plan was last adopted at the Company's 2016 annual general meeting.

Shareholder Approval

- 24 ASX Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12 month period without requiring shareholder approval. Pursuant to Listing Rule 7.2, Exception 9, an issue under an employee incentive plan will not count toward a company's 15% limit provided the plan was approved by shareholders within three years before the date of the securities being issued.
- 25 The Share Plan has not been renewed since the Company's 2016 annual general meeting. Approval is therefore sought under that rule and the following information is included for compliance with Listing Rule 7.2, Exception 9.

- 26 145,000,000 options have been issued under the Share Plan since it was last approved by Shareholders at the Annual General Meeting held on 2 November 2016.

Summary of the terms of the Share Plan

- 27 A copy of the Share Plan rules are set out in the annexure to this notice of meeting.

Directors' recommendation

- 28 The Directors abstain, in the interest of good corporate governance, from making a recommendation in relation to this resolution.

Resolution 6: Issue of options to Dr Lesley Russell

- 29 Subject to Shareholders approving resolution 6, the Company proposes to issue 25,000,000 options to Dr Lesley Russell, Director (or her nominee).
- 30 Once approval is obtained pursuant to Listing Rule 10.14, the Company is entitled to rely on Listing Rule 10.12, Exception 4 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 10.11. Similarly, approval will not be required under Listing Rule 7.1.
- 31 The options shall be issued under and subject to the terms of the Share Plan.
- 32 The board has formed the view that the issue of options to Dr Lesley Russell does not require shareholder approval under section 208 of the Corporations Act, as the issue of the options constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act.
- 33 Shareholder approval is sought for the grant of the following options as detailed below:
- (a) each option is to acquire one Share;
 - (b) the options are issued for nil consideration;
 - (c) the exercise price will be:
 - i. 5,000,000 at \$0.04 per option;
 - ii. 10,000,000 at \$0.042 per option;
 - iii. 10,000,000 at \$0.045 per option;
 - (d) the options will not be transferable;
 - (e) it is intended that the options will be issued within 5 days after the Annual General Meeting, but in any event no later than 12 months after the Annual General Meeting;
 - (f) the options will expire 3 years from the date of receiving shareholder approval; and
 - (g) the options will be vested over 24 months from the date of receiving shareholder approval.

General Terms of the issue of options under Resolution 6

- 34 The other general terms for the options to be issued to Dr Russell under Resolution 6 are:
- (a) if there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, the rights attaching to the options will be changed to

the extent necessary to comply with the Listing Rules applying to a re-organisation of capital at the time of the re-organisation;

- (b) the options do not entitle the holder to participate in any new issues by the Company without exercising the options;
- (c) the options do not confer on the holder any rights to a change in the exercise price of the options or a change to the number of underlying securities over which the options can be exercised except:
 - (i) in the case of a pro rata issue to the holders of shares (except a bonus issue) in which case the exercise price of each option shall be reduced in accordance with the formula contained in Listing Rule 6.22.2; and
 - (ii) in the case of a bonus issue to the holders of Shares, in which case the number of Shares over which each option is exercisable shall be increased by the number of Shares which the holder of the option would have received if the option had been exercised before the record date for the bonus issue;
- (d) all shares issued pursuant to the exercise of options will, subject to the Constitution of the Company, rank in all respects (other than in respect of dividends, rights issues or bonus issues declared prior to allotment) equally with the existing Shares at the date of issue and allotment; and
- (e) the options will not be quoted on ASX. The Company intends to apply to ASX for quotation of any Shares acquired on exercise of the options.

Additional Listing Rule 10.15 disclosures

- 35 All Directors are potentially eligible to participate in the Company's Share Plan.
- 36 The following securities have been issued under the Company's Share Plan since it was last approved at the Company's 2016 annual general meeting:

Recipient	Options	Date of issue	Exercise Price	Expiry date
Dr Ursula Wiedermann	2,500,000	21/09/2017	\$0.025	30/06/2020
Dr Christoph Zielinski	2,500,000	21/09/2017	\$0.025	30/06/2020
Dr Ursula Wiedermann	2,500,000	21/09/2017	\$0.020	30/06/2020
Dr Christoph Zielinski	2,500,000	21/09/2017	\$0.020	30/06/2020
Dr Axel Hoos	10,000,000	21/09/2017	\$0.020	4/12/2020
Dr Nicholas Ede	5,000,000	19/07/2018	\$0.040	30/06/2021
Ms Leslie Chong	10,000,000	19/11/2018	\$0.040	30/06/2021
Mr Paul Hopper	5,000,000	19/11/2018	\$0.040	30/06/2021
Dr Nicholas Ede	5,000,000	19/07/2018	\$0.042	30/06/2021
Ms Leslie Chong	20,000,000	19/11/2018	\$0.042	30/06/2021
Mr Paul Hopper	10,000,000	19/11/2018	\$0.042	30/06/2021

Dr Nicholas Ede	5,000,000	19/07/2018	\$0.045	30/06/2021
Ms Leslie Chong	20,000,000	19/11/2018	\$0.045	30/06/2021
Mr Paul Hopper	10,000,000	19/11/2018	\$0.045	30/06/2021
Dr Mark Marino	5,000,000	26/06/2019	\$0.040	31/08/2021
Dr Mark Marino	5,000,000	26/06/2019	\$0.042	31/08/2021
Mr James Cameron	25,000,000	26/06/2019	\$0.040	13/06/2022

37 There are no loan arrangements with Dr Russell in relation to the acquisition of the options.

Directors' Recommendation

38 The Directors abstain, in the interests of good corporate governance, from making a recommendation in relation to this resolution.

Resolution 7: Issue of options to Dr Jens Eckstein

- 39 Subject to Shareholders approving resolution 7, the Company proposes to issue 25,000,000 options to Dr Jens Eckstein, Director (or his nominee).
- 40 Once approval is obtained pursuant to Listing Rule 10.14, the Company is entitled to rely on Listing Rule 10.12, Exception 4 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 10.11. Similarly, approval will not be required under Listing Rule 7.1.
- 41 The options shall be issued under and subject to the terms of the Share Plan.
- 42 The board has formed the view that the issue of options to Dr Eckstein does not require shareholder approval under section 208 of the Corporations Act, as the issue of the options constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act.
- 43 Shareholder approval is sought for the grant of the following options as detailed below:
- (a) each option is to acquire one Share;
 - (b) the options are issued for nil consideration;
 - (c) the exercise price will be:
 - iv. 5,000,000 at \$0.04 per option;
 - v. 10,000,000 at \$0.042 per option;
 - vi. 10,000,000 at \$0.045 per option;
 - (d) the options will not be transferable;
 - (e) it is intended that the options will be issued within 5 days after the Annual General Meeting, but in any event no later than 12 months after the Annual General Meeting;
 - (f) the options will expire 3 years from the date of receiving shareholder approval; and
 - (g) the options will be vested over 24 months from the date of receiving shareholder approval.

General Terms of the issue of options under Resolution 7

- 44 The other general terms for the options to be issued to Dr Eckstein under Resolution 7 are described at paragraph 34 above.

Additional Listing Rule 10.15 disclosures

- 45 All Directors are potentially eligible to participate in the Company's Share Plan.
- 46 The securities issued under the Company's Share Plan since its last approval at the Company's 2016 annual general meeting are described at paragraph 36 above.
- 47 There are no loan arrangements with Dr Eckstein in relation to the acquisition of the options.

Directors' Recommendation

- 48 The Directors abstain, in the interests of good corporate governance, from making a recommendation in relation to this resolution.

Resolution 8: Issue of options to Dr Axel Hoos

- 49 Subject to Shareholders approving resolution 8, the Company proposes to issue 25,000,000 options to Dr Axel Hoos, Director (or his nominee).
- 50 Once approval is obtained pursuant to Listing Rule 10.14, the Company is entitled to rely on Listing Rule 10.12, Exception 4 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 10.11. Similarly, approval will not be required under Listing Rule 7.1.
- 51 The options shall be issued under and subject to the terms of the Share Plan.
- 52 The board has formed the view that the issue of options to Dr Hoos does not require shareholder approval under section 208 of the Corporations Act, as the issue of the options constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act.
- 53 Shareholder approval is sought for the grant of the following options as detailed below:
- (a) each option is to acquire one Share;
 - (b) the options are issued for nil consideration;
 - (c) the exercise price will be:
 - vii. 5,000,000 at \$0.04 per option;
 - viii. 10,000,000 at \$0.042 per option;
 - ix. 10,000,000 at \$0.045 per option;
 - (d) the options will not be transferable;
 - (e) it is intended that the options will be issued within 5 days after the Annual General Meeting, but in any event no later than 12 months after the Annual General Meeting;
 - (f) the options will expire 3 years from the date of receiving shareholder approval; and
 - (g) the options will be vested over 24 months from the date of receiving shareholder approval.

General Terms of the issue of options under Resolution 8

- 54 The other general terms for the options to be issued to Dr Hoos under Resolution 8 are described at paragraph 34 above.

Additional Listing Rule 10.15 disclosures

- 55 All Directors are potentially eligible to participate in the Company's Share Plan.
- 56 The securities issued under the Company's Share Plan since its last approval at the Company's 2016 annual general meeting are described at paragraph 36 above.
- 57 There are no loan arrangements with Dr Hoos in relation to the acquisition of the options.

Directors' Recommendation

- 58 The Directors abstain, in the interests of good corporate governance, from making a recommendation in relation to this resolution.

Resolution 9: Issue of options to Mr Charles Walker

- 59 Subject to Shareholders approving resolution 9, the Company proposes to issue 25,000,000 options to Mr Charles Walker, Director (or his nominee).
- 60 Once approval is obtained pursuant to Listing Rule 10.14, the Company is entitled to rely on Listing Rule 10.12, Exception 4 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 10.11. Similarly, approval will not be required under Listing Rule 7.1.
- 61 The options shall be issued under and subject to the terms of the Share Plan.
- 62 The board has formed the view that the issue of options to Mr Walker does not require shareholder approval under section 208 of the Corporations Act, as the issue of the options constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act.
- 63 Shareholder approval is sought for the grant of the following options as detailed below:
- (a) each option is to acquire one Share;
 - (b) the options are issued for nil consideration;
 - (c) the exercise price will be:
 - x. 5,000,000 at \$0.04 per option;
 - xi. 10,000,000 at \$0.042 per option;
 - xii. 10,000,000 at \$0.045 per option;
 - (d) the options will not be transferable;
 - (e) it is intended that the options will be issued within 5 days after the Annual General Meeting, but in any event no later than 12 months after the Annual General Meeting;
 - (f) the options will expire 3 years from the date of receiving shareholder approval; and
 - (g) the options will be vested over 24 months from the date of receiving shareholder approval.

General Terms of the issue of options under Resolution 9

- 64 The other general terms for the options to be issued to Mr Walker under Resolution 9 are described at paragraph 34 above.

Additional Listing Rule 10.15 disclosures

- 65 All Directors are potentially eligible to participate in the Company's Share Plan.
- 66 The securities issued under the Company's Share Plan since its last approval at the Company's 2016 annual general meeting are described at paragraph 36 above.
- 67 There are no loan arrangements with Mr Walker in relation to the acquisition of the options.

Directors' Recommendation

- 68 The Directors abstain, in the interests of good corporate governance, from making a recommendation in relation to this resolution.

Resolution 10: Approval of additional 10% capacity under Listing Rule 7.1A

- 69 Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12 month period without requiring Shareholder approval. In accordance with the Listing Rule 7.1A, eligible entities (companies that are outside the S&P/ASX 300 index and that also have a market capitalisation of \$300 million or less) can issue a further 10% of the Company's share capital over a 12 month period following the Annual General Meeting (provided Shareholder approval is obtained at the Annual General Meeting) on a non-pro rata basis.
- 70 The Company falls within the eligibility criteria required by Listing Rule 7.1A.
- 71 The number of shares that may be issued (if Shareholder approval is obtained at the Annual General Meeting) will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

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

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

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% capacity pursuant to Listing Rule 7.1 without Shareholder approval; and
- (D) less the number of fully paid shares cancelled in the 12 months.

D is 10%.

E is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue

that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

- 72 Additional disclosure obligations are imposed when the special resolution is proposed, when securities are issued and when any further approval is sought. For the purposes of Listing Rule 7.3A the Company provides the following information:

Minimum price at which the equity securities may be issued	<p>The issue price of each Share must be no less than 75% of the volume weighted average price for the Shares calculated over the 15 trading days on which trades in that class were recorded immediately before:</p> <ul style="list-style-type: none"> (a) the date on which the price at which the securities are to be issued is agreed; or (b) if the securities are not issued within 5 trading days of the date in paragraph (a), the date on which the securities are issued.
Risk of economic and voting dilution	<p>An issue of shares under Listing Rule 7.1A involves the risk of economic and voting dilution for existing ordinary security holders. The risks include:</p> <ul style="list-style-type: none"> (a) the market price for Shares may be significantly lower on the issue date than on the date of the approval under Listing rule 7.1A; and (b) the equity securities may be issued at a price that is at a discount to the market price for the Shares on the issue date. <p>In accordance with Listing Rule 7.3A.2 a table describing the notional possible dilution, based upon various assumptions as stated, is set out below.</p>
Date by which the Company may issue the securities	<p>The period commencing on the date of the Annual General Meeting at which approval is obtained and expiring on the first to occur of the following:</p> <ul style="list-style-type: none"> (a) the date which is 12 months after the date of the annual general meeting at which approval is obtained; and (b) the date of the approval by holders of the Company's ordinary securities of a transaction under Listing Rules 11.1.2 or 11.2. <p>The approval under Listing Rule 7.1A will cease to be valid in the event that holders of the Company's ordinary securities approve a transaction under Listing Rules 11.1.2 or 11.2.</p>
Purposes for which the equity securities may be issued, including whether the Company may issue them for non-cash consideration	<p>It is the Board's current intention that any funds raised pursuant to an issue of securities will be applied towards the commercialisation of the Company's lead products. This would principally include:</p> <ul style="list-style-type: none"> (a) research and development; (b) regulatory and reimbursement approvals; (c) maintenance of intellectual property; and (d) staff and office costs, audit and compliance expenses, and ASX fees. <p>The Company reserves the right to issue shares for non-cash consideration, including as non-cash consideration for any acquisition.</p>
Details of the Company's allocation policy for issues under approval	<p>The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to Listing Rule 7.1A. The identity of the allottees will be determined on a case-by-case basis having regard to the factors including but not limited to the following:</p> <ul style="list-style-type: none"> (a) the methods of raising funds that are available to the Company including but not limited to, rights issues or other issues in which existing security holders can participate; (b) the effect of the issue of the Listing Rule 7.1A shares on the control of the Company;

	<p>(c) the financial situation and solvency of the Company; and</p> <p>(d) advice from corporate, financial and broking advisers (if applicable).</p> <p>The allottees under the Listing Rule 7.1A facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.</p>
Previous approvals under Listing Rule 7.1A	Approval was previously obtained at the Company's annual general meeting on 13 November 2018.

Information under Listing Rule 7.3A.6(a)

- 73 The table below shows the total number of equity securities issued in the past 12 months preceding the date of the AGM and the percentages those issues represent of the total number of equity securities on issue at the commencement of the 12 month period.

Equity securities on issue at the commencement of the 12 month period	4,160,119,760 (being 3,609,845,520 fully paid ordinary shares and 550,274,240 options to acquire shares)
Equity securities issued in the prior 12 month period	110,002,229 (being 2,229 fully paid ordinary shares and 110,000,000 options to acquire shares)
Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period	2.64%

Information under Listing Rule 7.3A.6(b)

- 74 The table below sets out specific details for each issue of equity securities that has taken place in the 12 month period preceding the date of the AGM.

Date of issue	19 November 2018
Number issued	159
Class and type of equity security	Ordinary shares
Summary of terms	Shares rank pari passu with all other fully paid ordinary shares on issue in the Company
Names of persons who received securities or basis on which those persons were determined	Issue of Shares upon exercise of options
Price at which equity securities were issued	\$0.026 per share
Discount to market price (if any):	N/A
For cash issues	
Total cash consideration received:	\$4.14
Amount of cash consideration spent:	Cash when raised is held in a common bank account and is not tracked separately

Use of cash consideration:	Working capital and development and commercialisation of the Company's HER-Vaxx cancer immunotherapies, mimotype and the arginine modulator
Intended use for remaining amount of cash (if any):	Working capital and development and commercialisation of the Company's HER-Vaxx cancer immunotherapies, mimotype and the arginine modulator

Date of issue	19 November 2018
Number issued	623
Class and type of equity security	Ordinary shares
Summary of terms	Shares rank pari passu with all other fully paid ordinary shares on issue in the Company
Names of persons who received securities or basis on which those persons were determined	Issue of Shares upon exercise of options
Price at which equity securities were issued	\$0.04 per share
Discount to market price (if any):	N/A
For cash issues	
Total cash consideration received:	\$24.92
Amount of cash consideration spent:	Cash when raised is held in a common bank account and is not tracked separately
Use of cash consideration:	Working capital and development and commercialisation of the Company's HER-Vaxx cancer immunotherapies, mimotype and the arginine modulator
Intended use for remaining amount of cash (if any):	Working capital and development and commercialisation of the Company's HER-Vaxx cancer immunotherapies, mimotype and the arginine modulator

Date of issue	19 November 2018
Number issued	75,000,000
Class and type of equity security	Unquoted options
Summary of terms	<p>(a) 15,000,000 options exercisable at \$0.04, expiring 30 June 2021</p> <p>(b) 30,000,000 options exercisable at \$0.042, expiring 30 June 2021</p> <p>(c) 30,000,000 options exercisable at \$0.045, expiring 30 June 2021</p>

Names of persons who received securities or basis on which those persons were determined	Options issued pursuant to Resolutions 4 and 5 as approved by shareholders at the company's annual general meeting held on 13 November 2018.
Price at which equity securities were issued	Nil
Discount to market price (if any):	N/A
Current value of security as at 1 October 2019 (using the Black Scholes valuation methodology)	\$693,461

Date of issue	26 June 2019
Number issued	1,447
Class and type of equity security	Ordinary shares
Summary of terms	Shares rank pari passu with all other fully paid ordinary shares on issue in the Company
Names of persons who received securities or basis on which those persons were determined	Issue of Shares upon exercise of options
Price at which equity securities were issued	\$0.04 per share
Discount to market price (if any):	N/A
For cash issues	
Total cash consideration received:	\$57.88
Amount of cash consideration spent:	Cash when raised is held in a common bank account and is not tracked separately
Use of cash consideration:	Working capital and development and commercialisation of the Company's HER-Vaxx cancer immunotherapies, mimotype and the arginine modulator
Intended use for remaining amount of cash (if any):	Working capital and development and commercialisation of the Company's HER-Vaxx cancer immunotherapies, mimotype and the arginine modulator

Date of issue	26 June 2019
Number issued	10,000,000
Class and type of equity security	Unquoted options
Summary of terms	(a) 5,000,000 options exercisable at \$0.04, expiring 31 August 2021

	(b) 5,000,000 options exercisable at \$0.042, expiring 31 August 2021
Names of persons who received securities or basis on which those persons were determined	Issuance of options under Share Plan
Price at which equity securities were issued	Nil
Discount to market price (if any):	N/A
Current value of security as at 1 October 2019 (using the Black Scholes valuation methodology)	\$129,337

Date of issue	26 June 2019
Number issued	25,000,000
Class and type of equity security	Unquoted options
Summary of terms	25,000,000 options exercisable at \$0.04, expiring 13 June 2022
Names of persons who received securities or basis on which those persons were determined	Options issued to a service provider in lieu of a cash payment
Price at which equity securities were issued	Nil
Discount to market price (if any):	N/A
Current value of security as at 1 October 2019 (using the Black Scholes valuation methodology)	\$172,500

Information under Listing Rule 7.3A.2

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

76 The table also shows:

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

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.0115 50% decrease in Issue Price	\$0.023 Current Market Price	\$0.046 100% increase in Issue Price
Current Variable A* 3,609,847,749 Shares	10% Voting Dilution	360,984,774 shares	360,984,774 shares	360,984,774 shares
	Funds raised	\$4,151,325	\$8,302,650	\$16,605,300
50% increase in current Variable A* 5,414,771,623 Shares	10% Voting Dilution	541,477,162 shares	541,477,162 shares	541,477,162 shares
	Funds raised	\$6,226,987	\$12,453,975	\$24,907,949
100% increase in current Variable A* 7,219,695,498 Shares	10% Voting Dilution	721,969,549 shares	721,969,549 shares	721,969,549 shares
	Funds raised	\$8,302,650	\$16,605,300	\$33,210,599

*Note: Current Variable A refers to the calculation required by Listing Rule 7.1A.2 which, in the Company's case, equates to the current issued share capital of the Company.

77 The table has been prepared on the following assumptions:

- (a) the Company issues the maximum number of Shares available under the 10% Listing Rule 7.1A approval;
- (b) no options are exercised to convert into Shares before the date of the issue of the Shares available under Listing Rule 7.1A;
- (c) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
- (d) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of a share issue under Listing Rule 7.1A, based on that Shareholder's holding at the date of the Annual General Meeting;
- (e) the table shows only the effect of issues of equity securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1;
- (f) the issue of Shares under Listing Rule 7.1A consists only of Shares; and
- (g) the issue price is \$0.023, being the closing price of the shares on ASX on 25 September 2019.

78 As at the date of the Notice of Meeting, the Company has on issue 3,609,847,749 Shares. Subject to Shareholder approval being obtained for Resolution 10, the Company will have capacity to issue the following equity securities as at the date of the Annual General Meeting:

- (a) 541,477,162 Shares (under Listing Rule 7.1); and

(b) 360,984,774 Shares (under Listing Rule 7.1A).¹

- 79 Listing Rule 7.1A requires Resolution 10 to be passed as a special resolution. A special resolution needs approval by at least 75% of the votes cast by members entitled to vote on the resolution.

Directors' recommendation

- 80 The Directors recommend you vote in favour this resolution.

¹ The actual number of Shares the Company will have capacity to issue under Listing Rule 7.1A may vary and will be determined at the date of issue in accordance with Listing Rule 7.1A.2 (as illustrated in the table above).

Glossary

Imugene Limited ACN 009 179 551

Annual General Meeting	means the Company's annual general meeting the subject of this Notice of Meeting.
Annual Report	means the 2019 annual report of the Company.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Board	means the board of directors of the Company.
Company	means Imugene Limited ACN 009 179 551.
Constitution	means the constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	means the <i>Corporations Regulations 2001</i> (Cth).
Directors	means the directors of the Company.
ESOP	means the Company's employee share option plan
Explanatory Memorandum	means the explanatory memorandum attached to the Notice of Meeting.
Key Management Personnel	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rules	means the listing rules of ASX.
Notice of Meeting	means the notice of meeting and includes the Explanatory Memorandum.
Remuneration Report	means the section of the Directors' report for the 2019 financial year that is included under section 300A(1) Corporations Act.
Shares	means the existing fully paid ordinary shares in the Company.
Shareholder	means a person who is the registered holder of Shares.
Share Plan	means the employee share option plan the subject of approval under resolution 5.

Annexure

Share Plan

The Rules of the Plan are set out in Appendix A.

IMUGENE LIMITED
ACN: 009 179 551

EMPLOYEE SHARE OPTION PLAN

PLAN RULES

Contents

1	Definitions and Interpretation.....	4
1.1	Definitions.....	4
1.2	Interpretation	6
1.3	Governing Law	6
2	Total number of Shares	6
3	Eligibility	6
4	Shares comprised in each Option	7
5	Offer	7
5.1	Offer to participate	7
5.2	Information about Options	7
6	Exercise Price	8
7	Market Price	8
8	Application for Options	8
8.1	Requirements for Application.....	8
8.2	Formal Application.....	8
8.3	Payment for Grant of Option.....	8
9	Grant of Options	8
9.1	Date of Grant.....	8
9.2	Certificate	9
9.3	Personal	9
10	Exercise of Options.....	9
10.1	Right to Exercise	9
10.2	Exercise Periods.....	9
10.3	Restrictions on Exercise	9
10.4	Lapse	9
10.5	Notice of Exercise.....	10
10.6	Allotment of Shares	10
10.7	Quotation of Shares.....	10
11	New Issues	10
12	Rights of Participant upon exercise of Option	10
12.1	Ranking of Shares	10
12.2	Adjustment for Rights issue	11
12.3	Adjustment for Bonus Issue.....	11
12.4	Subdivision or consolidation	11
12.5	Return of capital	11
12.6	Other reconstruction	11
12.7	No additional Rights	12

13	Trigger Event	12
14	Duration of the Plan	12
15	Amendment of the Plan	12
16	Administration	13
17	Notices and Correspondence.....	13
17.1	Notice to Company	13
17.2	Notice to the Participant	13
18	Disputes.....	13
19	Advice	13
20	Taxation	13
21	Listing Rules and Constitution.....	13

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply unless the context requires otherwise:

Application Form means a form for the application for an Option in respect of an Offer made to an Eligible Employee, or other person who is declared by the Board to be eligible to participate in the Plan;

ASIC means the Australian Securities and Investments Commission;

ASX means the Australian Securities Exchange Limited;

Board means the board of directors of the Company or a committee of the Board appointed to administer the Plan;

Class Order means Class Order 03/184 issued by ASIC as amended or replaced;

Closing Date means the closing date for acceptance of an Offer;

Company or Imugene means Imugene Limited ACN 009 179 551;

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

Director means a director of the Company

Eligible Employee means an employee or executive (including a director employed in an executive capacity) of an Employer Company who is declared by the Board to be an Eligible Employee for the purposes of the Plan;

Employer Company means the Company, a Subsidiary or any other company approved by the Board in which the Company holds not less than 20 per cent of the voting shares;

Exchange means any stock exchange on which the shares of the Company become listed;

Exercise Condition means, in respect of any Option, one or more conditions that must be met before the Option may be exercised, as determined by the Board in its absolute discretion;

Exercise Period means, in respect of any Option, the period designated by the Board and notified in writing to the Participant as being the period during which the Participant may exercise the Option or any part of it in accordance with rule 9;

Exercise Price means, in respect of any Offer, the price per Share calculated in accordance with rule 6, subject to any adjustment in accordance with rule 11;

Expiry Date means the final date to exercise an Option;

Grant Date, in relation to an Option, means the date on which the Option is granted in accordance with rule 8.1;

Listing Rules means the rules of the Exchange and, if the Exchange is ASX, means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the official list of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX;

Market Price, in relation to a Share, on a particular day means:

- a) If there was at least one transaction on the Exchange during the 5 business days before that day, the weighted average of the prices at which a Share was traded on the Exchange during the 5 business days before that day, or;
- b) If there were no transactions on the Exchange in that 5 business days in Shares, the last price at which an offer was made on the Exchange in that period to buy a Share;

Offer means an invitation to an Eligible Employee, or other person declared by the Board to be eligible to apply for an Option under the Plan;

Option means right to acquire a Share;

Participant means an Eligible Employee, or other person declared by the Board to be eligible, who has been granted an Option under the Plan;

Plan means the Company's Employee Share Option Plan constituted by these rules as amended from time to time;

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

Subsidiary has the meaning given to that term in section 9 of the Corporations Law;

Takeover Bid has the same meaning as in section 9 of the Corporations Law;

Total Exercise Amount means, in relation to each Option, the Exercise Price multiplied by the number of Shares for which the Option is being exercised; and

Trigger Event means:

- a) the despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act;
- b) the announcement of a takeover bid or receipt by the Company of a bidder's statement in respect of the Company; or

the date upon which a person or a group of associated persons becomes entitled,

subsequent to the date of grant of the Option, to sufficient Shares to give it or them the ability, in general meeting, to replace all or allow a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.

1.2 Interpretation

- a) The singular includes the plural and conversely.
- b) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.
- c) A reference to a rule is a rule of these Rules.

1.3 Governing Law

This Plan and any Options issued under it are governed by the laws of Victoria.

2 TOTAL NUMBER OF SHARES

The Company must take reasonable steps to ensure that:

- a) The total numbers of Shares which are the subject of unexercised Options granted under this Plan, when aggregated with the Shares which have been issued on exercise of the Options granted under this Plan, during the three years preceding the date on which an Option is issued, do not exceed ten per cent (10%) percent of the total number of issued Shares in the capital of the Company at the date of issue of any Option; and
- b) The number of Shares which are the subject of unexercised Options granted under this Plan when aggregated with the number of Shares which are the subject of unexercised Options granted under this Plan in the preceding 5 years (or any other employee share plan extended only to Eligible Employees) and the number of Shares that would be issued if each unexercised option granted under this Plan or under any other employee incentive scheme of the Company were to be exercised or accepted, does not exceed 5% of the total number of Shares on issue at the time of an Offer (but disregarding any offer of Shares or options to acquire Shares that can be disregarded pursuant to the Class Order).

3 ELIGIBILITY

The Board may in its absolute discretion:

- a) Declare that an employee or executive of an Employer Company is an Eligible Employee; and

- b) Declare that any other person is eligible to participate in the Plan provided such participation will not require compliance with Chapters 6D.2, 6D.3 and 7.9 of the Corporations Act.

4 SHARES COMPRISED IN EACH OPTION

- a) Subject to rule 2 and paragraph (b), the Board must decide, in its absolute discretion, the number of Shares the subject of an Option to be offered to an Eligible Employee, or other person declared by the Board to be eligible, in accordance with the Plan.
- b) In making a decision under paragraph (a), the Board may take into account the actual and potential contribution of the Eligible Employee, or other person declared by the Board to be eligible, to the growth of an Employer Company.

5 OFFER

5.1 Offer to participate

The Board may, from time to time, at its absolute discretion, make an Offer (in such form as the Board decides from time to time) to:

- a) Eligible Employees; and/or;

Other persons who the Board has declared to be eligible, inviting applications for the number of Options specified in the Offer.

5.2 Information about Options

In respect of each Offer, the Board must advise each person to whom the Offer is made under rule 5.1 of the following information relevant to an Option that may be granted under the Plan, namely:

- a) The Exercise Price;
- b) The designated Exercise Period;
- c) The number of Shares for which the Participant will be entitled to subscribe upon the exercise of the Option;
- d) The Closing Date;
- e) The Expiry Date; and
- f) Any designated Exercise Condition.

6 EXERCISE PRICE

The Exercise Price of Options issued pursuant to the Plan will be, at the discretion of the Board equal to or greater than the Market Price on the Grant Date.

7 MARKET PRICE

During the Exercise Period, the Board will, make available to the Eligible Employee, the Market Price of Shares in the same class as those offered subject to the Options, within a reasonable time of the Eligible Employee making such a request.

8 APPLICATION FOR OPTIONS

8.1 Requirements for Application

Each application for an Option must:

- a) Be made on an Application Form;
- b) Conform with any instructions contained in the Application Form or in the Offer;
and
- c) Be received by the Board at the specified place prior to the Closing Date.

8.2 Formal Application

Each Application Form when properly completed and signed by the Participant in accordance with rule 7.1 constitutes an application for the grant of an Option to subscribe for the Shares at the Exercise Price.

8.3 Payment for Grant of Option

Unless the Board otherwise determines, no payment is required at the time an Option is granted.

9 GRANT OF OPTIONS

9.1 Date of Grant

Upon acceptance of a duly signed and completed Application Form, together with any monies payable in respect of the Options applied for, the Company may grant Options to the Eligible Employee, or other person declared by the Board to be eligible, as specified in the Offer, with effect from the date the Board determines, on the terms of the Plan and terms of the Offer.

9.2 Certificate

On the grant of the Option, the Company must issue to the Participant a certificate evidencing the Option and the number of Shares for which the Participant is entitled to subscribe.

9.3 Personal

An Option granted under the Plan is personal to the Participant and may not be assigned to or exercised by any other person or body corporate.

10 EXERCISE OF OPTIONS

10.1 Right to Exercise

Subject to rule 9.3, a Participant may exercise the Option, or any part of it, in the applicable Exercise Period, provided any exercise is for a minimum of a marketable parcel (as defined in the Listing Rules) of Shares or such other number or multiple of a number as the Board may determine.

10.2 Exercise Periods

Options may only be exercised during the applicable Exercise Period. The Exercise Period of Options will be determined by the Board at its absolute discretion.

10.3 Restrictions on Exercise

Except where an Option becomes exercisable by virtue of the provisions of rule no 12, an Option may not be exercised unless at that time any Exercise Conditions imposed by the Board have been satisfied. Exercise Conditions of Options will be determined by the Board at its absolute discretion.

10.4 Lapse

Any Option not exercised on or before the Expiry Date automatically lapses.

10.5 Notice of Exercise

- a) In order to exercise an Option, the Participant (or his or her personal representative in the case of a deceased Participant) must deliver to the Company a completed and signed notice of exercise in a form prescribed by the Board and made available to the Participants, together with the Total Exercise Amount. All payments made pursuant to this rule shall be made by cheque, bank draft or postal order made out in favour of the Company.
- b) If a Participant exercises only part of the Option, the Company must issue to the Participant a new certificate evidencing the remaining number of Shares for which the Participant is entitled to subscribe.

10.6 Allotment of Shares

Subject to rule 9.6, upon receipt of the Total Exercise Amount the Company must promptly allot to the Participant the Shares for which the Participant is entitled to subscribe.

10.7 Quotation of Shares

After Shares have been allocated pursuant to rule 9.6, if the Company's Shares are listed on the Exchange at the date of allotment, the Company will apply for listing of the Shares on the Exchange within the timeframe required by the Listing Rules.

11 NEW ISSUES

There is no inherent right in the Option to participate in any new issues of Shares which may be offered to shareholders from time to time prior to the exercise of the Option.

12 RIGHTS OF PARTICIPANT UPON EXERCISE OF OPTION

12.1 Ranking of Shares

The Shares to be allotted upon the exercise of an Option will upon allotment rank equally in all respects with the then existing ordinary issued Shares in the capital of the Company and will be subject to the provisions of the Constitution of the Company.

12.2 Adjustment for Rights issue

As required by the Exchange if:

- a) Shares are offered pro rata for subscription by the Company's shareholders generally by way of a rights issue; and
- b) The price at which each Share is so offered is less than the Market Price on the day of public announcement of the rights issue.

The Exercise Price applicable to each Share shall be reduced in accordance with the Listing Rules.

12.3 Adjustment for Bonus Issue

In the event of a Bonus Issue of Shares being made pro-rata to ordinary shareholders (other than issue in lieu of dividends), the number of Shares over which an Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option had been exercised before the record date for the Bonus Issue. No adjustment will be made to the exercise price per share of the Option.

12.4 Subdivision or consolidation

If, prior to the expiry or lapse of any Options there is a pro rata issue (except a bonus issue) to the holders of Shares in the Company, the Exercise Price of the options may be reduced in accordance with the ASX Listing Rules.

12.5 Return of capital

If the Company make a return of capital to its shareholders generally, the Exercise Price applicable to each Share comprised in the Option will be reduced by the amount of the capital returned in respect of each Share.

12.6 Other reconstruction

If there occurs any other reconstruction of the capital of the Company affecting issued Shares, the Shares comprised in the Option and the Exercise Price applicable to each such Share will be reconstructed (as appropriate) in a manner which will not result in any benefits being conferred to the Participant which are not conferred on holders of issued Shares, and (subject to the provisions of that reconstruction with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the reconstruction of capital) in all other respects the terms of the Options shall remain unchanged.

12.7 No additional Rights

The Plan shall afford a Participant no additional rights to compensation or damages as a consequence of the termination of his or her employment or appointment for any reason whatsoever.

13 TRIGGER EVENT

Notwithstanding the Terms and Conditions, upon the occurrence of a Trigger Event, the Directors may determine:

- a) that the Options may be exercised at any time from the date of such determination, and in any number until the date determined by the Board acting bona fide so as to permit the holder to participate in any change of control arising from a Trigger Event, provided that the Board will forthwith advise in writing each holder of such determination. Thereafter, the Options shall lapse to the extent they have not been exercised; or
- b) to use their reasonable endeavours to procure that an offer is made to holders of Options on like terms (having regard to the nature and value of the Options) to the terms proposed under the Trigger Event in which case the Board shall determine an appropriate period during which the holder may elect to accept the offer and, if the holder has not so elected at the end of that period, the Options shall immediately become exercisable and if not exercised within 10 days, shall lapse.

14 DURATION OF THE PLAN

- a) The Plan will continue in operation at the Board's discretion.
- b) If for any reason the Plan terminates or is discontinued, such termination or discontinuance will not prejudice the rights of the Participants to whom Options have been granted.

15 AMENDMENT OF THE PLAN

The Board may at any time and from time to time by resolution, revoke, add to or vary any of the rules of the Plan or all or any of the rights or obligations of the Participants or any of them provided the interests of the Participants are not, in the opinion of the Board, materially prejudiced by such addition or variation.

16 ADMINISTRATION

The Plan will be administered by the Board or a committee appointed by the Board in its absolute discretion with such powers and duties as are conferred upon it.

17 NOTICES AND CORRESPONDENCE

17.1 Notice to Company

Any notice required to be given by a Participant under the Plan or any correspondence to be made between a Participant and the Company or the Board may be given or made to the principal office of the Company or such other address as may be notified in writing.

17.2 Notice to the Participant

Any notice required to be given by the Company or the Board to the Participant or any correspondence to be made between the Company or the Board and a Participant may be given or made by the Board on behalf of the Company.

18 DISPUTES

Any disputes or differences of any nature arising under the Plan must be referred to the Board and its decision will be final and binding in all respects.

19 ADVICE

Participants should obtain their own independent advice at their own expense on the financial, taxation and other consequences to them of or relating to participation in the plan.

20 TAXATION

Neither the Company nor its Directors are liable for taxes assessed against or imposed upon a Participant arising from participation in the Plan and neither the Company nor its Directors represents or warrants that any person will gain any financial or taxation advantage by participating in the Plan.

21 LISTING RULES AND CONSTITUTION

The terms and conditions as set out in these Rules are subject to the Listing Rules of the Exchange and the Company's Constitution.

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

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

[HolderNumber]

Holder Number:
[HolderNumber]

Vote by Proxy: IMU

Your proxy voting instruction must be received by **11.00am (Sydney time) on Wednesday 6 November 2019** 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 VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

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

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

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.

VOTING UNDER STEP 1 - APPOINTING A PROXY

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

DEFAULT TO THE CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by 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

You must sign this form as follows in the spaces provided

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

Joint holding: Where the holding is in more than one name, all of the 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>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.



SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED		
Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Email Address:

Contact Daytime Telephone

--	--	--	--	--	--	--	--	--	--	--	--

Date (DD/MM/YY)

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By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).