

**Imricor Medical Systems, Inc.**  
**ARBN 633 106 019**

Registered office and headquarters:  
400 Gateway Boulevard  
Burnsville, Minnesota, 55337  
United States

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**NOTICE IS GIVEN** that an annual meeting of stockholders (**Annual Meeting**) of Imricor Medical Systems, Inc. (**Company**) (**ASX:IMR**) will be held on Wednesday, 13 May 2020 at 9:00am, Sydney time (on Tuesday, 12 May 2020, at 6:00pm U.S. Central Daylight Time).

The Annual Meeting will be a virtual meeting, which will be conducted online. See the Proxy Statement for details on how to attend, vote your shares and submit questions during the Annual Meeting.

**Items of Business**

**1 Election of Class I Director – Mr Mark Tibbles**

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

*“That Mr Mark Tibbles being a Director whose appointment as a Director expires at the conclusion of the Annual Meeting of the Company and, being eligible, offers himself for election, be elected as a Class I Director of the Company.”*

**2 Ratification and approval of prior issue of CDIs under the February Placement**

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the stockholders ratify and approve the prior allotment and issue of 12,083,333 CHESS Depositary Interests (CDIs) (equivalent to 12,083,333 shares of Class A common stock) in the Company at an issue price of A\$1.68 per CDI, on the terms and conditions in the accompanying Explanatory Memorandum.”*

Note: A voting exclusion statement applies to this resolution (see the Explanatory Memorandum for details).

**3 Approval of increase in shares reserved under the 2019 Equity Incentive Plan**

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

*“That, for the purposes of section 19.2 of the Plan (defined below), Exception 13 of ASX Listing Rule 7.2 and for all other purposes, the stockholders approve (i) an increase in the aggregate number of shares which may be issued pursuant to awards under the Company’s 2019 Equity Incentive Plan (Plan) such that a total of 16,889,425 shares of Class A common stock will be reserved for issuance under the Plan, and (ii) consequential amendments to the Plan to reflect this increase.”*

Note: A voting exclusion statement applies to this resolution (see the Explanatory Memorandum for details).

## **4 Grant of Options to Mr Steve Wedan, Chief Executive Officer of the Company**

### **4.1 Grant of Options to Mr Steve Wedan – 2019 long term incentive**

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

*“That, subject to Item 3 being approved, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant options to purchase Shares to the Chief Executive Officer of the Company, Mr Steve Wedan, under the 2019 Equity Incentive Plan as a long term incentive in respect of the 2019 financial year, as described in, and on the terms and conditions set out in, the Explanatory Memorandum.”*

Note: A voting exclusion statement applies to this resolution (see the Explanatory Memorandum for details).

### **4.2 Grant of Options to Mr Steve Wedan – 2020 long term incentive**

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

*“That, subject to Item 3 being approved, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant options to purchase Shares to the Chief Executive Officer of the Company, Mr Steve Wedan, under the 2019 Equity Incentive Plan, as a long term incentive in respect of the 2020 financial year, as described in, and on the terms and conditions set out in, the Explanatory Memorandum.”*

Note: A voting exclusion statement applies to this resolution (see the Explanatory Memorandum for details).

## **5 Grant of Options to Mr Peter McGregor, Non-Executive Director of the Company**

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

*“That, subject to Item 3 being approved, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant options to purchase Shares to Mr Peter McGregor, Non-Executive Director of the Company, under the 2019 Equity Incentive Plan, as described in, and on the terms and conditions set out in, the Explanatory Memorandum.”*

Note: A voting exclusion statement applies to this resolution (see the Explanatory Memorandum for details).

## **6 Grant of Options to Ms Doris Engibous, Non-Executive Director of the Company**

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

*“That, subject to Item 3 being approved, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant options to purchase Shares to Ms Doris Engibous, Non-Executive Director of the Company, under the 2019 Equity Incentive Plan, as described in, and on the terms and conditions set out in, the Explanatory Memorandum.”*

Note: A voting exclusion statement applies to this resolution (see the Explanatory Memorandum for details).

## 7 Grant of Options to Mr Mark Tibbles, Non-Executive Director of the Company

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

*“That, subject to Item 3 being approved, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant options to purchase Shares to Mr Mark Tibbles, Non-Executive Director of the Company, under the 2019 Equity Incentive Plan, as described in, and on the terms and conditions set out in, the Explanatory Memorandum.”*

Note: A voting exclusion statement applies to this resolution (see the Explanatory Memorandum for details).

## 8 Approval of 10% Placement Facility

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

*“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”*

### Record Date

You may vote at the meeting if you were a stockholder of record or a beneficial owner of shares of Class A common stock of the Company (**Shares**) held in street name at 7.00pm Sydney time on Tuesday, 14 April 2020 (i.e. 4.00am U.S. Central Daylight Time on Tuesday, 14 April 2020) (the **Record Date**).

### Voting by Proxy

You are urged to vote by internet or telephone, or submit your CDI Voting Instruction Form as soon as possible so that your Shares can be voted at the meeting in accordance with your instructions.

You are entitled to vote only if you were a stockholder of the Company on the Record Date. This means that owners of Shares as of that date are entitled to vote at the meeting and any adjournments or postponements of the meeting. Record holders of CDIs as of close of business on the Record Date are entitled to receive notice of and to attend the meeting or any adjournment or postponement of the meeting and may instruct our CDI Depositary, CHESS Depositary Nominees Pty Ltd, (**CDN**), to vote the Shares underlying their CDIs by following the instructions on the enclosed CDI Voting Instruction Form or by voting online at [www.investorvote.com.au](http://www.investorvote.com.au). Doing so permits CDI holders to instruct CDN to vote on their behalf in accordance with their written instructions.

Dated 24 April 2020

By order of the Board:



Kobe Li  
Secretary

**Status of CDIs**

The CDIs are traded on ASX in reliance on the safe harbor provisions of Regulation S under the U.S. Securities Act of 1933, as amended, and in accordance with the procedures established pursuant to the provisions of the no-action letter dated 7 January 2000 given to ASX by the staff of the U.S. Securities and Exchange Commission. The relief was given subject to certain procedures and conditions described in the no-action letter. One of the conditions is that the issuer provides notification of the Regulation S status of its securities in security holder communications such as this Notice of Meeting.

## PROXY STATEMENT

### ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON WEDNESDAY, 13 MAY 2020 AT 9:00AM SYDNEY TIME

(6:00PM ON TUESDAY, 12 MAY 2020 U.S. CENTRAL DAYLIGHT TIME)

The board of directors of Imricor Medical Systems, Inc. (**Company**) is soliciting proxies for use at the annual meeting of stockholders at 9:00am on Wednesday, 13 May 2020, Sydney time (Tuesday, 12 May 2020 at 6:00pm, U.S. Central Daylight Time) and at any adjournment or postponement of the meeting. We expect to mail a notice card on or about Friday, 24 April 2020 with instructions for stockholders on how to access this proxy statement and accompanying Notice of Meeting (**Notice of Meeting**).

This is a completely virtual Annual Meeting. Securityholders can watch and participate in the Annual Meeting virtually via the online platform by using:

- a computer - online at <https://web.lumiagm.com>; or
- a mobile device - using the Lumi AGM app (which is available by downloading the app from the Apple App Store or Google Play Store).

The Meeting ID is **382-686-529**.

### QUESTIONS AND ANSWERS ABOUT THE MEETING AND VOTING

#### What is the purpose of the meeting?

At the meeting, stockholders are invited to act upon the matters outlined in the Notice of Meeting being:

- Item 1: Election of Class I Director – Mr Mark Tibbles
- Item 2: Ratification and approval of prior issue of CDIs under the February Placement
- Item 3: Approval of increase in shares reserved under the 2019 Equity Incentive Plan
- Items 4.1 and 4.2: Grant of Options to Mr Steve Wedan, Chief Executive Officer of the Company
  - Item 4.1: Grant of Options to Mr Steve Wedan – 2019 long term incentive
  - Item 4.2: Grant of Options to Mr Steve Wedan – 2020 long term incentive
- Item 5: Grant of Options to Mr Peter McGregor, Non-Executive Director of the Company
- Item 6: Grant of Options to Ms Doris Engibous, Non-Executive Director of the Company
- Item 7: Grant of Options to Mr Mark Tibbles, Non-Executive Director of the Company
- Item 8: Approval of 10% Placement Facility

#### Who is entitled to vote at the meeting?

Only those stockholders of record or beneficial owners of Shares held in street name at 7:00pm Sydney time on Tuesday, 14 April 2020 (i.e. 4:00am U.S. Central Daylight Time on Tuesday, 14 April 2020) (**Record Date**), will be entitled to receive notice of and to vote at the meeting and any adjournment or postponement thereof. CDI holders as of the Record Date are entitled to receive notice of and attend the meeting and may instruct CHESS Depository Nominees Pty Ltd (**CDN**) to vote at the meeting by

following the instructions on the CDI Voting Instruction Form or by voting online at [www.investorvote.com.au](http://www.investorvote.com.au).

As of the Record Date, there were 104,890,868 CDIs (assuming all issued Shares are held as CDIs) (each representing one share of Class A common stock of the Company (**Share**)), all of which were entitled to vote with respect to the proposals to be acted upon at the meeting, subject to the voting exclusions described more fully in the Explanatory Memorandum. Each CDI represents an interest in one Share. As of the Record Date, there were 91,399,164 CDIs quoted on the Australian Securities Exchange (**ASX**) (assuming all issued Shares are held as CDIs, but excluding CDIs and Shares which are subject to ASX restrictions).

Stockholders who vote for or against resolutions, or who abstain, will be counted as present and entitled to vote for purposes of determining whether a quorum is present.

### **Will any investors be excluded from voting on any of the proposals at the meeting?**

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes cast in favour of certain resolutions by certain stockholders and associates of those stockholders. Please refer to the Explanatory Memorandum for further detail in relation to the nature of the exclusions and the stockholder who are excluded from voting on an item of business at the meeting.

### **What are my voting rights?**

Holders of Shares are entitled to one vote for each Share held as at the Record Date. Holders of CDIs are entitled to direct CDI to vote one vote for every CDI held by such holder as at the Record Date.

Therefore, as of the Record Date, a total of 104,890,868 votes are entitled to be cast at the meeting.

### **How many Shares must be present to hold the meeting?**

In accordance with the Company's Amended and Restated Bylaws, the presence in person, by remote communication or by proxy, of the holders of one-third of the outstanding Shares entitled to vote at the meeting, as of the Record Date, must be present (in person, by remote communication or by proxy) at the meeting in order to hold the meeting and conduct business.

This is called a quorum.

### **What is a proxy?**

It is your designation of another person to vote stock you own. That other person is called a proxy. If you designate someone as your proxy in a written document, that document also is called a proxy or a proxy card. When you designate a proxy, you also may direct the proxy how to vote your Shares. We refer to this as your "proxy vote".

### **What is the difference between a stockholder of record and a "street name" holder?**

If you own Shares registered directly in your name with our U.S. transfer agent, Computershare Trust Company, N.A., you are considered the stockholder of record with respect to those Shares. As a stockholder of record, you have the right to grant your voting proxy directly to the Company or to vote at the meeting.

If your Shares are held in a stock brokerage account or by a bank, trust or other nominee, then the broker, bank, trust or other nominee is considered to be the stockholder of record with respect to those Shares, while you are considered the beneficial owner of those Shares. In that case, your Shares are said to be held in "street name" and this notice should be forwarded to you by that organisation. Street name holders generally cannot vote their Shares directly and must instead instruct the broker, bank, trust or other nominee how to vote their Shares using the method described below under "How do I vote my Shares of Imricor Medical Systems, Inc.?" Since a street name holder is not the stockholder of record, you may not vote your Shares at the meeting unless you obtain a "legal proxy" from the broker, bank, trustee, or nominee that holds your Shares giving you the right to vote the Shares at the meeting.

CDN is the stockholder of record for all Shares beneficially owned by holders of CDIs. Holders of CDIs are entitled to receive notice of and to attend the meeting and may direct CDN to vote at the meeting by using the method described below under “How do I vote if I hold CDIs?”

### **How do I vote my Shares of Imricor Medical Systems, Inc.?**

If you are a stockholder of record, you may vote:

- over the internet or by telephone by following the instructions on the notice card; or
- attending the virtual Annual Meeting and voting online during the Annual Meeting.

To vote before the Annual Meeting by the internet (at [www.investorvote.com/IMSI](http://www.investorvote.com/IMSI)), you will need to use a control number that was provided to you on the notice card and follow the additional steps when prompted. The steps have been designed to authenticate your identity, allow you to give voting instructions, and confirm that those instructions have been recorded properly. Internet votes must be received no later than 7:00am Sydney time on Wednesday, 13 May 2020 (4:00pm U.S. Central Daylight Time on Tuesday, 12 May 2020).

If you hold your Shares in street name, you must vote your Shares in the manner prescribed by your broker, bank, trust or other nominee, which is similar to the voting procedures for stockholders of record. You will receive a voting instruction form (not a proxy card) to use in directing the broker, bank, trust or other nominee how to vote your Shares.

Please refer to “Will any investors be excluded from voting on any of the proposals at the meeting?” for a summary of voting exclusions applicable to each proposal to be voted on at the meeting.

### **How do I vote if I hold CDIs?**

Each CDI holder as at the Record Date is entitled to direct CDN to vote one vote for every CDI held by such holder. Such CDI holders are entitled to receive notice of and to attend the meeting and any adjournment or postponement of the meeting and may instruct the Company’s CDI depositary, CDN, to vote the Shares underlying their CDIs in a particular manner by returning the enclosed CDI Voting Instruction Form to Computershare, or by voting online at [www.investorvote.com.au](http://www.investorvote.com.au). Valid voting instructions must be received by Computershare no later than 9:00am Sydney time on Sunday, 10 May 2020 (6:00pm U.S. Central Daylight Time on Saturday, 9 May 2020). Doing so permits CDI holders to instruct CDN to vote on behalf of the CDI holders at the meeting in accordance with their written instructions.

Alternatively, CDI holders may vote at the meeting by informing the Company that they wish to nominate themselves or another person to be appointed as CDN’s proxy for the purpose of voting at the meeting by completing Step 1B in the enclosed CDI Voting Instruction Form. Such CDI holders will then need to obtain a unique username and password from Computershare by calling +61 3 9415 4024 during the online registration period which will be open 1 hour before the start of the meeting. Unless these steps are followed, CDI holders cannot vote online during the meeting.

### **What does it mean if I receive more than one printed set of proxy materials?**

If you receive more than one printed set of proxy materials, it means that you hold Shares or CDIs registered in more than one account. To ensure that all of your Shares and CDIs are voted, please submit proxies or voting instructions for all of your Shares and CDIs.

### **How can I attend the meeting?**

All of our stockholders and CDI holders are invited to attend the meeting.

Securityholders can watch and participate in the meeting virtually via the online platform by using:

- a computer – online at <https://web.lumiagm.com>; or

- a mobile device – using the Lumi AGM app (which is available by downloading the app from the Apple App Store or Google Play Store).

If you participate in the meeting online as a **stockholder**, you can log in to the Annual Meeting by:

1. Entering the meeting ID for the Annual Meeting, which is: **382-686-529**
2. Selecting “I am a stockholder/proxy”
3. Entering your username, which is your Holder ID
4. Entering your password, which is your zip code (for US residents) or the three-character country code of your place of registered address (for non-US residents) (eg. New Zealand – NZL). A full list of country codes can be found in the Online Meeting Guide available at <https://imricor.com/investors/>.

If you participate in the meeting online as a **proxy** (including a CDI holder who has appointed themselves as CDN's proxy), you can log in to the Annual Meeting by:

1. Entering the meeting ID for the Annual Meeting, which is: **382-686-529**
2. Selecting “I am a stockholder/proxy”
3. Entering your username and password, which can be obtained by calling Computershare on +61 3 9415 4024 during the online registration period which will be open 1 hour before the start of the meeting.

Note that stockholders (and CDI holders, as per the instructions on the CDI Voting Instruction Form) who wish to appoint a third party proxyholder to represent them at the Annual Meeting and attend online must appoint their proxyholder prior to the proxyholder registering for online access. CDI holders may do this by completing Step 1B in the enclosed CDI Voting Instruction Form. For online access, the proxyholder must obtain a username and password by contacting Computershare on +61 3 9415 4024 during the online registration period which will be open 1 hour before the start of the meeting.

If you participate in the meeting online as a **CDI holder** (and have not appointed yourself or someone else as CDN's proxy), you can log in to the Annual Meeting by:

1. Entering the meeting ID for the Annual Meeting, which is: **382-686-529**
2. Selecting “I am a CDI holder/guest”
3. Entering your name and email address.

Note that CDI holders may not vote online at the meeting unless they have nominated themselves to be appointed as CDN's proxy prior to the meeting. CDI holders are encouraged to use their CDI Voting Instruction Form to direct their votes 72 hours before the meeting. Please refer to “How do I vote if I hold CDIs?”.

For full details on how to log in please refer to the Online Meeting Guide available at <https://imricor.com/investors/>.

### **Can I vote my Shares at the meeting?**

If you are a stockholder of record, you may vote your Shares online during the meeting.

If you choose to participate in the meeting online as a stockholder, please follow the instructions outlined above in “How can I attend the meeting?”

Even if you currently plan to participate in the meeting, we recommend that you submit your vote before the meeting as described above so your vote will be counted if you later decide not to attend the meeting.



If you submit your vote before the meeting and later decide to vote online at the meeting, the vote you submit at the meeting will override your previous vote.

If you are a street name holder, you may vote your Shares at the meeting only if you obtain a legal proxy from your broker, bank, trust or other nominee giving you the right to vote the Shares at the meeting.

Please refer to “How do I vote if I hold CDIs?” if you are a CDI holder.

**What is the voting requirement to approve each of the proposals included in the notice of meeting?**

***Item 1 — Election of Class I Director – Mr Mark Tibbles***

You may vote “FOR” or “ABSTAIN” on Item 1.

The vote required to approve the proposal is a “FOR” vote of the holders of a plurality of the voting power of the Shares that are present in person or represented by proxy at the meeting and entitled to vote on such proposal.

Abstentions will have the effect of a vote “AGAINST” this proposal.

ASX has granted the Company a waiver from Listing Rule 14.2.1 to permit the Company not to provide an option for holders of CDIs to vote against a resolution to elect or re-election a director. The terms of the waiver are that: (i) the Company complies with the relevant U.S. laws as to the content of proxy forms applicable to resolutions for the election or re-election of directors; (ii) any notice given by the Company to CDI holders under ASX Settlement Operating Rule 13.8.9 makes it clear that holders are only able to vote for such resolutions or abstain from voting, and the reasons why this is the case; and (iii) the terms of the waiver are set out in the management proxy circular provided to all holders of CDIs; and (iv) the waiver from Listing Rule 14.2.1 only applies for so long as the relevant U.S. laws prevent the Company from permitting shareholders to vote against a resolution to elect a director.

If you do not submit your proxy or voting instructions to your broker, your Shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of this proposal. The same result will occur if you do not instruct CDN how to vote your Shares.

***Item 2 — Ratification and approval of prior issue of CDIs under the February Placement***

You may vote “FOR”, “AGAINST” or “ABSTAIN” on the proposal to approve Item 2.

Subject to the voting exclusion statement for Item 2, the vote required to approve the proposal is the affirmative vote of the majority of Shares that are present in person, by remote communication or represented by proxy at the meeting and entitled to vote on the proposal.

Abstentions will count as a vote “AGAINST” this proposal.

If you do not submit your proxy or voting instructions to your broker, your Shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of this proposal. The same result will occur if you do not instruct CDN how to vote your Shares.

***Item 3 — Approval of increase in shares reserved under the 2019 Equity Incentive Plan***

You may vote “FOR”, “AGAINST” or “ABSTAIN” on the proposal to approve Item 3.

Subject to the voting exclusion statement for Item 3, the vote required to approve the proposal is the affirmative vote of the majority of Shares that are present in person, by remote communication or represented by proxy at the meeting and entitled to vote on the proposal.

Abstentions will count as a vote “AGAINST” this proposal.

If you do not submit your proxy or voting instructions to your broker, your Shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of this proposal. The same result will occur if you do not instruct CDN how to vote your Shares.

***Item 4 — Grant of Options to Mr Steve Wedan***

***Item 4.1 — Grant of Options to Mr Steve Wedan – 2019 long term incentive***

You may vote “FOR”, “AGAINST” or “ABSTAIN” on Item 4.1.

Subject to the voting exclusion statement for Item 4.1, the vote required to approve the proposal is the affirmative vote of the majority of Shares that are present in person, by remote communication or represented by proxy at the meeting and entitled to vote on the proposal.

Abstentions will count as a vote “AGAINST” this proposal.

If you do not submit your proxy or voting instructions to your broker, your Shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of this proposal. The same result will occur if you do not instruct CDN how to vote your Shares.

***Item 4.2 — Grant of Options to Mr Steve Wedan – 2020 long term incentive***

You may vote “FOR”, “AGAINST” or “ABSTAIN” on Item 4.2.

Subject to the voting exclusion statement for Item 4.2, the vote required to approve the proposal is the affirmative vote of the majority of Shares that are present in person, by remote communication or represented by proxy at the meeting and entitled to vote on the proposal.

Abstentions will count as a vote “AGAINST” this proposal.

If you do not submit your proxy or voting instructions to your broker, your Shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of this proposal. The same result will occur if you do not instruct CDN how to vote your Shares.

***Item 5 — Grant of Options to Mr Peter McGregor***

You may vote “FOR”, “AGAINST” or “ABSTAIN” on Item 5.

Subject to the voting exclusion statement for Item 5, the vote required to approve the proposal is the affirmative vote of the majority of Shares that are present in person, by remote communication or represented by proxy at the meeting and entitled to vote on the proposal.

Abstentions will count as a vote “AGAINST” this proposal.

If you do not submit your proxy or voting instructions to your broker, your Shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of this proposal. The same result will occur if you do not instruct CDN how to vote your Shares.

***Item 6 — Grant of Options to Ms Doris Engibous***

You may vote “FOR”, “AGAINST” or “ABSTAIN” on Item 6.

Subject to the voting exclusion statement for Item 6, the vote required to approve the proposal is the affirmative vote of the majority of Shares that are present in person, by remote communication or represented by proxy at the meeting and entitled to vote on the proposal.

Abstentions will count as a vote “AGAINST” this proposal.

If you do not submit your proxy or voting instructions to your broker, your Shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of this proposal. The same result will occur if you do not instruct CDN how to vote your Shares.

### ***Item 7 — Grant of Options to Mr Mark Tibbles***

You may vote “FOR”, “AGAINST” or “ABSTAIN” on Item 7.

Subject to the voting exclusion statement for Item 7, the vote required to approve the proposal is the affirmative vote of the majority of Shares that are present in person, by remote communication or represented by proxy at the meeting and entitled to vote on the proposal.

Abstentions will count as a vote “AGAINST” this proposal.

If you do not submit your proxy or voting instructions to your broker, your Shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of this proposal. The same result will occur if you do not instruct CDN how to vote your Shares.

### ***Item 8 – Approval of 10% Placement Facility***

You may vote “FOR”, “AGAINST” or “ABSTAIN” on Item 8.

The vote required to approve the proposal is: (i) the affirmative vote of the majority of Shares that are present in person, by remote communication or represented by proxy at the meeting and entitled to vote on the proposal; and (ii) the approval of 75% of the votes cast by stockholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate stockholder, by a corporate representative).

Abstentions will count as a vote “AGAINST” this proposal.

If you do not submit your proxy or voting instructions to your broker, your Shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of this proposal. The same result will occur if you do not instruct CDN how to vote your Shares.

### **Can I change my vote or revoke my proxy?**

Yes. If you are a stockholder of record, you may change your vote or revoke your proxy by:

- by voting (or voting again) online or by telephone, by no later than 7:00am Sydney time on Wednesday, 13 May 2020 (4:00pm U.S. Central Daylight Time on Tuesday, 12 May 2020);
- by sending a written notice of the revocation of your proxy to Mr Kobe Li, the Secretary of the Company c/- Case Governance Pty Ltd, Level 13, 41 Exhibition Street, Melbourne VIC 3000 Australia, which must be received by the Company before the time of the meeting; or
- by attending the virtual Annual Meeting and voting online. Attendance at the virtual Annual Meeting will not cause your previously granted proxy to be revoked unless you specifically so request or cast your vote online at the Annual Meeting.

If you are a holder of CDIs and you direct CDN to vote by completing the CDI Voting Instruction Form, you may revoke those instructions by delivering to Computershare, no later than 9:00am Sydney time on Sunday, 10 May 2020 (6:00pm U.S. Central Daylight Time on Saturday, 9 May 2020), a written notice of revocation bearing a later date than the CDI Voting Instruction Form previously sent.

### **Who pays for the cost of proxy preparation and solicitation?**

We pay for the cost of proxy preparation and solicitation, including the reasonable charges and expenses of brokerage firms, banks, trusts or other nominees for forwarding proxy materials to street name holders. We are soliciting proxies by mail. In addition, our directors, officers and regular employees may solicit proxies personally, telephonically, electronically or by other means of communication. The Company’s directors, officers and regular employees will receive no additional compensation for their services other than their regular compensation.

## EXPLANATORY MEMORANDUM

### Item 1 – Election of Class I Director – Mr Mark Tibbles

The Company's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws provide that the Board shall be divided into three classes, each class being as equal in number as reasonably possible; designated: Class I, Class II and Class III.

The board of directors (the **Board**) propose that Mr Mark Tibbles, a current Class I director, whose term expires at the Annual Meeting, be re-elected by stockholders at the Annual Meeting as Class I directors.

If elected, the term of office of the Class I director will next expire at the annual meeting of stockholders to be held in 2023.

#### ***Mr Mark Tibbles***

Mr Tibbles was appointed as a non-executive director of the Company in September 2014 and is the chair of the Nomination and Remuneration Committee and a member of the Audit and Risk Committee. Mr Tibbles is considered to be an independent director.

Mr Tibbles is an entrepreneur, business owner, company director and active venture investor in and advisor to technology, life science and medical device companies.

Mr Tibbles is currently the Managing Director of Strategic Stage Ventures, LLC and an owner and managing member of STEM Fuse, LLC one of the largest providers of digital K-12 STEM curriculum in the U.S.

Prior to his current roles, Mr Tibbles was an owner and member of Intuitive Technology Group until it was sold in 2017. Mr Tibbles was also President and founder of PRC Consulting, Inc., a company specialising in the management and implementation of IT projects for Fortune 1000 companies, from 1998 until 2013, when PRC was sold.

Mr Tibbles is currently the Managing Director and Owner of Strategic Stage Ventures, LLC, an independent director of Omedza.com, Inc., and a managing member of STEM Fuse, LLC.

Mr Tibbles holds a Bachelor of Arts from Oral Roberts University.

#### ***Directors' recommendation***

The directors unanimously (other than Mr Mark Tibbles) supports the election of Mr Mark Tibbles and recommends that stockholders vote in favour of this resolution.

#### ***Chair's voting intention***

The Chair of the Annual Meeting intends to vote all available undirected proxies in favour of this resolution.

## **Item 2 – Ratification and approval of prior issue of CDIs under the February Placement**

As outlined in an announcement released to the market on 21 February 2020, the Company raised A\$20.3 million from sophisticated and professional investors by the issue and allotment of 12,083,333 CHESS Depositary Interests (**CDIs**) (equivalent to 12,083,333 shares of Class A common stock (**Shares**)) at A\$1.68 per CDI (**February Placement**).

The CDIs issued under the February Placement were issued within the Company's placement capacity under ASX Listing Rule 7.1. Accordingly, stockholder approval of the February Placement was not required.

### ***ASX Listing Rule 7.1***

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of the 12 month period. Unless ASX Listing Rule 7.1A applies or an exception applies, issues of securities exceeding this 15% limit require stockholder approval.

### ***ASX Listing Rule 7.4***

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a Company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with stockholder approval for the purpose of ASX Listing Rule 7.1.

Item 2 seeks stockholder ratification and approval under ASX Listing Rule 7.4 for the issue by the Company of 12,083,333 CDIs (equivalent to 12,083,333 Shares) under the February Placement. If Item 2 is approved, the Company's 15% placement capacity under ASX Listing Rule 7.1 will be refreshed from the date of the Annual Meeting.

### ***Consequences if Item 2 is approved***

If Item 2 is approved the 12,083,333 CDIs issued under the February Placement will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without stockholder approval over the 12 month period following the issue date under the February Placement.

### ***Consequences if Item 2 is not approved***

If Item 2 is not approved the 12,083,333 CDIs issued under the February Placement will be included in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without stockholder approval over the 12 month period following the issue date under the February Placement.

Ratification by stockholders of the Company of the February Placement is now sought pursuant to ASX Listing Rule 7.4.

### ***Specific disclosure of information***

ASX Listing Rule 7.5 and ASX Guidance Note 21 require that the following information be provided to stockholders in relation to the CDIs issued under the February Placement:

- (a) The total number of CDIs issued by the Company under the February Placement was 12,083,333 CDIs (equivalent to 12,083,333 Shares).
- (b) The CDIs were issued at A\$1.68 per CDI.
- (c) The CDIs were issued on the same terms as, and rank equally in all respects with, the Company's existing CDIs on issue.

- (d) The CDIs were issued and allotted to sophisticated and professional investors identified by Moelis Australia Advisory Pty Ltd (the lead manager of the February Placement) and the Company.
- (e) The CDIs were issued under the February Placement on 27 February 2020.
- (f) The purpose of the February Placement was to raise funds for:
  - sales and marketing, including additional sales and clinical support staff to drive lab adoption and increased catheter utilisation; market research for pipeline products and expanding geographies; and increased tradeshow presence;
  - new product development;
  - expanding approvals across geographies and medical device regulation compliance and product life cycle support; and
  - general working capital requirements.

### ***Voting Exclusion***

The Company will disregard any votes cast in favour of Item 2 by or on behalf of a person who participated in the February Placement, or any of their associates. However, the Company need not disregard a vote cast in favour of Item 2 if it is cast by:

- a person as proxy or attorney for a person who is entitled to vote on Item 2, in accordance with the directions given to the proxy or attorney; or
- the person chairing the meeting as proxy or attorney for a person who is entitled to vote on Item 2, in accordance with a direction given to the chair to vote on Item 2 as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Item 2; and
  - the holder votes on Item 2 in accordance with directions given by the beneficiary to the holder to vote in that way.

### ***Directors' recommendation***

The directors unanimously recommend that stockholders vote in favour of this resolution.

### ***Chair's voting intention***

The Chair of the Annual Meeting intends to vote all available undirected proxies in favour of this resolution.

### **Item 3 – Approval of increase in shares reserved under the 2019 Equity Incentive Plan**

#### ***Background to Item 3***

The Company initially reserved 13,418,500 shares of Class A common stock (**Shares**) for issuance under Company's 2019 Equity Incentive Plan (**Plan**); provided, however, that such amount will include the number of Shares subject to options (**Options**) issued under the Company's 2016 or 2006 equity incentives plans which subsequently expire or terminate without such Shares being issued (**Current Plan Limit**).

As at the date of this Explanatory Memorandum, 8,556,547 Options have been issued and are outstanding, which includes 7,334,214 Options issued under the Plan and 1,222,333 Options issued under the 2016 or 2006 equity incentives plans. In addition, 3,989,400 Options have been exercised under all stock option plans. Accordingly, as at the date of this Explanatory Memorandum, 1,543,478 Shares remain available for future issuance under the Plan.

The Plan allows the share reserve to be increased on the first day of each fiscal year (1 January) by an amount equal to the lesser of:

- (a) 5% of the aggregate number of Shares reserved under the Plan on the last day of the immediately preceding fiscal year, and
  - (b) such number of Shares determined by the Board,
- (the **Annual Increase**).

On 1 January 2020, the Current Plan Limit was automatically increased by 670,925 Shares to 14,089,425 Shares pursuant to the Annual Increase. The Board resolved on 14 April 2020 to amend section 4.1 of the Plan to further increase the Current Plan Limit by another 2,800,000 Shares to 16,889,425 Shares (**New Plan Limit**) and to make other minor consequential changes to give effect to the amendment, in each case subject to stockholder approval.

The Board seeks to implement the New Plan Limit so that there is a sufficient number of Shares available for issuance under the Plan to make equity awards in the future. The Board believes it is in the best interests of the Company to increase the size of the available pool to enable the offering of awards such as stock options to its employees, officers, directors and contractors so that their interests are aligned with stockholders and they are incentivised to put forth a maximum effort for the success of the Company's business.

#### ***Stockholder approval requirement***

Section 19.2 of the Plan provides that an increase to the aggregate number of Shares issued or issuable under the Plan (other than the Annual Increase) is not effective without the approval of the Company's stockholders. Accordingly, stockholder approval is being sought to Item 3 for the purposes of section 19.2 of the Plan.

In addition, ASX Listing Rule 7.1 prohibits, subject to certain exceptions, the Company issuing equity securities which, in aggregate, would exceed 15% of the Company's shares of common stock in any 12 month period. Exception 13 of ASX Listing Rule 7.2 (**Exception 13**) provides that this 15% limit does not apply to the issue of securities by an entity under an employee incentive scheme if:

- (a) in the case of a scheme established before the entity was listed, a summary of the terms of the scheme and the maximum number of securities proposed to be issued under the scheme were set out in the prospectus; or
- (b) the issue of securities under the scheme has been approved by stockholders within three years before the date of issue of the relevant securities.

The Plan was initially adopted by the Board before the Company was listed. A summary of the terms of the Plan and the maximum number of securities reserved under the Plan was set out in the Company's

replacement prospectus dated 14 August 2019, meaning that securities issued under the Plan since the Company's listing have been excluded from ASX Listing Rule 7.1 in accordance with paragraph (a) above.

As Exception 13 is only available if there is no change to, among other things, the maximum number of securities to be issued under the scheme, this Item seeks stockholder approval to give effect to the proposed amendments to the Plan and to approve the issue of securities under the Plan, as amended, for the purpose of Exception 13.

If stockholder approval is obtained for the purpose of Exception 13, the Company will be able to issue securities under the Plan, subject to the New Plan Limit, without those securities counting towards the Company's 15% limit on new issues under ASX Listing Rule 7.1 for a three year period commencing on the date of the Annual Meeting.

#### ***Additional information required by Exception 13***

A summary of the key terms of the Plan is set out in Schedule 1 to this Explanatory Memorandum.

Since listing, the Company has issued 1,877,714 Options under the Plan. The maximum number of securities that may be issued under the Plan is the New Plan Limit of 16,889,425 Shares (as may be increased each year by the Annual Increase).

#### ***Voting exclusion***

The Company will disregard any votes cast in favour of Item 3 by or on behalf a person who is eligible to participate in the Plan or their associates. However, the Company need not disregard a vote cast in favour of Item 3 if it is case by:

- a person as proxy or attorney for a person who is entitled to vote on Item 3, in accordance with the directions given to the proxy or attorney; or
- the person chairing the meeting as proxy or attorney for a person who is entitled to vote on Item 3, in accordance with a direction given to the chair to vote on Item 3 as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Item 3; and
  - the holder votes on Item 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

#### ***Directors' recommendation***

The directors unanimously recommend that stockholders vote in favour of this resolution.

#### ***Chair's voting intention***

The Chair of the meeting intends to vote all available undirected proxies in favour of this resolution.

#### **Items 4.1 and 4.2 – Grant of Options to Mr Steve Wedan, Chief Executive Officer of the Company**

The Company is proposing to issue to Mr Steve Wedan, the Chief Executive Officer and Chairman, options to purchase Shares (**Options**) under the Company's 2019 Equity Incentive Plan (**Plan**).

ASX Listing Rule 10.14 requires the Company to obtain stockholder approval for the issue of Options to directors of the Company under an employee incentive scheme. The resolutions under Items 4.1 and



4.2 seek stockholder approval under ASX Listing Rule 10.14 and for all other purposes, for the grant of Options to Mr Steve Wedan as a long term incentive under the Plan in respect of the 2019 and 2020 financial years, respectively.

#### ***Background to Items 4.1 and 4.2***

The Nomination and Remuneration Committee (**Committee**) develops and adopts (with the assistance of external advisors where appropriate) a remuneration plan for the Company's senior executives each year. The plan makes provision for fixed remuneration, short term incentives and long term incentives. The Committee considers long term incentives to be a valuable part of each executive's remuneration as it encourages retention, development and multi-year performance focus.

The 2019 remuneration plan provided for the grant of long term incentives to the Company's senior executives through the issue of Options at the beginning of 2020 in respect of services for previous financial year (i.e. 1 January 2019 to 31 December 2019). The senior executive team, other than Mr Wedan, received their option grants in February 2020. Accordingly, Item 4.1 relates to the grant of Options to Mr Wedan for the 2019 financial year.

For 2020 (and each year going-forward), it has been determined that the cycle for Option grants will be amended to May each year to align with the timing of the Company's annual meeting. Accordingly, long term incentives for the 2020 financial year will be granted in May. Item 4.2 relates to the grant of Options to Mr Wedan for the 2020 financial year.

As is the case with all members of the senior executive team, the Options granted to Mr Wedan will be subject to vesting conditions, which include continued service for a specified period (time based) and long-term milestones (performance based). Mr Wedan will only have the right to exercise the Options if the relevant vesting conditions are satisfied.

Subject to Item 3 being approved, the Company is seeking stockholder approval:

- (a) under Item 4.1 for the grant of Options to Mr Wedan for the 2019 financial year; and
- (b) under Item 4.2 for the grant of Options to Mr Wedan for the 2020 financial year.

#### ***How many Options are proposed to be issued to Mr Wedan and how was that number determined?***

##### ***Item 4.1 – 2019 Options***

Under the 2019 remuneration plan, the Committee determined that Mr Steve Wedan may receive 20% of his cash compensation for the 2019 calendar year (comprising his base annual salary paid) in Options (subject to stockholder approval) (**2019 Options**).

Mr Wedan was paid a total salary of \$349,333 in the 2019 financial year. Accordingly, the value of the 2019 Options proposed to be issued to Mr Wedan is US\$69,867 (**2019 LTI Grant Value**).

The number of 2019 Options will be determined by dividing the 2019 LTI Grant Value by the Black-Scholes value of an Option on the date that the 2019 Options are granted.

By way of example, as at 17 April 2020, the Black-Scholes valuation of each Option was US\$0.43. Based on this value, Mr Wedan would receive 161,805 2019 Options. Notwithstanding the foregoing, the maximum number of 2019 Options which may be issued to Mr Wedan will not exceed 225,376.

##### ***Item 4.2 – 2020 Options***

Under the 2020 remuneration plan, the Committee determined that Mr Steve Wedan may receive 50% of his cash compensation for the 2020 calendar year (comprising his base annual salary and actual short term incentive paid at the date of this Notice of Meeting in Options (subject to stockholder approval) (**2020 Options**).

Mr Wedan's total cash compensation for the 2020 financial year is US\$512,784. Accordingly, the value of the 2020 Options proposed to be issued to Mr Wedan is US\$256,392 (**2020 LTI Grant Value**).

The number of 2020 Options will be determined by dividing the 2020 LTI Grant Value by the Black-Scholes value of an Option on the date that the 2020 Options are granted.

By way of example, as at 17 April 2020, the Black-Scholes valuation of each Option was US\$0.43. Based on this value, Mr Wedan would receive 593,781 Options under the 2020 Options.

Notwithstanding the foregoing, the maximum number of 2020 Options which may be issued to Mr Wedan will not exceed 827,071.

### ***What are the vesting conditions attached to the 2019 Options?***

#### ***Item 4.1 – 2019 Options***

The vesting schedule of the 2019 Options are 50% time-based and 50% performance-based. The vesting conditions of the 2019 Options are set out in the table below:

vesting conditions of the 2019 Options are set out in the table below:

Tranche	Percentage of 2019 Options	Vesting Conditions								
1	50%	Options will vest over a four year period, with 25% vesting on each anniversary of the grant date.								
2	30%	<p>Options will vest based on absolute total shareholder return (TSR) over a three year period commencing on the grant date. TSR growth will be calculated using the volume weighted average market price of the CDIs (in Australian dollars) for the five trading days prior to:</p> <p>(a) the grant date (to calculate the baseline price); and</p> <p>(b) the three year anniversary of the grant date (to calculate TSR at the vesting date).</p> <p>Vesting will occur in accordance with the following table:</p> <table><tr><th>TSR Growth Rate</th><th>Percentage Vesting</th></tr><tr><td>Below 8%</td><td>0%</td></tr><tr><td>8% to &lt;20%</td><td><math>25+6.5 \times (\text{TSR Rate} - 8)\%</math></td></tr><tr><td>20% or greater</td><td>100%</td></tr></table>	TSR Growth Rate	Percentage Vesting	Below 8%	0%	8% to <20%	$25+6.5 \times (\text{TSR Rate} - 8)\%$	20% or greater	100%
TSR Growth Rate	Percentage Vesting									
Below 8%	0%									
8% to <20%	$25+6.5 \times (\text{TSR Rate} - 8)\%$									
20% or greater	100%									
3	10%	Options will vest upon the approval of the Therapeutic Goods Administration of the Company's first device in Australia on or prior to the expiration of the Options.								
4	10%	Options will vest upon the approval of the U.S. Food and Drug Administration of the Company's first device in the U.S. on or prior to the expiration of the Options.								

Continued vesting of the 2019 Options is also contingent on Mr Wedan's service with the Company not being terminated.

#### ***Item 4.2 – 2020 Options***

The vesting schedule of the 2020 Options are 50% time-based and 50% performance-based. The vesting conditions of the 2020 Options are set out in the table below:

Tranche	Percentage of 2020 Options	Vesting Conditions								
1	50%	Options will vest over a four year period, with 25% vesting on each anniversary of the grant date.								
2	30%	<p>Options will vest based on absolute total shareholder return (TSR) over a three year period commencing on the grant date. TSR growth will be calculated using the volume weighted average market price of the CDIs (in Australian dollars) for the five trading days prior to:</p> <p>(a) the grant date (to calculate the baseline price); and</p> <p>(b) the three year anniversary of the grant date (to calculate TSR at the vesting date).</p> <p>Vesting will occur in accordance with the following table:</p> <table><tr><th>TSR Growth Rate</th><th>Percentage Vesting</th></tr><tr><td>Below 8%</td><td>0%</td></tr><tr><td>8% to &lt;20%</td><td>25+6.5*(TSR Rate - 8))%</td></tr><tr><td>20% or greater</td><td>100%</td></tr></table>	TSR Growth Rate	Percentage Vesting	Below 8%	0%	8% to <20%	25+6.5*(TSR Rate - 8))%	20% or greater	100%
TSR Growth Rate	Percentage Vesting									
Below 8%	0%									
8% to <20%	25+6.5*(TSR Rate - 8))%									
20% or greater	100%									
3	20%	Options will vest upon if the number of customer sites (labs) performing cardiac ablation procedures equals or exceeds 50 on or prior to the expiration of the Options.								

Continued vesting of the 2020 Options is contingent on Mr Wedan's service with the Company not being terminated.

***What are the issue and exercise prices of the 2019 Options and 2020 Options?***

The 2019 Options and 2020 Options will be issued for nil consideration.

The exercise price of the 2019 Options and 2020 Options will be equal to the closing sale price of a CDI as of the immediately preceding trading day before the grant date, converted from Australian dollars to U.S. dollars using the prevailing exchange rate. Upon exercise, each Option will entitle Mr Wedan to one Share.

***What happens if Mr Wedan's employment is terminated?***

Vested Options are exercisable for three months after Mr Wedan's employment is terminated for any reason other than for cause, death, disability, or retirement. If the termination of service is due to cause (includes fraud, dishonestly and certain criminal activities), then all Options are immediately terminated and forfeited. If the termination of service is due to death, disability or retirement of Mr Wedan, then the vested Options will remain exercisable for one year after the date of termination or retirement.

***What happens in a change of a control?***

The Board (or any subcommittee delegated by the Board with authority to administer the Plan) has discretion under the Plan to determine the treatment of the Options in the event of a change in control of the Company, including to provide that some or all of the Options are exercisable in full or part, or

require the Options to be surrendered and cancelled for cash payment or shares in the succeeding entity, or a combination of cash and shares.

***Additional information required by ASX Listing Rules 10.15 in respect of Items 4.1 and 4.2***

The additional information required by ASX Listing Rules 10.15 is set out below:

- (a) Mr Wedan's current total remuneration package for 2020 is as follows:
- base annual salary of US\$452,000;
  - short term cash incentive of up to US\$226,000 (if the maximum performance threshold is met); and
  - long-term incentive of Options with a Black-Scholes option pricing model value of up to US\$256,392 (subject to stockholder approval of Item 4.2);
- (b) Mr Wedan has been issued the following securities under the Plan:
- 200,000 Options at an exercise price of US\$0.98 (USD equivalent to A\$1.45) with an expiry date of 30 August 2029.
- (c) If and to the extent stockholders approve Item 4.1 and 4.2, the relevant Options will be issued on or shortly following the date of the Annual Meeting (and in any event within 3 years after the Annual Meeting).
- (d) The material terms of the Plan are summarised at Schedule 1 to this Explanatory Memorandum.
- (e) Mr Wedan will not receive any loan from the Company in connection with the grant of Options under Items 4.1 or 4.1.
- (f) Details of any Options issued to Mr Wedan under the Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.
- (g) Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolutions in respect Items 4.1 and 4.2 are approved and who are not named in the Notice of Meeting will not participate until stockholder approval is obtained under ASX Listing Rule 10.14.

***Voting Exclusion for Items 4.1 and 4.2***

The Company will disregard any votes cast in favour of Item 4.1 or 4.2 by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan or any of their associates. However, the Company need not disregard a vote cast in favour of Item 4.1 or 4.2 (as applicable) if it is cast by:

- a person as proxy or attorney for a person who is entitled to vote on the relevant Item, in accordance with the directions given to the proxy or attorney; or
- the person chairing the Annual Meeting as proxy or attorney for a person who is entitled to vote on the relevant Item, in accordance with a direction given to the chair to vote on that Item as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the relevant Item; and
- the holder votes on that Item in accordance with directions given by the beneficiary to the holder to vote in that way.

***Directors' recommendation***

The directors unanimously (other than Mr Steve Wedan) recommend that stockholders vote in favour of the resolutions under Items 4.1 and 4.2.

***Chair's voting intention***

The Chair of the Annual Meeting intends to vote all available undirected proxies in favour of the resolutions under Items 4.1 and 4.2.

## **Items 5, 6 and 7 – Grant of Options to Mr Peter McGregor, Ms Doris Engibous and Mr Mark Tibbles, Non-Executive Directors of the Company**

The Company is proposing to issue to the Non-Executive Directors of the Company options to purchase Shares (**Options**), under the Company's 2019 Equity Incentive Plan (**Plan**).

ASX Listing Rule 10.14 requires the Company to obtain stockholder approval for the issue of Options to directors of the Company under an employee incentive scheme. The resolutions under Items 5, 6 and 7 seek stockholder approval under ASX Listing Rule 10.14 and for all other purposes, for the grant of Options to each of Mr Peter McGregor, Ms Doris Engibous and Mr Mark Tibbles (together, the **Non-Executive Directors**) on the terms explained below.

### ***Background to Items 5, 6 and 7***

The Company's operations are currently at the initial commercialisation stage and it is essential to attract and retain high calibre Non-Executive Directors while closely monitoring cash flow. The grant of Options is proposed for the Non-Executive Directors in lieu of a higher cash remuneration in order to preserve the Company's cash.

The proposed issue of the Options to the Non-Executive Directors do not have performance attached to them.

### ***How many Options are proposed to be issued to the Non-Executive Directors and how was that number determined?***

Subject to Item 3 being approved, the Company is seeking stockholder approval of the following grants of Options:

- Mr Peter McGregor, Non-Executive Director – the number of Options with value of US\$40,000 using the Black-Scholes option pricing model (Item 5);
- Ms Doris Engibous, Non-Executive Director – the number of Options with a value of US\$37,500 using the Black-Scholes option pricing model (Item 6); and
- Mr Tibbles, Non-Executive Director – (assuming Item 1 is passed) the number of Options with a value of US\$40,000 using the Black-Scholes option pricing model (Item 7).

The number of Options to be issued to each Non-Executive Director will be determined by dividing the grant value set out above by the Black-Scholes value of an Option on the date that the Options are granted.

### ***What are the issue and exercise prices of the Options?***

The Options will be issued for nil consideration.

The exercise price of the Options will be equal to the closing sale price of a CDI as of the immediately preceding trading day before the grant date, converted from Australian dollars to U.S. dollars using the prevailing exchange rate. Upon exercise, each Option will entitle the Director to one Share.

### ***What are the vesting conditions attached to the Options?***

The Options will vest over a four year period, with 25% vesting on each anniversary of the grant date. Continued vesting of the Options is contingent on the Non-Executive Director's service with the Company not being terminated.

### ***What happens if a Non-Executive Director's service is terminated?***

Vested Options are exercisable for three months after a Non-Executive Director's service is terminated for any reason other than for cause, death or disability. If the termination of service is due to cause (includes fraud, dishonestly and certain criminal activities), then all Options are immediately terminated

and forfeited. If the termination of service is due to death or disability of the Director, then the vested Options will remain exercisable for one year after the date of termination or retirement.

***What happens in a change of a control?***

The Board (or any subcommittee delegated by the Board with authority to administer the Plan) has discretion under the Plan to determine the treatment of the Options in the event of a change in control of the Company, including to provide that some or all of the Options are exercisable in full or part, or require the Options to be surrendered and cancelled for cash payment or shares in the succeeding entity, or a combination of cash and shares.

***Additional information required by ASX Listing Rule 10.15***

The additional information required by ASX Listing Rules 10.15 is set out below:

(a) The current total remuneration package of each Non-Executive Director is as follows:

Non-Executive Director	Annual Directors' Fees	Additional Fees	Options
Mr McGregor	US\$65,000*	Annual fee of US\$10,000 for acting as Chair of the Audit and Risk Committee  Annual fee of US\$5,000 for membership on the Nomination and Remuneration Committee	Options with a Black-Scholes option pricing model value of US\$40,000 (subject to stockholder approval of Item 5).
Ms Engibous	US\$65,000	Annual fee of US\$5,000 for membership on the Nomination and Remuneration Committee  Annual fee of US\$5,000 for membership on the Audit and Risk Committee	Options with a Black-Scholes option pricing model value of US\$37,500 (subject to stockholder approval of Item 6).
Mr Tibbles	US\$65,000	Annual fee of US\$10,000 for acting as Chair of the Nomination and Remuneration Committee  Annual fee of US\$5,000 for membership on the Audit and Risk Committee	Options with a Black-Scholes option pricing model value of US\$40,000 (subject to stockholder approval of Item 7).

\* Inclusive of statutory superannuation.

(b) To date, the Non-Executive Directors have been issued the following securities under the Plan:

- Mr McGregor: 135,000 Options at an exercise price of US\$0.98 (USD equivalent to A\$1.45) with an expiry date of 30 August 2029;
- Ms Engibous: 135,000 Options at an exercise price of US\$0.98 (USD equivalent to A\$1.45) with an expiry date of 30 August 2029; and
- Mr Tibbles: 100,000 Options at an exercise price of US\$0.98 (USD equivalent to A\$1.45) with an expiry date of 30 August 2029.

(c) If and to the extent stockholders approve Items 5, 6 and 7, the relevant Options will be issued on or shortly following the date of the Annual Meeting (and in any event within 3 years after the Annual Meeting).

- (d) The material terms of the Plan are summarised at Schedule 1 to this Explanatory Memorandum.
- (e) No Non-Executive Director will receive any loan from the Company in connection with the grant of Options.
- (f) Details of any Options issued to a Non-Executive Director under the Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.
- (g) Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolutions in respect of Items 5, 6 and 7 are approved and who are not named in the Notice of Meeting will not participate until stockholders approval is obtained under ASX Listing Rule 10.14.

#### ***Voting Exclusion for Items 5, 6 and 7***

The Company will disregard any votes cast in favour of Item 5, 6 or 7 by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan or any of their associates. However, the Company need not disregard a vote cast in favour of Item 5, 6 or 7 (as applicable), if it is cast by:

- a person as proxy or attorney for a person who is entitled to vote on the relevant Item in accordance with the directions given to the proxy or attorney; or
- the person chairing the Annual Meeting as proxy or attorney for a person who is entitled to vote on the relevant Item in accordance with a direction given to the chair to vote on that Item as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the relevant Item; and
  - the holder votes on that Item in accordance with directions given by the beneficiary to the holder to vote in that way.

#### ***Directors' recommendation***

The directors unanimously (excluding Mr Peter McGregor, Ms Doris Engibous and Mr Mark Tibbles, in respect of their own proposed grant) recommend that stockholders vote in favour of the resolutions under Items 5, 6 and 7.

#### ***Chair's voting intention***

The Chair of the Annual Meeting intends to vote all available undirected proxies in favour of the resolutions under Items 5, 6 and 7.



## **Item 8 – Approval of 10% Placement Facility**

ASX Listing Rule 7.1A enables an eligible entity to issue up to 10% of its issued share capital through placements over a 12-month period after the annual meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

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

The Company is now seeking stockholder approval by way of a special resolution to have the ability to issue securities under the 10% Placement Facility. The exact number of securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer below).

The directors of the Company believe that this Item 8 is in the best interests of the Company and unanimously recommend that stockholders vote in favour of the resolution.

### ***Description of ASX Listing Rule 7.1A***

**(a) Stockholder approval:**

The ability to issue equity securities (such as CDIs) under the 10% Placement Facility is subject to stockholder approval by way of a special resolution at an annual general meeting.

**(b) Equity Securities:**

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company and must be issued for cash consideration.

**(c) Formula for calculating 10% Placement Facility:**

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained stockholder approval at an annual general meeting may issue or agree to issue, during the 10% Placement Period (defined below), a number of equity securities calculated in accordance with the following formula:

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

Where:

**A** is the number of Shares on issue at the commencement of the relevant period:

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

- the agreement was entered into before the commencement of the 12 month period; or
- the agreement or issue was approved, or taken under these rules to have been approved, under ASX Listing Rule 7.1 or ASX Listing Rule 7.4,
- plus the number of fully paid Shares issued in the relevant period with approval of holders of Shares under ASX Listing Rule 7.1 or 7.4. This does not include an issue of fully paid Shares under the entity's 15% placement capacity without stockholder approval. This may include fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 17 where the issue is subsequently approved under rule 7.1;
- plus the number of partly paid Shares that became fully paid in the relevant period;
- less the number of fully paid Shares cancelled in the relevant period.

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

**D** is 10%

**E** is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the relevant period where this issue or agreement has not subsequently been approved by the holders of its ordinary securities under ASX Listing Rule 7.4.

**relevant period** means

- (i) the 12 month period immediately preceding the date of issue or agreement; or
- (ii) in respect of an issue or agreement entered into within 12 months of the entity being admitted to the official list, the period from the date the entity was admitted to the official list, to the date immediately preceding the date of the issue or agreement.

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

If passed, Item 8 will allow the Board to issue up to an additional 10% of the Company's issued capital during the 10% Placement Period. This is in addition to the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

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

At the date of this Notice of Meeting, the Company has 104,890,868 CDIs (assuming all issued Shares are held as CDIs) on issue<sup>1</sup>. At present, the Company has a capacity to issue:

- (i) 1,794,951 equity securities under ASX Listing Rule 7.1; and
- (ii) no equity securities under ASX Listing Rule 7.1A.

If Item 2 is passed, the Company's capacity to issue securities under ASX Listing Rule 7.1 will be 15,690,784 equity securities (before taking into account the impact of the issue of the royalty shares – see footnote).

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<sup>1</sup> Up to 7,200,000 Shares are expected to be issued before the end of April on the conversion of certain royalties – please refer to section 9.3 of the Company's replacement prospectus dated 14 August 2019.

(e) **Minimum Issue Price:**

The equity securities issued under ASX Listing Rule 7.1A must be issued for cash consideration per security which is not less than 75% of the volume weighted average market price of equity securities in the same class calculated over the 15 trading days on which trades in the relevant class were recorded immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed by the entity and the recipient; or
- (ii) if the equity securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

(f) **10% Placement Period:**

Stockholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the next annual general meeting, if less than 12 months; or
- (iii) the time and date of the approval by stockholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX,

**(10% Placement Period).**

(g) **Special resolution:**

Item 8 is a special resolution and therefore requires approval of 75% of the votes cast by stockholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate stockholder, by a corporate representative).

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

Pursuant to and in accordance with ASX Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Company will only issue and allot the equity securities during the 10% Placement Period. The approval under Item 8 for the issue of the equity securities will cease to be valid in the event that stockholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).
- (b) The equity securities will be issued by the Company for cash consideration at an issue price of not less than 75% of the volume weighted average market price for the equity securities over the 15 trading days on which trades in the relevant class were recorded immediately before:
  - (i) the date on which the price at which the equity securities are to be issued is agreed by the Company and the recipient; or
  - (ii) if the equity securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.
- (c) If Item 8 is approved by stockholders and the Company issues equity securities under the 10% Placement Facility, the existing stockholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:

- (i) the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date stockholders provide their approval at the Annual Meeting; and
- (ii) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date,

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

The table below shows the dilution of existing stockholders and CDI holders on the basis of the current market price of CDIs and the current number of CDIs for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice of Meeting.

The table also shows:

- (iii) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of CDIs the Company has on issue (104,890,868). The number of CDIs on issue may increase as a result of issues of ordinary securities that do not require stockholder approval (for example, a pro rata entitlements issue) or future specific placements under ASX Listing Rule 7.1 that are approved at a future stockholders' meeting; and
- (iv) 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 ASX Listing Rule 7.1.A.2		Dilution		
		A\$0.425 50% decrease in Issue Price	A\$0.85 Issue Price	A\$1.70 100% increase in Issue Price
<b>Current Variable A</b>  104,890,868	<b>10% Voting Dilution</b>	10,489,087	10,489,087	10,489,087
	<b>Funds Raised</b>	A\$4,457,862	A\$8,915,724	A\$17,831,448
<b>50% increase in current Variable A</b>  157,336,302	<b>10% Voting Dilution</b>	15,733,630	15,733,630	15,733,630
	<b>Funds Raised</b>	A\$6,686,793	A\$13,373,586	A\$26,747,171
<b>100% increase in current Variable A</b>  209,781,736	<b>10% Voting Dilution</b>	20,978,174	20,978,174	20,978,174
	<b>Funds Raised</b>	A\$8,915,724	A\$17,831,448	A\$35,662,895

The table has been prepared on the following assumptions:

- The Company issues (as CDIs) the maximum number of equity securities available under the 10% Placement Facility.
- All Items under this Notice of Meeting are carried.

- None of the unlisted Options that the Company currently has on issue (or will issue if Items 3 to 7 of this Notice of Meeting are carried) are exercised into Shares before the date of the issue of the equity securities under ASX Listing Rule 7.1A.
  - 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%.
  - The table does not show an example of dilution that may be caused to a particular stockholder by reason of placements under the 10% Placement Facility, based on that stockholder's holding at the date of the Annual Meeting.
  - The table shows only the effect of issues of equity securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1.
  - The issue of equity securities under the 10% Placement Facility consists only of CDIs.
  - The issue price is A\$0.85, being the closing price of the CDIs on ASX on 31 March 2020.
- (d) The Company may seek to issue the equity securities for the purpose of raising funds to use towards general working capital requirements, ongoing business development activities and/or the acquisition of new business assets or investments (including expenses associated with such acquisition).
- (e) The Company's allocation policy will depend on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.
- The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, a rights issue or other issue in which existing stockholders can participate;
  - (ii) the effect the issue of the equity securities might have on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisers (if applicable).
- The allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing stockholders and/or new stockholders who are not related parties or associates of a related party of the Company.
- (f) The Company has not previously sought approval under ASX Listing Rule 7.1A.
- (g) At the time of dispatching this Notice of Meeting, the Company is not proposing to make an issue of equity securities under ASX Listing Rule 7.1A.2. Accordingly, a voting exclusion statement has not been included in this Notice of Meeting.

#### ***Directors' recommendation***

The directors unanimously recommend that stockholders vote in favour of this resolution.

#### ***Chair's voting intention***

The Chair of the Annual Meeting intends to vote all available undirected proxies in favour of this resolution.

## Schedule 1 – Summary of Material Terms of the Company's 2019 Equity Incentive Plan

### 1 Purpose

The purpose of the 2019 Equity Incentive Plan (**Plan**) is to advance the interests of the Company and its stockholders by enabling the Company and its subsidiaries to attract and retain qualified individuals to perform services and to ensure that such persons devote their best efforts to the business of the Company.

The plan seeks to align the interests of employees, directors and consultants of the Company and its subsidiaries with that of the Company and its stockholders through compensation arrangements that link to the growth and profitability of the Company; and equity participation opportunities through the issuance of incentive and non-qualified stock options.

### 2 Administration

The Plan is administered by the Board or any subcommittee delegated by the Board with authority to administer the Plan (**Committee**).

### 3 Eligibility

All officers, executives, employees, directors and consultants of the Company and its subsidiaries who, the Committee determines have contributed, are contributing or are expected to contribute to the achievement of the objectives of the Company or its subsidiaries, are eligible to participate in the Plan at the invitation and discretion of the Committee.

### 4 Term of Plan

The Plan will expire by its terms ten years after the date of adoption. No Award shall be granted after such date.

Awards outstanding upon termination or expiry of the Plan will remain outstanding in accordance with their terms and the terms of the Plan.

### 5 Share Reserve

The Company initially reserved 13,418,500 Shares for issuance under the Plan; provided, however, that such amount will include the number of Shares subject to Options that are issued under the Company's 2016 or 2006 equity incentives plans (the **2016 Plan** and the **2006 Plan** respectively) which subsequently expire or terminate without such Shares being issued. The total number of Shares reserved for issuance under the Plan (**Share Reserve**) is currently 14,089,425 Shares. The available reserve under the Plan is 1,543,478 Shares. If Item 3 is approved, then the new Share Reserve will be 16,889,425 Shares.

The Share Reserve may be increased on the first day of each fiscal year (1 January) by an amount equal to the lesser of:

- (a) 5% of the aggregate number of Shares available for issuance under the Plan on the last day of the immediately preceding fiscal year, and
- (b) an amount determined by the Board.

Shares underlying expired, cancelled or forfeited options, stock appreciation rights or performance awards shall be available for reissuance under the Plan.

### 6 Awards under the Plan

The Plan provides for the grant of the following awards to eligible recipients (each an **Award**):

- (a) Option (a right to purchase Shares);
- (b) Stock Appreciation Right (right to receive a payment upon exercise, in the form of Shares or cash, equal to the difference between the Fair Market Value of one or more Shares and the price of such Shares on the grant date);
- (c) Restricted Stock Award (an award of Shares that is subject to the restrictions on transferability and the risk of forfeiture);
- (d) Restricted Stock Unit (an award denominated in Shares that is subject to the restrictions on transferability and the risk of forfeiture. Restricted Stock Units are similar to Restricted Stock Awards except that no Shares are actually awarded on the grant date);
- (e) Deferred Stock Unit (a right to receive Shares the equivalent value in cash or other property at a future time);
- (f) Performance Award (means a right to receive cash or Shares, contingent upon and the value of which at the time it is payable is determined as a function of, the extent of the achievement of one or more performance goals or objectives during a specified period); and
- (g) other stock-based Awards (stock-based Awards as determined by the Committee).

## **7 Options**

An eligible recipient may be granted one or more Options under the Plan on such terms and conditions as may be determined by the Committee in its sole discretion. Each Option grant will be evidenced by an Award Agreement which will specify the exercise price, maximum duration, and vesting conditions of the Options and the number of Shares to which the Options pertain.

An Option will become exercisable at such times and upon such terms and conditions as may be determined by the Committee in its sole discretion at the time of grant, including:

- (a) the achievement of one or more of the performance goals; or
- (b) that the participant remains in the continuous employment or service with the Company or a subsidiary for a certain period.

The exercise price of an Option must not be less than 100% of the Fair Market Value of one Share on the date of grant. If incentive Options are granted to persons owning more than 10% of the voting stock of the Company, the exercise price will not be less than 110% of the Fair Market Value of the Company's common stock at the time of grant.

No Option may be exercisable after 10 years after the grant date.

A holder of an Option cannot participate in any new issues of securities to stockholders of the Company (including a bonus issue or pro-rata issue) without first exercising the Option before the record date for the relevant issue.

## **8 Stock Appreciation Rights**

An eligible recipient may be granted one or more Stock Appreciation Rights under the Plan, on such terms and conditions, as may be determined by the Committee in its sole discretion. Each Stock Appreciation Right will be evidenced by an Award Agreement which will specify the grant price and the term of the Stock Appreciation Right.

The grant price of a Stock Appreciation Right must not be less than 100% of the Fair Market Value of one Share on the date of grant.

No Stock Appreciation Right may be exercisable after 10 years after the grant date.

Upon the exercise of a Stock Appreciation Right, a participant will be entitled to receive payment from the Company in an amount determined by multiplying:

- (a) the excess of the Fair Market Value of a Share on the date of exercise over the per share grant price; by
- (b) the number of Shares with respect to which the Stock Appreciation Right is exercised.

## **9 Restricted Stock Awards, Restricted Stock Units and Deferred Stock Units**

An eligible recipient may be granted one or more Restricted Stock Awards, Restricted Stock Units or Deferred Stock Units under the Plan, on such terms and conditions, as may be determined by the Committee in its sole discretion.

Each Restricted Stock Award, Restricted Stock Unit or Deferred Stock Unit will be evidenced by an Award Agreement which will specify the type of Award, the period(s) of restriction, the number of restricted Shares, Restricted Stock Units or Deferred Stock Units granted.

### **9.1 Conditions and Restrictions**

The Committee has discretion to determine the conditions or restrictions on any a Restricted Stock Award, Restricted Stock Units or Deferred Stock Units granted under the Plan including:

- (a) a requirement that participants pay a stipulated purchase price for each Share underlying the relevant Award;
- (b) restrictions based upon the achievement of specific performance goals
- (c) time-based restrictions on vesting following the attainment of the performance goals,
- (d) time-based restrictions and holding requirements; and
- (e) sale restrictions placed on the Shares upon vesting of the Restricted Stock Award, Restricted Stock Units or Deferred Stock Units.

### **9.2 Voting Rights**

Unless otherwise determined by the Committee, participants holding a Restricted Stock Award will have the right to exercise full voting rights with respect to the Shares underlying such Restricted Stock Award during the Period of Restriction.

No voting rights attach to any Restricted Stock Units or Deferred Stock Units.

### **9.3 Dividend Rights**

Unless otherwise determined by the Committee, participants holding a Restricted Stock Award will have the same dividend rights as the Company's other stockholders.

Restricted Stock Units or Deferred Stock Unit awarded under the Plan may, at the Committee's discretion, carry with it a right to be credited with dividend equivalents based on the dividends declared on Share that are subject to the Award.

### **9.4 Lapse of Restrictions and Settlement**

Except as otherwise provided in the Plan, Shares underlying a Restricted Stock Award will become freely transferable by after all conditions and restrictions applicable to such Shares have been satisfied or lapse.



Subject to the terms of the applicable Award Agreement, upon the vesting of a Restricted Stock Unit, the Restricted Stock Unit will be settled in cash (based upon the Fair Market Value of the vested underlying Shares), in Shares or a combination thereof.

## **10 Performance Awards**

An eligible recipient may be granted one or more Performance Awards under the Plan, on such terms and conditions, as may be determined by the Committee in its sole discretion. Each Performance Award will be evidenced by an Award Agreement which will specify the performance goals upon which the Performance Award is subject and the amount of cash or Shares which will be received upon the achievement of any performance goals.

The Committee may impose such restrictions or conditions to the vesting of such Performance Awards as it deems appropriate, including the achievement of one or more of the performance goals.

## **11 Other stock-based Awards**

The Committee may grant other stock-based Awards to eligible recipients not otherwise described by the terms of the Plan in such amounts and subject to such terms and conditions as the Committee will determine.

## **12 Fair Market Value**

For the purpose of determining the grant price, exercise price and settlement amounts in respect of Awards, the **Fair Market Value** of the Shares as at any date means a price that is based on the price of a CHESS Depositary Interest (**CDI**), converted from Australian dollars to U.S. dollars using the prevailing exchange rate.

## **13 Effect of Termination of employment or service**

### **13.1 Termination for cause**

If a participant's service or employment is terminated due to cause (includes fraud, dishonestly and certain criminal activities) then:

- (a) all outstanding Options and Stock Appreciation Rights (including vested Options and Stock Appreciation Rights); and
  - (b) all other outstanding Awards to the extent not vested,
- are immediately terminated and forfeited.

### **13.2 Termination due to death, disability or retirement**

If the termination of service or employment is due to death or disability or, in the case of an employee, retirement, then:

- (a) vested Options and exercisable Stock Appreciation Rights will remain exercisable for one year after the date of termination or retirement (but in no event after the expiration date of any such Option or Stock Appreciation Right);
- (b) all outstanding unvested Options, Stock Appreciation Rights and Restricted Stock Awards are immediately terminated and forfeited; and
- (c) all other outstanding Awards to the extent not vested are immediately terminated and forfeited. However, the Committee may determine that an amount is payable (in cash or Shares) where the participant has achieved a performance goal after the conclusion of a portion of the performance period (being not less than 1 year).

### **13.3 Termination other than for cause of due to death, disability or retirement**

If a participant's employment or service is terminated for any reason other than for cause or death or disability or, in the case of an employee, retirement:

- (a) all vested Options and exercisable Stock Appreciation Rights will remain exercisable for a period of three (3) months after such termination (but in no event after the expiration date of any such Option or Stock Appreciation Right);
- (b) all outstanding unvested Options, Stock Appreciation Rights and Restricted Stock Awards are immediately terminated and forfeited; and
- (c) all outstanding unvested Restricted Stock Units, Performance Awards, and Other Stock-Based Awards are terminated and forfeited. However, the Committee may determine that an amount is payable (in cash or Shares) where the participant has achieved a performance goal after the conclusion of a portion of the performance period (being not less than 1 year).

## **14 Restrictions on Transfer**

A participant who has been granted an Award generally cannot sell, assign, transfer or otherwise dispose of the Award prior to the exercise, vesting or settlement of such Award. In the event of the death of a participant, the rights to the Award may be transferred to a beneficiary designated by the participant or to the participant's legal representatives, heirs and legatees. The Committee may permit a participant who has been granted a non-statutory stock option to sell, assign, transfer or otherwise dispose of the non-statutory stock option to an associate (e.g. a family member) on such terms and conditions as it may determine. Any such transferee will remain subject to the terms and conditions applicable to the participant prior to the transfer.

The Committee may impose such restrictions on any Shares acquired by a participant under the Plan as it deems advisable including minimum holding period requirements and restrictions under applicable US and foreign securities law or under the requirements of the ASX.

## **15 Adjustments to Shares and Awards**

In the event of any reorganisation, merger, consolidation, stock split or other change in corporate structure of Shares in the Company, the Committee will make appropriate adjustment or substitutions as to:

- (a) the number and kind of securities or other property (including cash) available for issuance or payment under the Plan, and
- (b) the number and kind of securities or other property (including cash) subject to outstanding Awards and the exercise price of outstanding Awards in order to prevent dilution or enlargement of the rights of Participants.

If the Company undergoes any merger, consolidation, acquisition of property or stock, or reorganisation, then, without affecting the number of Shares reserved or available under the Plan, the Committee may authorise the issuance or assumption of Awards upon such terms and conditions as it may deem appropriate.

In the event the Company reorganises its capital in any way, the rights of participants with respect to any Options will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

The Committee has discretion to determine the treatment of the outstanding Awards in the event of a change in control of the Company, including to provide that some or all Options are exercisable in full or part, or require some or all outstanding Awards to be surrendered and

cancelled for cash payment or shares in the succeeding entity, or a combination of cash and shares.

**16 Committee's discretion and powers**

The Committee has full and exclusive discretionary authority to take such actions as it deems necessary and advisable with the respect to the administration of the Plan including:

- (a) to designate the eligible recipients to be selected as participants;
- (b) to determine the nature, extent and terms of any Awards;
- (c) to construe and interpret the Plan and Awards granted under it; and
- (d) to delegate some or all of its authority under the Plan.

The validity, construction, and effect of the Plan is determined in accordance with the laws of the State of Delaware.

**17 Amendment, modification or termination**

The Board at any time may suspend or terminate the Plan (or any portion thereof) or terminate any outstanding Award Agreement and the Committee, at any time and from time to time, may, subject to applicable law, amend the Plan or amend or modify the terms of an outstanding Award.

However, no termination, suspension or amendment may be made which adversely effects an outstanding Award without the participant's consent.

IMR

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Need assistance?

**Phone:**

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

**Online:**

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



## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be received by **9:00 am (Sydney time) on Sunday, 10 May 2020 (on Saturday, 9 May 2020, at 6:00pm U.S. Central Daylight Time)**.

# CDI Voting Instruction Form

## How to Vote on Items of Business

Each CHESS Depositary Interest (CDI) is equivalent to one share of Class A Common Stock of the Company, so that every 1 (one) CDI registered in your name at 7.00pm (Sydney Time) on 14 April 2020 (4.00am U.S. Central Daylight Time on 14 April 2020) entitles you to one vote.

You can vote by completing, signing and returning your CDI Voting Instruction Form. This form gives your voting instructions to CHESS Depositary Nominees Pty Ltd, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CHESS Depositary Nominees Pty Ltd enough time to tabulate all CHESS Depositary Interest votes and to vote on the underlying shares.

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

**Power of Attorney:** If you have not already lodged the Power of Attorney with the Australian registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Only duly authorised officer/s can sign on behalf of a company. Please sign in the boxes provided, which state the office held by the signatory, ie Sole Director, Sole Company Secretary or Director and Company Secretary. Delete titles as applicable.

## Lodge your Form:

**XX**

### Online:

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

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I999999999**

**PIN: 99999**

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

### By Mail:

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

### By Fax:

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



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

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



**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.



I 9999999999

I ND

## Voting Form

Please mark ☒ to indicate your directions

### Step 1

### CHESS Depositary Nominees will vote as directed *Select one option only*

XX

I/We being a holder of CHESS Depositary Interests of Imricor Medical Systems, Inc. hereby direct CHESS Depositary Nominees Pty Ltd (CDN) to:

A Vote Directly CDN

☐

Record my/our votes strictly in accordance with directions in Step 2.

**PLEASE NOTE:** For a valid Vote to be recorded you must mark FOR, AGAINST, or ABSTAIN on each item.

OR

B Appoint a proxy to vote on your behalf

I/We hereby appoint:

to attend, speak and vote the shares underlying my/our holding at the Annual Meeting of the Imricor Medical Systems, Inc. to be held on Wednesday, 13 May 2020 at 9:00am, Sydney time (on Tuesday, 12 May 2020, at 6:00pm U.S Central Daylight Time) and at any adjournment of that meeting in accordance with the directions in Step 2 below.

### Step 2

### Items of Business

PLEASE NOTE: If you mark the Abstain box for an item, you are directing CHESS Depositary Nominees Pty Ltd or their appointed 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		Abstain
1	Election of Class I Director - Mr Mark Tibbles	<input type="checkbox"/>		<input type="checkbox"/>
		For	Against	Abstain
2	Ratification and approval of prior issue of CDIs under the February Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Approval of increase in shares reserved under the 2019 Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.1	Grant of Options to Mr Steve Wedan – 2019 long term incentive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.2	Grant of Options to Mr Steve Wedan – 2020 long term incentive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Grant of Options to Mr Peter McGregor, Non-Executive Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Grant of Options to Ms Doris Engibous, Non-Executive Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Grant of Options to Mr Mark Tibbles, Non-Executive Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Step 3

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

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

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

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