

# Notice of Annual General Meeting and Explanatory Notes

4DMedical Limited  
ACN 161 684 831  
(Company)

Annual General Meeting of 4DMedical Limited to be held as a virtual meeting only (<https://agmlive.link/4DXAGM21>) on Thursday, 28 October 2021 commencing at 2:00pm (AEDT).

This Notice of Annual General Meeting and Explanatory Notes should be read in its entirety.

If Shareholders are in any doubt as how to vote, they should seek advice from their own independent financial, taxation or legal adviser without delay.

## **COVID-19 Pandemic announcement**

*The Australian Government has announced a number of measures to reduce the spread of COVID-19, including requiring people to comply with social distancing and stay at home, except in very limited circumstances, as well as imposing restrictions on public gatherings. As a result, the annual general meeting will be held as a virtual meeting only, rather inviting Shareholders to physically attend a designated location. There will not be a physical meeting or location that Shareholders can attend in person. Further details on how to participate in the virtual meeting are set out in the Explanatory Notes.*



# Chairman's letter

Dear Shareholder

Attached to this letter is the Notice of Meeting (**Notice**) and Explanatory Notes for the 2021 Annual General Meeting (**Meeting**) of the shareholders of the Company (**Shareholders**).

The Meeting will be held by a virtual meeting only and will be held on Thursday, 28 October 2021 commencing at 2:00pm (AEDT). Please refer to the Instructions on page 8 for further details on how to participate in the virtual meeting.

The business of the Meeting will be to:

1. receive and consider the Financial Statements, Directors' Report and Auditor's Report of the Company for the year ended 30 June 2021;
2. adopt the Remuneration Report;
3. re-elect Dr Robert A. Figlin as a non-executive director;
4. increase the aggregate maximum directors' fee pool to \$750,000;
5. approve the grant of 701,719 options to Managing Director and CEO, Dr Andreas Fouras, under the 4DMedical Long Term Incentive Plan;
6. (a) ratify the prior issue of shares – March 2021 placement (LR 7.1);  
(b) ratify the prior issue of shares – April 2021 share purchase plan (LR 7.1);
7. (a) ratify the prior issue of shares – Tax Exempt Employee Share Plan (LR 7.1); and  
(b) provide standing approval for the issue of securities under the Tax Exempt Employee Share Plan.

You are urged to consider carefully the Notice of Meeting and Explanatory Notes before determining how you wish to vote on the resolutions.

If you cannot attend the Meeting, please vote online or ensure your paper proxy form is received by the Company's share registry as soon as possible and in any event by no later than 2:00pm on Tuesday, 26 October 2021.

Faithfully,

**Bruce Rathie**

Non-Executive Director and Chairman



# Notice of Annual General Meeting

Notice is given that the 2021 Annual General Meeting of the Shareholders of the Company will be held by virtual meeting only, on Thursday, 28 October 2021 at 2:00pm (AEDT).

## Agenda Items

**Item 1. Financial Report, Directors' Report and Auditor's Report**

To receive and consider the Financial Report of the Company and its controlled entities and the Reports of the Directors and Auditor for the year ended 30 June 2021.

**Item 2. Remuneration Report**

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

*That the Remuneration Report, as contained in the Directors' Report for the year ended 30 June 2021, is adopted.*

Note: under sections 250R(2) and (3) of the *Corporations Act 2001* (Cth) the vote on this resolution will be advisory only and will not bind the Company or its Directors.

**Item 3. Re-election of Director**

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

*That, for the purposes of clause 13.1 of the Company's constitution, ASX Listing Rule 14.5, and for all other purposes, Dr Robert A. Figlin, a non-executive director appointed on 9 December 2016, and being eligible, is re-elected as a director.*

**Item 4. Non-executive Directors' Fees**

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

*That for the purposes of clause 13.4 of the Company's constitution, ASX Listing Rule 10.17 and for all other purposes, the maximum aggregate director's fees that may be paid to the Directors of the Company as a whole (other than Executive Directors) be increased by \$250,000 per annum from \$500,000 per annum to \$750,000 per annum.*

**Item 5. Grant of Options to the Managing Director and CEO**

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

*That for the purposes of ASX Listing Rule 10.14, Chapter 2E of the Corporations Act 2001 (Cth), and for all other purposes, the grant of 701,719 options to Managing Director and CEO, Dr Andreas Fouras, under the 4DMedical Long Term Incentive Plan and on the terms described in the explanatory notes accompanying this notice, is approved.*

**Item 6. (a) Ratification of prior issue of shares – March 2021 placement (LR 7.1)**

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



*That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 25,806,436 fully paid ordinary shares in the Company on 11 March 2021 to certain institutional and professional investors on the terms and conditions set out in the explanatory notes accompanying this notice.*

**(b) Ratification of prior issue of shares – April 2021 share purchase plan (LR 7.1)**

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

*That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 3,870,954 fully paid ordinary shares in the Company on 7 April 2021 to certain shareholders of the Company on the terms and conditions set out in the explanatory notes accompanying this notice.*

**Item 7. (a) Ratification of prior issue of shares – Tax Exempt Employee Share Plan (LR 7.1)**

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

*That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 52,042 fully paid ordinary shares in the Company on 29 June 2021 to certain employees of the 4DMedical group of companies, under the rules of the 4DMedical Tax Exempt Employee Share Plan and on the terms and conditions set out in the explanatory notes accompanying this notice.*

**(b) Approval in respect of the Tax Exempt Employee Share Plan**

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

*That for the purposes of ASX Listing Rule 7.1 and in accordance with ASX Listing Rule 7.2 Exception 13 and for all other purposes, the rules of the 4DMedical Tax Exempt Employee Share Plan (which are summarised in the Explanatory Notes accompanying this Notice) and the future issue of shares under that plan, be approved.*

**Voting exclusions**

*Item 2 – Remuneration Report*

The Company will disregard any votes cast on Item 2:

- by or on behalf of a member of the Company's key management personnel (**KMP**) named in the Company's Remuneration Report for the year ended 30 June 2021 or their closely related parties (such as close family members and any controlled companies), regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the Meeting or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on Item 2:

- in accordance with a direction as to how to vote on the voting form; or
- by the chairman of the Meeting pursuant to an express authorisation to exercise the proxy even though Item 2 is connected with the remuneration of the Company's KMP.



### *Item 3 – Re-election of Director*

The Company will disregard any votes cast in favour of Item 3 by or on behalf of Dr Robert A. Figlin or any of his associates.

### *Item 4 – Non-executive Directors' Fees*

The Company will disregard any votes cast in favour of Item 4 by or on behalf of any Director or any of their associates, unless the vote is cast in favour of Item 4:

- as proxy for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy to vote on the resolution in that way; or
- as proxy for a person entitled to vote on the resolution by the chairman of the Meeting, in accordance with an express authorisation to exercise the proxy as the chairman decides; or
- by 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 or a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### *Item 5 – Grant of Options to the Managing Director and CEO*

The Company will disregard any votes cast in favour of Item 5 by or on behalf of a Director who is eligible to participate in the 4DMedical Long Term Incentive Plan or an associate of any such person, regardless of the capacity in which the vote is cast, unless the vote is cast in favour of Item 5:

- as proxy for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy to vote on the resolution in that way; or
- as proxy for a person entitled to vote on the resolution by the chairman of the Meeting, in accordance with an express authorisation to exercise the proxy as the chairman decides; or
- by 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 or a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### *Item 6 – (a) Ratification of issue of shares pursuant to March 2021 placement; and (b) Ratification of issue of shares pursuant to April 2021 share purchase plan*

The Company will disregard any votes cast in favour of Item 6(a) or Item 6(b) (as applicable) by or on behalf of any person who participated in the relevant issue or is a counterparty to the relevant agreement (namely the placement participants) or an associate of that person or those persons, unless the vote is cast in favour of Item 6(a) or Item 6(b) (as applicable):



- as proxy for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy to vote on the resolution in that way; or
- as proxy for a person entitled to vote on the resolution by the chairman of the Meeting, in accordance with an express authorisation to exercise the proxy as the chairman decides; or
- by 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 or a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

*Item 7 – (a) Ratification of issue of shares under Tax Exempt Employee Share Plan; and (b) Approval in respect of the Tax Exempt Employee Share Plan*

The Company will disregard any votes cast in favour of:

- Item 7(a), by or on behalf of a person who participated in the issue or counterparty to the agreement being approved (namely the placement participants) or an associate of that person or those persons; or
- Item 7(b), by or on behalf of a person who is a person who is eligible to participate in the 4DMedical Tax Exempt Share Plan or an associate of any such person,

unless the vote is cast on Items 7(a) or 7(b) (as applicable):

- as proxy for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy to vote on the resolution in that way; or
- as proxy for a person entitled to vote on the resolution by the chairman of the Meeting, in accordance with an express authorisation to exercise the proxy as the chairman decides; or
- by 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 or a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Prohibition Statement**

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on a resolution if:

- the proxy is either a member of the Company's KMP or a closely related party of such member; and
- the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:



- the proxy is the chairman; and
- the appointment expressly authorises the chairman to exercise the proxy even though the resolution is connected directly or indirectly with remuneration of a member of the Company's KMP.

Further, in accordance with section 224 of the Corporations Act, a vote on a resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given, or an associate of such a related party. However, the above prohibition does not apply if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the resolution; and
- it is not cast on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given, or an associate of such a related party.

Please note: If the chairman is a person referred to in the section 224 Corporations Act voting prohibition statement above, the chairman will only be able to cast a vote as proxy for a person who is entitled to vote if the chairman is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on the relevant resolution.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Dated 28 September 2021

**By order of the Board**

*Charlene Stahr*

**Charlene Stahr**  
Company Secretary



## Instructions

<b>Eligibility to vote</b>	<p>The Board has determined that you will be entitled to attend and vote at the Meeting if you are a registered Shareholder of the Company at 2:00pm (AEDT) on Tuesday, 26 October 2021. You will be entitled to vote in respect of the number of shares registered in your name at that time.</p>
<b>Voting by proxy</b>	<p>Each Shareholder may appoint a proxy to vote on behalf of that Shareholder at the general meeting. The proxy need not be a Shareholder. A Shareholder who is entitled to cast 2 or more votes may appoint not more than 2 proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of Shareholder's votes each proxy may exercise, each proxy may exercise half the votes (disregarding fractions).</p> <p>Proxy appointment is to be completed online through the Link Market Services voting portal at <a href="http://www.linkmarketservices.com.au">www.linkmarketservices.com.au</a>. To be effective, it must be duly completed not less than 48 hours prior to the start of the general meeting (being by 2:00pm AEDT on Tuesday, 26 October 2021).</p>
<b>Appointing the chairman as proxy</b>	<p>Subject to the specific proxy provision applying to Item 2 (Remuneration Report), if you appoint the chairman of the Meeting as your proxy or the chairman of the Meeting is appointed as your proxy by default and you do not direct the chairman how to vote on a particular item, the chairman will vote on that item as he sees fit.</p> <p>For Item 2 (Remuneration Report), where the chairman is appointed as a Shareholder's proxy and that Shareholder has not specified the way in which the chairman is to vote on Item 2, the Shareholder is directing the chairman to vote in accordance with the chairman's voting intentions for this item of business, even if Item 2 is connected to the Company's KMP whose remuneration details are included in the remuneration report for the year ended 30 June 2021.</p> <p>The chairman intends to vote all available proxies in favour of each resolution, in the Notice of Meeting, including Item 2.</p>
<b>Body corporate representative</b>	<p>A Shareholder of the Company who is a body corporate and who is entitled to attend and vote at the Meeting, or a validly appointed proxy who is a body corporate and who is appointed by a Shareholder of the Company entitled to attend and vote at the Meeting, may appoint a person to act as its representative at the Meeting by providing that person with:</p> <ul style="list-style-type: none"><li>a) a letter or certificate, executed in accordance with the body corporate's constitution, authorising the person as the representative; or</li><li>b) a copy of the resolution, certified by the secretary or a director of the body corporate, appointing the representative.</li></ul>





<b>How to vote prior to the Meeting</b>	Shareholders may appoint a proxy online at <a href="http://www.linkmarketservices.com.au">www.linkmarketservices.com.au</a> .
<b>How to vote at the Meeting</b>	<p>As Shareholders will not be able to attend the Meeting in person, they will have an opportunity to participate virtually via the Company's online platform. You will be able to view the Meeting, lodge a vote in real time and ask questions online. Shareholders can access the platform at: <a href="https://agmlive.link/4DXAGM21">https://agmlive.link/4DXAGM21</a>.</p> <p>Shareholders participating in the Meeting using the Company's online platform will be able to vote between the commencement of the Meeting (2:00pm AEDT on Thursday, 28 October 2021) and the closure of voting as announced by the chairman of the Meeting.</p> <p>More information on how to vote and ask questions online during the Meeting is available in the Online Platform Guide available on our website.</p>
<b>How to submit questions prior to the Meeting</b>	<p>Shareholders are encouraged to submit questions regarding the items of business ahead of the Meeting to the Company, as there may not be sufficient time to respond to all questions raised during the Meeting.</p> <p>Questions may be submitted online at <a href="http://www.linkmarketservices.com.au">www.linkmarketservices.com.au</a> by logging into your holding, selecting vote and then 'ask a question'.</p>
<b>Browser compatibility</b>	To ensure your browser is compatible, please follow the instructions in the Online Platform Guide available on our website. It is also recommended that Shareholders who elect to participate in the Meeting through the Company's online platform log into the online platform at least 15 minutes prior to the scheduled start time for the Meeting.
<b>Connectivity</b>	If access to the online platform is interrupted during the Meeting and the reason for the interruption cannot be resolved within a reasonable time as determined by the chairman of the Meeting, the Meeting will proceed without the online participation of Shareholders attending virtually. For this reason, Shareholders intending to attend the Meeting virtually through the online platform may also wish to consider appointing a proxy for the Meeting in the event access to the online platform is unavailable on the day.



# Explanatory Notes

## 1. Background

### 1.1 Introduction

These Explanatory Notes have been prepared for the information of Shareholders in relation to the business to be conducted at the Meeting.

The purpose of the Explanatory Notes is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions set out in the accompanying Notice. It explains the resolutions and identifies the Board's reasons for putting them to Shareholders.

### 1.2 Action to be taken by Shareholders

Shareholders should read these Explanatory Notes carefully before deciding how to vote on the resolutions set out in the Notice.

All Shareholders are invited and encouraged to attend the Meeting virtually. If Shareholders are unable to participate in the virtual meeting, an electronic proxy form should be completed online through the Link Market Services voting portal. Lodgement of an electronic proxy form will not preclude a Shareholder from attending the virtual Meeting and voting at the virtual Meeting, but the person appointed as the proxy must not exercise the rights conferred by the electronic proxy form.

### 1.3 COVID-19 Pandemic

The Australian Government has announced a number of measures to reduce the spread of COVID-19, including requiring people to comply with social distancing and stay at home, except in very limited circumstances, as well as imposing restrictions on public gatherings. As a result, the Company considers that it is appropriate that the annual general meeting be held as a virtual meeting only and that the manner in which it is proposed that this meeting be held will provide Shareholders as a whole a reasonable opportunity to participate in the Meeting. There will not be a physical meeting that Shareholders can attend in person.

## 2. Resolutions

### 2.1 Item 1 – Financial Report, Directors' Report and Auditor's Report

In accordance with section 317 of the Corporations Act 2001 (Cth) (**Corporations Act**), the directors of a public company are required to hold an annual general meeting and present the financial report for the previous financial year before its shareholders at each meeting.

All relevant information concerning the Company's financial report, directors' report and the auditor's report for the year ended 30 June 2021 is contained in the "Annual Accounts and Reports" document (**2021 Annual Report**). A copy of the 2021 Annual Report is available at: <https://4dmedical.com/investor-services>, or on request to the Company Secretary, at [companysecretary@4dmedical.com](mailto:companysecretary@4dmedical.com). A copy of the 2021 Annual Report will also be tabled at the Meeting.

Voting on this item is not required and a formal resolution to adopt the 2021 Annual Report will not be put to Shareholders at the Meeting. The purpose of this item is to provide Shareholders with the opportunity to ask questions or discuss matters arising from them. It is



not the purpose of the Meeting that any of these reports be accepted, rejected or modified in any way.

The Company's auditor (PKF Melbourne) will be present at the Meeting and will be available to answer questions as to the conduct of the audit and the auditor's report.

## **2.2 Item 2 – Adoption of Remuneration Report**

The Remuneration Report contained in the Company's 2021 Annual Report sets out the remuneration policies of the Company and reports on the remuneration arrangements in place for the Company's KMP during the year ended 30 June 2021. Shareholders are encouraged to submit questions on the Remuneration Report to the Company Secretary in advance of the Meeting.

Shareholders will have a reasonable opportunity at the Meeting to ask questions about or make comments on the Remuneration Report.

As prescribed by section 250R of the Corporations Act, the vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote and discussion at the Meeting into account in setting remuneration policy for future years.

### **Recommendation**

The Remuneration Report forms part of the Directors' Report for the year ended 30 June 2021 and is made in accordance with a unanimous resolution of the Directors. The non-executive directors recommend that Shareholders vote in favour of the resolution to approve the Remuneration Report. The executive directors whose remuneration has been disclosed in the Remuneration Report are interested in the outcome of this resolution and therefore do not consider it appropriate to make a recommendation to Shareholders.

## **2.3 Item 3 – Re-election of Director**

### **Ms Lusia Guthrie**

Consistent with the principles of the Company's constitution (**Constitution**) and director rotation policy, the Board considered the positions of its longer serving directors. As a part of this process and following discussions, Ms Lusia Guthrie, who has served as a director of the Company since 13 December 2017, advised of her intention to retire her position at the Meeting and not seek re-election. Ms Guthrie's retirement also provides better clarity to the governance of the Company's wholly owned subsidiary, Australian Lung Health Initiative Pty Ltd (**ALHI**), which Ms Guthrie will continue to serve as a Non-executive Director and Chair. The Board thanks Ms Guthrie for her long service and stewardship of the Company as a member of the Board as well as the Board's Audit and Risk Committee, including her contributions to the Company's initial public offering in August 2020. The Board and Management look forward to continuing to work with Ms Guthrie in her key role as Chair of ALHI.

### **Dr Robert A. Figlin**

Dr Robert A. Figlin was appointed as independent, non-executive director of the Company on 9 December 2016.

The ASX Listing Rules require the Company to hold an election of Directors each year. The Constitution states that if no person is required to stand for election or re-election due to director rotation requirements, the Director who has been in office the longest since last being



elected will stand for re-election. Accordingly, Dr Figlin ceases to hold office in accordance with clause 13.3(b)(iv) of the Constitution, and being eligible, seeks re-election.

#### **Information about Dr Figlin**

**Term:** Independent non-executive Director since 9 December 2016.

#### **Skills and experience:**

Robert A. Figlin, MD, FACP, is the Steven Spielberg Family Chair in Hematology Oncology, Professor of Medicine and Biomedical Sciences, and Deputy Director for Cedars-Sinai Cancer, and Deputy Director of the Samuel Oschin Comprehensive Cancer Institute. Dr Figlin received his medical degree from the Medical College of Pennsylvania. He completed his residency and chief residency in internal medicine at Cedars-Sinai Medical Center and a fellowship in hematology/oncology at the David Geffen School of Medicine at UCLA. He is an Emeritus Professor of Medicine and Urology at the David Geffen School of Medicine at UCLA.

Dr Figlin serves as Editor for Kidney Cancer Journal, and his studies have appeared in Clinical Cancer Research, Journal of Clinical Oncology, New England Journal of Medicine, The Lancet, JNCI, Lancet Oncology, and Journal of Urology, among others. He has authored over 400 peer reviewed articles, more than 70 book chapters, and has published as editor multiple books on kidney cancer.

A nationally recognized leader in genitourinary and thoracic oncology, Dr Figlin's research focuses on renal cell carcinoma and thoracic malignancies. He established and directs the Kidney Cancer Program at Cedars-Sinai Medical Center, which aims to understand the biology of kidney cancer and translate that knowledge into novel treatment approaches. His leadership is in developing novel anticancer drugs that avoid the toxicity associated with standard treatments furthers Cedars-Sinai's tradition of compassionate patient care.

#### **Directorships of listed entities (last three years):** 4DMedical Limited

Dr Figlin was formerly a non-executive director of Pulse Health LLC (Revelar), until 2019.

**Other directorships/offices:** Dr Figlin does not currently hold any other corporate directorships or offices.

#### **Recommendation**

The Board (other than Dr Figlin) recommends that Shareholders vote in favour of Item 3.

## **2.4 Item 4 – Non-executive Directors' Fees**

This item relates to the approval of the Shareholders of the maximum aggregate amount per annum that may be paid as fees to non-executive directors (**Fee Cap**). Clause 13.4 of the Constitution specifies that the total fees payable to Directors are to be determined by the Shareholders at a general meeting.

In accordance with ASX Listing Rule 10.17, companies are required to obtain shareholder approval for an increase in the total aggregate amount of directors' fees which are payable to non-executive directors and under ASX Listing 10.17A must not pay directors' fees that exceed a shareholder approved cap.

The Directors have recently conducted a review of non-executive Directors' fees and consider it reasonable and appropriate at this time to seek an increase to the Fee Cap, for the following reasons:



- the increase will provide flexibility for the Company to continue to attract and retain non-executive Directors of a high calibre;
- allow for future adjustments to non-executive Directors fees in line with market conditions;
- enable the Company to increase the number of non-executive Directors, if the Board considers it appropriate to do so in the future, as part of the process of achieving a broad range of skills, experience and expertise on the Board which are complementary to the Company's business activities; and
- so as to allow directors of ALHI to receive payment of appropriate director fees.

The Directors do not currently intend to fully utilise any increased Fee Cap, but consider that the increase is reasonable and appropriate for the reasons outlined above.

The Company will continue to set the actual level of remuneration of its non-executive Directors within the Shareholder approved Fee Cap, after having regard to independent external advice, market practice, Board performance and other appropriate factors.

Disclosure of non-executive Directors' remuneration will be made to Shareholders in each annual remuneration report in accordance with the Corporations Act, the Constitution and the ASX Listing Rules.

The effect of shareholder approval for Item 4 for the purposes of ASX Listing Rule 10.17 is as follows:

- If Item 4 is passed, the aggregate maximum director's fees that may be paid to the Directors of the Company as a whole (other than Executive Directors) will be \$750,000 per annum.
- If Item 4 is not passed, the aggregate maximum director's fees that may be paid to the Directors of the Company as a whole (other than Executive Directors) will be \$500,000 per annum.

For the purposes of ASX Listing Rule 10.17, the Company has not issued any securities to a non-executive director under ASX Listing Rule 10.11 or 10.14 with the approval of the holders of the entity's ordinary securities at any time within the preceding 3 years.

### **Recommendation**

The Board makes no recommendation to Shareholders for Item 4 as it involves the payment of fees to Directors.

## **2.5 Item 5 – Grant of Options to the Managing Director and CEO**

Shareholder approval is sought under ASX Listing Rule 10.14 for the Board to grant 701,719 options (**Options**) to Dr Andreas Fouras, Founder, Managing Director and CEO of the Company.

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- a director of the company (ASX Listing Rule 10.14.1);
- an associate of a director of the company (ASX Listing Rule 10.14.2); or



- a person whose relationship within the company or a person referred to in ASX Listing Rule 10.14.1 or ASX 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (ASX Listing Rule 10.14.3),

unless it obtains the approval of its shareholders.

As Dr Fouras is a current Director, the proposed grant of Options to Dr Fouras falls within ASX Listing Rule 10.14.1 above, and therefore requires the approval of the Company's shareholders under ASX Listing Rule 10.14. To this end, Item 5 seeks shareholder approval of the grant of Options to Dr Fouras under and for the purposes of ASX Listing Rule 10.14.

#### Key terms of the proposed LTI grant

The Options are to be granted as the long term incentive (**LTI**) component of Dr Fouras's remuneration for the year ending 30 June 2022 under the 4DMedical Long Term Incentive Plan (**Incentive Plan**). The key terms of the Incentive Plan (which are applicable to the Options) are summarised in these explanatory notes and **Annexure 1**.

It is proposed that 701,719 options be granted to Dr Fouras, with an exercise price of \$2.60 per option. The exercise price has been calculated based on a 100% premium to the market value of Company shares equal to the 30-day volume weighted average price (VWAP) in the period immediately preceding 9 June 2021. The use of premium priced options is intended to encourage a focus on growing the Company's share price and total shareholder returns, as the Company's share price will need to increase above the exercise price for the Options to deliver any value to Dr Fouras.

If shareholder approval for the grant is obtained, the Options will be issued to Dr Fouras as soon as practicable after the Meeting, but in any event within 12 months after the date of the Meeting. Details of the grant of Options to Dr Fouras will be published in the Company's 2022 Annual Report, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

No loan will be made available to Dr Fouras in relation to the acquisition or exercise of the Options proposed to be granted to him.

Any additional persons covered by ASX Listing Rule 10.14 who becomes entitled to participate in an issue of securities under the Incentive Plan after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

An overview of the vesting conditions and other key terms of the proposed grant of Options to Dr Fouras, including further information required under ASX Listing Rule 10.15, is set out in Annexure 1.

#### Effect of shareholder approval

As noted above, the proposed grant of Options to Dr Fouras is conditional on receiving shareholder approval. The effect of shareholder approval for Item 5 for the purposes of ASX Listing Rule 10.14 is as follows:

- If Item 5 is passed, the Company will be able to proceed with the proposed grant of Options to Dr Fouras. Further, the issue of such Options to Dr Fouras will not count towards the Company's capacity to issue equity securities under ASX Listing Rule 7.1 (pursuant to ASX Listing Rule 7.2, Exception 14).



- If Item 5 is not passed, the Company will not be able to proceed with the proposed grant of Options to Dr Fouras. In that circumstance, the Board would then need to consider alternative remuneration arrangements for Dr Fouras consistent with the Company's remuneration principles, such as providing an equivalent long term cash incentive.

The Company has determined that the proposed grant of Options under the Incentive Plan pursuant to this Item 5 as part of Dr Fouras's remuneration package will constitute the giving of reasonable remuneration for the purposes of Chapter 2E of the Corporations Act and in particular section 211(1) of the Corporations Act.

A voting exclusion statement applies to Item 5, as set out on page 5 of this notice.

### **Recommendation**

The Board (other than Dr Fouras) recommends that Shareholders vote in favour of Item 5.

## **2.6 Item 6 – (a) Ratification of issue of shares pursuant to March 2021 placement; and (b) Ratification of issue of shares pursuant to April 2021 share purchase plan**

Shareholder ratification pursuant to ASX Listing Rule 7.4 is sought for issues of fully paid ordinary shares made by the Company during the last 12 months within the placement limit set by ASX Listing Rule 7.1.

On 11 March 2021 (**Placement Issue Date**) and 7 April 2021 (**SPP Issue Date**), the Company issued 25,806,436 shares to certain institutional and professional investors (**March 2021 Placement**) and 3,870,954 shares to certain existing shareholders (**April 2021 Share Purchase Plan**) respectively, at an issue price of \$1.55 per share.

Broadly speaking, and subject to specified exceptions under ASX Listing Rule 7.2, ASX Listing Rule 7.1 provides that a company must not issue shares during any 12-month period in excess of 15% of the number of shares on issue at the commencement of that period without shareholder approval.

The March 2021 Placement and April 2021 Share Purchase Plan do not fit within any of the exceptions in the ASX Listing Rules and, as they are not yet approved by the Company's shareholders, use up part of the Company's 15% placement capacity defined by ASX Listing Rule 7.1.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1 by permitting the ratification of previous shares issues that were not made under an exception under ASX Listing Rule 7.2 or with shareholder approval, provided that such issues do not breach the 15% threshold set out by ASX Listing Rule 7.1. If shareholders approve the ratification of such previous issues at a general meeting, those shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue equity securities in the future and therefore seeks shareholder ratification of the:

- a) March 2021 Placement; and
- b) April 2021 Share Purchase Plan,

pursuant to ASX Listing Rule 7.4.

The effect of shareholder approval for Items 6(a) and 6(b) is as follows:





- **If Items 6(a) and 6(b) are passed**, the March 2021 Placement and April 2021 Share Purchase Plan will be excluded in calculating the Company's 15% placement capacity under ASX Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without shareholder approval over the 12-month period following the Placement Issue Date and SPP Issue Date.
- **If Items 6(a) and 6(b) are not passed**, the March 2021 Placement and April 2021 Share Purchase Plan will be included in calculating the Company's 15% placement capacity under ASX Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without shareholder approval over the 12-month period following the Placement Issue Date and SPP Issue Date.

#### Specific information regarding Items 6(a) and 6(b)

The March 2021 Placement and April 2021 Share Purchase Plan were undertaken within the Company's 15% placement capacity.

In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:

	March 2021 Placement	April 2021 Share Purchase Plan
<b>Number of shares issued</b>	25,806,436 fully paid ordinary shares	3,870,954 fully paid ordinary shares
<b>Issue price and issue date</b>	\$1.55 per share, 11 March 2021	\$1.55 per share, 7 April 2021
<b>Recipients of issue</b>	Certain institutional and professional investors, including existing institutional shareholders of the Company and additional investors introduced by the joint lead managers to the placement.	Certain Eligible Shareholders, being holders of the Company's shares at 7pm AEDT on 3 March 2021, with an address on the Company's share register in Australia or New Zealand, who duly applied to purchase shares under the April 2021 Share Purchase Plan.
<b>Terms of issue</b>	Fully paid ordinary shares ranking equally with other existing fully paid ordinary shares in the Company.	Fully paid ordinary shares ranking equally with other existing fully paid ordinary shares in the Company.
<b>Purpose of issue and use of funds</b>	The proceeds from the issue of shares will be used to finance the Company's contribution to	The proceeds from the issue of shares will be used to finance the Company's contribution to





	the development and commercialisation of XVD Scanners under the Australian Lung Health Initiative Pty Ltd's MRFF Frontier project and flexibility to pursue growth opportunities.	the development and commercialisation of XVD Scanners under the Australian Lung Health Initiative Pty Ltd's MRFF Frontier project and flexibility to pursue growth opportunities.
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The voting exclusion statement for this resolution is contained in the Notice of Annual General Meeting.

### Recommendation

The Board recommends that Shareholders vote in favour of Items 6(a) and 6(b).

## 2.7 Item 7 – (a) Ratification of issue of shares under Tax Exempt Employee Share Plan; and (b) Approval in respect of the Tax Exempt Employee Share Plan

### Item 7(a)

The Company determined to introduce the 4DMedical Tax Exempt Employee Share Plan (**Exempt Plan**) and the rules of the Exempt Plan were approved by the Board on 2 June 2021.

The Exempt Plan allows qualifying employees to acquire up to \$1,000 of the Company's shares each year on a tax exempt basis. A copy of the Exempt Plan is available on the Company website at <https://4dmedical.com/corporate-governance>.

The Company has previously set up the "4DMedical Employee Share Trust" (**Trust**), being an employee share trust established by the Company for the purpose of subscribing for or acquiring, delivering, allocating and holding shares for the benefit of selected participants in the Incentive Plan. The current trustee of the Trust is Pacific Custodians Pty Limited ACN 009 682 866. The Exempt Plan and the Trust also work together.

Shareholder ratification is being sought pursuant to ASX Listing Rule 7.4 for the June 2021 Exempt Plan Issue, so that it too does not count towards the Company's placement capacity afforded by ASX Listing Rule 7.1.

As mentioned above, broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of the period. The June 2021 Exempt Plan Issue does not fit within any of these exceptions and, as it has not yet been approved by the Company's shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Listing Rule 7.4 allows shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to be approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule. The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1. To this



end, Item 7(a) seeks shareholder approval of the issue of June 2021 Exempt Plan Issue under and for the purposes of Listing Rule 7.4.

If Item 7(a) is passed, the June 2021 Exempt Plan Issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue date of the June 2021 Exempt Plan Issue. If Item 7(a) is not passed, the June 2021 Exempt Plan Issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue date of the June 2021 Exempt Plan Issue.

In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:

	<b>June 2021 Exempt Plan Issue</b>
<b>Number of shares issued</b>	52,042
<b>Issue price and issue date</b>	\$1.2743 per share, 29 June 2021
<b>Recipients of issue</b>	Employees of the 4DMedical group of companies, excluding the Managing Director & CEO.
<b>Terms of issue</b>	Fully paid ordinary shares ranking equally with other existing fully paid ordinary shares in the Company.
<b>Purpose of issue</b>	Employee share plan: to assist in the reward, retention and motivation of employees, and to align the economic interests of those employees with shareholders by providing an opportunity to earn rewards via an equity interest in the Company.
<b>Use of funds</b>	N/A

The voting exclusion statement for Item 7(a) is contained in the Notice of Meeting.

#### **Item 7(b)**

ASX Listing Rule 7.1 requires that a company obtain shareholder approval prior to the issue of securities representing more than 15% of the issued capital of the Company. ASX Listing Rule 7.2 set out a number of exceptions to ASX Listing Rule 7.1. ASX Listing Rule 7.2 (Exception 13) provides that an issue of securities under an employee incentive scheme, if within three years before the date of issue the shareholders of the company approved the issue of securities under the scheme, will not count for the purposes of ASX Listing Rule 7.1.

The key terms and conditions of the Exempt Plan and the Trust are summarised as follows:



- the purpose of the Exempt Plan is to assist in the reward, retention and motivation of employees, and to align the economic interests of those employees with shareholders by providing an opportunity to earn rewards via an equity interest in the Company;
- "qualifying employees" are able to receive \$1,000 worth of fully paid ordinary shares in the Company tax free. The \$1,000 tax exemption is only available to "qualifying employees", being those Australian based employees with an adjusted taxable income of \$180,000 or less for the year of allocation. Adjusted taxable income is the sum of taxable income, reportable fringe benefits, reportable superannuation contributions, and total net investment loss. If an employee's adjusted taxable income is more than \$180,000 for the year of allocation or resides overseas, the market value of the shares at allocation must be included in their assessable income;
- the shares acquired under the Exempt Plan are not subject to forfeiture upon an employee ceasing employment with the Company;
- the shares acquired under the Exempt Plan are restricted from disposal or from being otherwise dealt from their acquisition date until the earlier of three years or the day after the date on which the employee ceases to be employed; and
- the Company will instruct the trustee of the Trust (**Trustee**), to subscribe for, acquire and/or allocate the number of shares which a participant is entitled to receive, and the Trustee will hold those shares on behalf of the participant. Where the Trustee holds shares on behalf of a participant, the participant will continue to retain and benefit from full dividend rights, voting rights and the right to receive notices of meetings. Participants may withdraw their shares from the Trust once the applicable disposal restrictions have ceased, by submitting a withdrawal notice to the Company.

On 29 June 2021 the Company issued 52,042 shares under the Exempt Plan to the Company's employees (**June 2021 Exempt Plan Issue**).

The Board seeks approval to issue shares under the Exempt Plan for three years from 28 October 2021, in accordance with the provisions of the Exempt Plan thereby giving the Company greater flexibility to make future issues of shares under its placement capacity afforded by ASX Listing Rule 7.1.

The maximum number of shares proposed to be issued by the Company in respect of the Exempt Plan over the next three years is 500,000 shares.

If Item 7(b) is not approved, the issue of shares on 29 June 2021 and any future issue of shares under the Exempt Plan will count towards the Company's placement capacity under ASX Listing Rule 7.1.

The voting exclusion statements for Item 7(b) is contained in the Notice of Meeting.

### **Recommendation**

The non-executive directors recommend that Shareholders vote in favour of Items 7(a) and 7(b). The executive directors may be interested in the outcome of this resolution and therefore do not consider it appropriate to make a recommendation to Shareholders.

# Annexure 1

## Key terms of the proposed grant of Options to the Managing Director and CEO

### Total remuneration package (FY22)

Dr Andreas Fouras's total remuneration package for FY22 is US\$735,937.50, which comprises fixed remuneration (i.e. cash base salary) of US\$375,000, a short term incentive opportunity of up to US\$210,937.50, and a long term incentive opportunity for FY22 of up to US\$150,000 (as noted below).

### Details of the proposed grant

The maximum number of options to be issued under the 4DMedical Long Term Incentive Plan to Dr Fouras is 701,719 options.

The number of options has been calculated by converting Dr Fouras's US based long term incentive opportunity for FY22 of US\$150,000 into Australian dollars using an AUD/USD exchange rate of 0.7, then dividing the dollar value of Dr Fouras's by the value of an option being \$0.3054.

The value of an option has been calculated by the Company using a Black-Scholes pricing methodology, based on the 30-day VWAP in the period preceding 9 June 2021, and the exercise price per option has been set at a 100% premium to that 30-day VWAP (refer below).

Each option proposed to be granted to Dr Fouras will provide a right to acquire one fully paid ordinary share in the Company (less the exercise price).

Dr Fouras has previously been granted 914,000 options under the 4DMedical Long Term Incentive Plan (which was adopted in 2020) at no cost to Dr Fouras, and with each option then having an exercise price of \$1.45.

### Price payable on grant or exercise

The Options will be granted for no consideration or payment.

Dr Fouras will be required to pay an exercise price of \$2.60 per option to exercise those Options following vesting. This has been calculated based on a 100% premium to the market value of the Company's shares equal to the 30-day VWAP in the period preceding 9 June 2021.

Premium priced options have been used to incentivise Dr Fouras to drive share price performance in the interests of the Company's shareholders, as the market price at the time of exercise will need to exceed the exercise price for the Options to deliver any value to Dr Fouras.

### Performance period

The performance period is three years commencing on 1 July 2021 to 30 June 2024.

### Performance conditions

Dr Fouras must remain employed by the Company group for the performance period in order for the Options to vest and become exercisable from 1 July 2024.

### Expiry date

The Options if unexercised will expire on 1 July 2025.

### No disposal

The Options may not be assigned, transferred or encumbered with a security interest by Dr Fouras unless otherwise agreed by the Board or that assignment or transfer occurs by force of law on the death of Dr Fouras.



### **No voting or dividend rights**

The Options do not give Dr Fouras any voting rights or any right to participate in any dividends until the Options have been exercised into shares.

### **Treatment on cessation of employment**

If Dr Fouras ceases employment with the Company group prior to the Options vesting, the treatment of those Options will depend on the circumstances of his cessation:

- in 'ineligible leaver' circumstances (i.e. for dismissal for cause or resignation), all unvested Options will lapse (unless the Board determines otherwise); and
- in 'eligible leaver' circumstances (i.e. for reasons which are not as an 'ineligible leaver'), treatment will be at the discretion of the Board (and subject to applicable law). The Board's intention is that the Options would be pro-rated to time (based on the proportion of the performance period that has passed at the time of cessation) and left on foot to vest in the ordinary course.

### **Forfeiture**

The Board may elect to forfeit any unvested options if Dr Fouras acts fraudulently or dishonestly, or wilfully breaches his duties to the Company as its related bodies corporate.

### **Change of control**

Where a Change of Control Event (as defined below) occurs during the performance period, any unvested options held by Dr Fouras will vest on a pro-rata basis to time, based on the proportion of the performance period that has passed at the time of the Change of Control Event (unless the Board determines otherwise). All remaining options will lapse.

A Change of Control Event occurs where:

- where a person or entity becomes a legal or beneficial owner of 50% or more of the issued share capital of the Company;
- where a person or entity becomes entitled to, acquires, holds or has an equitable interest in more than 50% of the issued share capital of the Company; or
- the Board determines that there are circumstances that have occurred or are likely to occur which will result in significant changes to the structure or control of the Company which may adversely affect the value of the options.

### **Shares**

When Dr Fouras exercises any vested options, the Company will instruct the Trustee to subscribe for, acquire and/or allocate the number of shares for which Dr Fouras is entitled to upon the exercise, and the Trustee will hold those shares on behalf of Dr Fouras. Where the Trustee holds those shares on behalf of Dr Fouras, he will continue to retain and benefit from full dividend rights, voting rights and the right to receive notices of meetings in relation to those shares. Dr Fouras may withdraw some or all of those shares from the Trust at any time, subject to any applicable disposal restrictions, by submitting a withdrawal notice to the Company.

## LODGE YOUR VOTE



### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)


### BY MAIL

4D Medical Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



### BY FAX

+61 2 9287 0309



### BY HAND

Link Market Services Limited  
Level 12, 680 George Street, Sydney NSW 2000



### ALL ENQUIRIES TO

Telephone: +61 1300 554 474

## PROXY FORM

I/We being a member(s) of 4D Medical Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm (AEDT) on Thursday, 28 October 2021** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://agmlive.link/4DXAGM21> (refer to details in the Notice of Meeting and Virtual Meeting Online Guide).

**Important for Resolutions 2, 4, 5, 6b & 7b:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 2, 4, 5, 6b & 7b, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

#### Resolutions

For Against Abstain\*

2 Remuneration Report

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

6a Ratification of issue of shares pursuant to 2021 Placement

For Against Abstain\*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

3 Re-election of Dr Robert A. Figlin as non-executive director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

6b Ratification of issue of shares pursuant to 2021 Share Purchase Plan

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

4 Non-executive directors' fee pool

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

7a Ratification of issue of shares under Tax Exempt Employee Share Plan

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

5 Grant of Options to the Managing Director &amp; CEO

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

7b Approval in respect of the 4D Medical Tax Exempt Employee Share Plan

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)




Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

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

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

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

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au) prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (AEDT) on Tuesday, 26 October 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MAIL

4DMedical Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Level 12  
680 George Street  
Sydney NSW 2000

\*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions



28 September 2021

Dear Shareholder,

**2021 Annual General Meeting**

Given the current government restrictions and potential health risks arising from the coronavirus (COVID-19) pandemic, the 2021 Annual General Meeting (**AGM**) of 4D Medical Limited will be held virtually, via a live webcast, rather than at a physical location.

This year our Notice of Meeting and Explanatory Notes are only being made available online, which is consistent with the temporary modifications made to the *Corporations Act 2001* (Cth) under the *Treasury Laws Amendment (2021 Measures No. 1) Bill 2021* in response to the COVID-19 pandemic.

The Notice of Annual General Meeting and Explanatory Notes and other documents and information, which includes details as to how to participate and vote at the AGM, can be viewed or downloaded from the Company's investor relations website at <https://4dmedical.com/investor-services>.

The 2021 virtual AGM of 4D Medical Limited will commence at 2:00pm (AEDT) on Thursday 28 October 2021 at <https://agmlive.link/4DXAGM21>. Registration will open online from 1:30pm (AEDT). Using this weblink, shareholders will be able to fully participate in the meeting including viewing the meeting, lodging votes and asking questions.

We also encourage shareholders to submit written questions and vote by direct voting or appointing a proxy prior to the meeting by following the instructions set out in the Notice of Meeting.

The business of the meeting will include a review of the Company's FY21 performance and a business update. It will also consider the following items of business:

1. Annual Financial Report;
2. Remuneration Report;
3. Re-election of Dr Robert A. Figlin as non-executive director;
4. Non-executive directors' fee pool;
5. Grant of Options to the Managing Director & CEO;
6. (a) Ratification of issue of shares pursuant to 2021 Placement;  
(b) Ratification of issue of shares pursuant to 2021 Share Purchase Plan;
7. (a) Ratification of issue of shares under Tax Exempt Employee Share Plan; and  
(b) Approval in respect of the 4D Medical Tax Exempt Employee Share Plan.

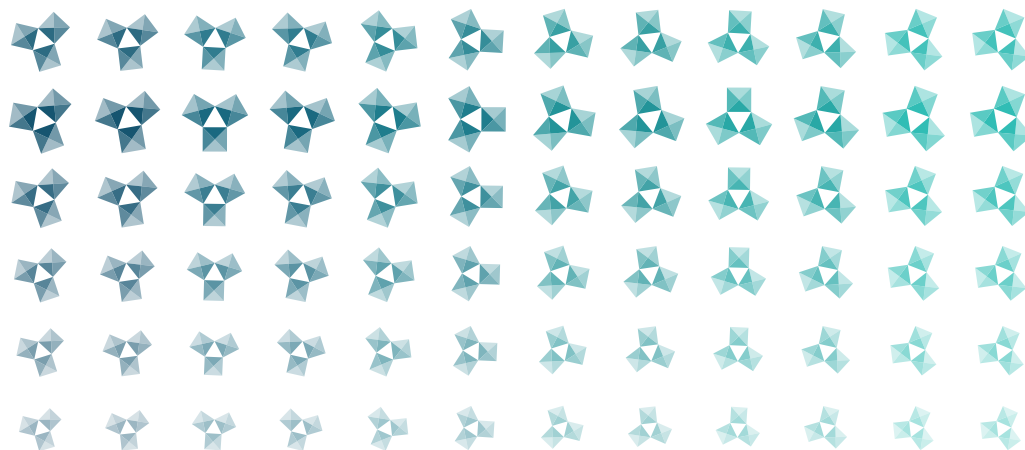
All proposed resolutions are explained in more detail in the Notice of Meeting and Explanatory Notes available at <https://4dmedical.com/investor-services>.

Faithfully,

*Charlene Stahr*

**Charlene Stahr**  
Company Secretary





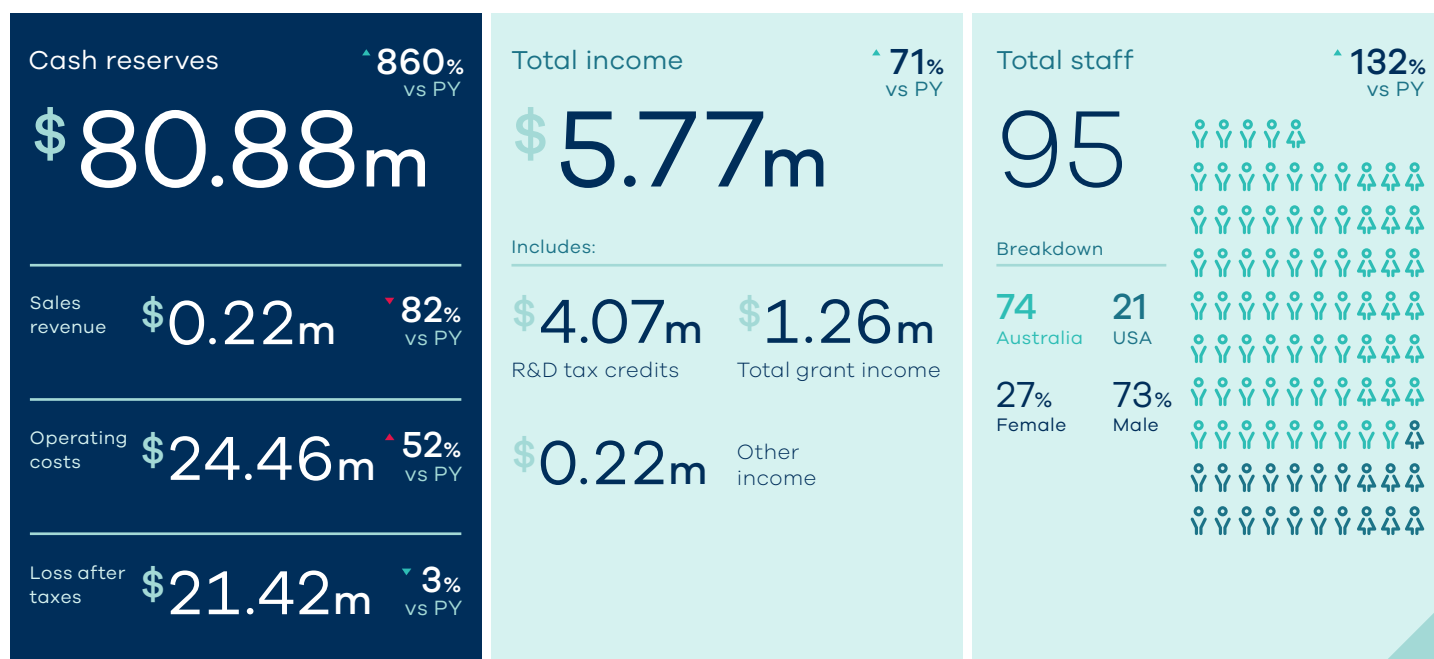
## Highlights



**August 2020: Listed  
on the Australian  
Securities Exchange**

**TGA** approved \*  
Sep 2020

**XVD manufacturing facility  
launches, opening 2022**



Note: PY = Prior Year

\* Approval for inclusion in the Australian Register of Therapeutic Goods (ARTG)

## Year at a glance





**Mr Bruce Rathie**  
Non-Executive  
Director and  
Chairman

## Chairman's letter

On behalf of the board of directors of 4DMedical Limited, I am pleased to invite shareholders to view the 2021 Annual Report of 4DMedical Limited for the year ended 30 June 2021 (FY21).

4DMedical reported a net cash balance of \$80.9 million at 30 June 2021, up 860%, with no debt. Total income was recorded as \$5.8 million, up 71%, which comprised operating revenue of \$0.2 million and other income of \$5.6 million. The Company reported a net loss after tax of \$21.4 million, down 3% from the previous year. Due to increased headcount and R&D expenditure, operating expenditure was \$24.5 million, up 52%.

Against an ambitious strategy, 4DMedical has made significant progress starting with its admission to the official list of the Australian Securities Exchange (ASX) on 7 August 2020. The Company's heavily oversubscribed \$55.8 million Initial Public Offering (IPO), which raised \$50.0 million of new capital, was a monumental success following years of planning and many months of hard work by the 4DMedical team.

The Board was extremely pleased with the IPO's strong support from both new and existing institutional and retail investors, and the proceeds were quickly put to use to enhance the Company's sales and marketing capability in the U.S., establish numerous clinical trials to drive market penetration, and continue research and development investment into the product portfolio.

The Board was again delighted with investors' support for the Company's \$46.0 million institutional placement and Share Purchase Plan (SPP) announced in March 2021, following the award of \$28.9 million in funding over five years to 4DMedical's wholly owned subsidiary, Australian Lung Health Initiative Pty Ltd (ALHI), by the Australian Federal Government's Medical Research Future Fund (MRFF) Frontier initiative. Given the outstanding investor response to the SPP, which received 1,873 applications totalling approximately \$32.0 million of demand, the Board exercised its discretion to double the initial SPP offer to \$6.0 million.

The proceeds received from the MRFF grant, and the majority from the associated capital raising, will be used to develop and commercialise the

XVD Scanner™ – the world's first dedicated lung scanner integrated with XV Technology™. A portion of the capital raised will also be applied to additional balance sheet flexibility, enabling the Company to pursue potential future growth opportunities.

COVID-19 has undoubtedly had a significant impact on the global business landscape during the year. For 4DMedical, the imposed restrictions temporarily limited access to key decision makers in U.S. hospitals, however I am pleased to report this barrier significantly eased in the second half of the year. With experience gained from implementing remote working practices across two continents, the Company embraced the challenge without any significant detriment to its strategy. Combined with the Company's strong cash position, 4DMedical is well placed to sustain future performance.

During the course of the year, as 4DMedical matured as a listed entity, the Company actively developed existing, and implemented new corporate governance structures to foster a culture of integrity, aligning the interests of shareholders, employees and other stakeholders, through the promotion of accountability and transparency for sustainable value creation.

I would like to take this opportunity to thank my fellow directors, our Managing Director and CEO, and our global 4DMedical team for their resolute effort and dedication during such a unique period. I would also like to extend our gratitude to our shareholders for their investment and continued encouragement throughout the reporting year.

Faithfully,  
**Mr Bruce Rathie**



**Dr Andreas Fouras**  
Managing Director  
and CEO

## CEO's letter

This reporting period has been a year of rapid transition and significant expansion for 4DMedical – technologically, organisationally, financially and in terms of impact through clinical translation.

The establishment of clinical trials and clinical pilots was a key focus over the year, given their role in driving adoption of XV Technology™ by delivering additional evidence of clinical application and benefits for specific indications. At financial year end, the Company had eight clinical trials active at the most prominent medical institutions across the U.S., including Johns Hopkins School of Medicine and Vanderbilt University Medical Center.

Led by Professor Naresh Punjabi, our Functional Lung Imaging Research Program in partnership with University of Miami, has been highly influential in securing clinical trials at other key opinion leading institutions. We anticipate the results of our clinical trials will become available in medical journals and key medical conferences over the coming months.

Following 4DMedical's IPO and listing on ASX, the Company was pleased to receive TGA Class 1 approval for our XV Lung Ventilation Analysis Software (XV LVAS™), earlier than anticipated in September 2020. Having already received FDA-510(k) clearance in May 2020, the extension of TGA approval enabled the Company to commence commercialisation activities at home, in Australia.

Subsequent to the financial year, we announced the completion of our Phase One clinical pilot with I-MED Radiology Network, Australia's largest out-patient medical imaging provider. Having so far received an overwhelmingly positive response from radiologists, Phase Two will be conducted over the remainder of the calendar year and has the potential to lead to a significant commercial contract if successful.

We have continued to invest heavily into our future product pipeline. The first clinical trial for our VQ offering has recently commenced patient imaging, and has the potential to become a faster, safer and more convenient alternative to nuclear medicine scans. With a vote of confidence from the Australian Government and international scientific review panels via the MRFF grant, we have hired several staff that will be involved

in developing XVD Scanners at our new advanced manufacturing facility located in Port Melbourne, Australia. We anticipate that major milestones for both our VQ and XVD Scanner will be delivered across calendar year 2022.

Over the next 12 months, 4DMedical's focus will be on converting clinical pilots and securing commercial contracts with hospitals. The sales team has identified and progressed customer conversations with numerous hospitals, including U.S. Department of Veterans Affairs (VA) healthcare facilities. The VA is the United States' largest integrated healthcare provider operating 1,255 healthcare facilities. The Company recently secured a commercial contract with Novartis for XV LVAS, representing a key milestone for pharmaceutical application, and demonstrating the breadth of the excitement in XV Technology.

As previously mentioned, we are continuing to assess opportunities for our technology to improve current practices related to COVID-19. Given the limited radiation, low cost and completeness of report outputs, our technology is particularly suitable for assessment, treatment and management pathways for patients post-diagnosis.

Having more than doubled the size of our workforce to 95 employees during the year, combined with our current cash position, 4DMedical is well placed to disrupt the global lung diagnostics market. I am extremely proud of our team's achievements over FY21 and have never been more excited by the future prospects of 4DMedical's technology and its impact on improving the health and happiness of so many people.

Faithfully,  
Dr Andreas Fouras

## 2021 Annual Reporting Suite

A copy of the full 2021 Annual Report is available online at:

[4dmedical.com/investor-services](https://4dmedical.com/investor-services)

or in printed format upon request to the Company Secretary:

[companysecretary@4dmedical.com](mailto:companysecretary@4dmedical.com)

## Cutting back on paper

Many shareholders have chosen to receive electronic rather than paper communications. 4DMedical is committed to sustainability and environmentally responsible practices.

Please update your shareholder communication preference by visiting our investor portal at: [linkmarketservices.com.au](https://linkmarketservices.com.au)

## Online Annual General Meeting

When:  
**Thursday 28  
October 2021**

Time:  
**2:00pm AEDT**

Where:  
Due to potential health risks arising from the COVID-19 pandemic, the 2021 AGM will be held online via our virtual meeting platform, accessible at:  
**<https://agmlive.link/4DXAGM21>**

**Registration**  
To vote and ask questions at the meeting, registration is required using your Shareholder Number. Registration opens via the virtual meeting platform 30 min prior to the meeting start time.

## Contact us

### Registered Office and Principal Place of Business

Level 5, 468 St Kilda Road Melbourne  
VIC 3004 Australia

### Investor Relations

**Simon Hinsley**

[shinsley@4dmedical.com](mailto:shinsley@4dmedical.com)

[investor.relations@4dmedical.com](mailto:investor.relations@4dmedical.com)

+ 61 401 809 653

### Company Secretary

**Charlene Stahr**

[companysecretary@4dmedical.com](mailto:companysecretary@4dmedical.com)

+ 61 3 9545 5940

### Share Registry

#### Link Market Services

Level 12, 680 George Street

Sydney NSW 2000

Locked Bag A14

Sydney South NSW 1235

P: +61 1300 554 474 (toll free within Australia)

F: +61 2 9287 0303

In addition to the statutory shareholder materials, you can now receive updates via various online channels.

### Visit our news page

For the latest newsletters, presentations and management interviews, visit our news page available at: [4dmedical.com/news](https://4dmedical.com/news)

### Visit our investor centre

Our investor centre is located at:  
[investors.4dmedical.com/Investor-Centre](https://investors.4dmedical.com/Investor-Centre)

### Follow us on social media:

 [@4DMedicalXV](https://twitter.com/4DMedicalXV)

 [4DMedical](https://www.linkedin.com/company/4dmedical)



# Virtual Meeting Online Guide

## Before you begin

Ensure your browser is compatible.  
Check your current browser by going to the website: **[whatismybrowser.com](http://whatismybrowser.com)**

---

Supported browsers are:

- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer 9 and up
- Microsoft Edge - 92.0 and after

**To attend and vote you must have your securityholder number and postcode.**

Appointed Proxy: Your proxy number will be provided by Link before the meeting.

**Please make sure you have this information before proceeding.**

# Virtual Meeting Online Guide



## Step 1

Open your web browser and go to <https://agmlive.link/4DXAGM21>

## Step 2

Log in to the portal using your full name, mobile number, email address, and participant type.

Please read and accept the terms and conditions before clicking on the blue **‘Register and Watch Meeting’** button.

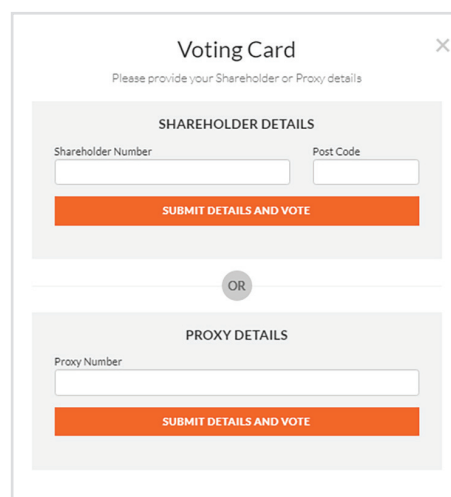
- On the left – a live audio webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for ‘Get a Voting Card’, ‘Ask a Question’ and a list of company documents to download

**Note:** If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

## 1. Get a Voting Card

To register to vote – click on the ‘Get a Voting Card’ button.

This will bring up a box which looks like this.



If you are an individual or joint securityholder you will need to register and provide validation by entering your securityholder number and postcode.

If you are an appointed Proxy, please enter the Proxy Number issued by Link in the PROXY DETAILS section. Then click the **‘SUBMIT DETAILS AND VOTE’** button.

Once you have registered, your voting card will appear with all of the resolutions to be voted on by securityholders at the Meeting (as set out in the Notice of Meeting). You may need to use the scroll bar on the right hand side of the voting card to view all resolutions.

Securityholders and proxies can either submit a Full Vote or Partial Vote.



ABC COMPANY PTY LTD

X123456789

X

Voting Card

Please complete your vote by selecting the required voting instruction (For, Against or Abstain) for each resolution. If you would like complete a partial vote, please specify the number of votes for each resolution in the Partial Vote section. Proxy holder votes will only be applied to discretionary (undirected) votes. Directed votes will be applied as per the Unitholder's voting instructions.

Full Vote

Partial Vote

Resolution 2B

☒ For
 ☐ Against
 ☐ Abstain

RE-ELECTION OF MRL ABC AS A DIRECTOR

Resolution 2C

☒ For
 ☐ Against
 ☐ Abstain

RE-ELECTION OF MS XYZ AS A DIRECTOR

Resolution 3

☒ For
 ☐ Against
 ☐ Abstain

INCREASE TO DIRECTORS' MAXIMUM FEE POOL LIMIT

Resolution 4

☒ For
 ☐ Against
 ☐ Abstain

ADOPTION OF REMUNERATION REPORT

SUBMIT VOTE

## Full Votes

To submit a full vote on a resolution ensure you are in the **'Full Vote'** tab. Place your vote by clicking on the **'For'**, **'Against'**, or **'Abstain'** voting buttons.

## Partial Votes

To submit a partial vote on a resolution ensure you are in the **'Partial Vote'** tab. You can enter the number of votes (for any or all) resolution/s. The total amount of votes that you are entitled to vote for will be listed under each resolution. When you enter the number of votes it will automatically tally how many votes you have left.

**Note:** If you are submitting a partial vote and do not use all of your entitled votes, the un-voted portion will be submitted as No Instruction and therefore will not be counted.

Once you have finished voting on the resolutions scroll down to the bottom of the box and click on the **'Submit Vote'** or **'Submit Partial Vote'** button.

**Note:** You can close your voting card without submitting your vote at any time while voting remains open. Any votes you have already made will be saved for the next time you open up the voting card. The voting card will appear on the bottom left corner of the webpage. The message **'Not yet submitted'** will appear at the bottom of the page.

You can edit your voting card at any point while voting is open by clicking on **'Edit Card'**. This will reopen the voting card with any previous votes made.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time. Please make any changes and submit your voting cards.

Once voting has been closed all submitted voting cards cannot be changed.

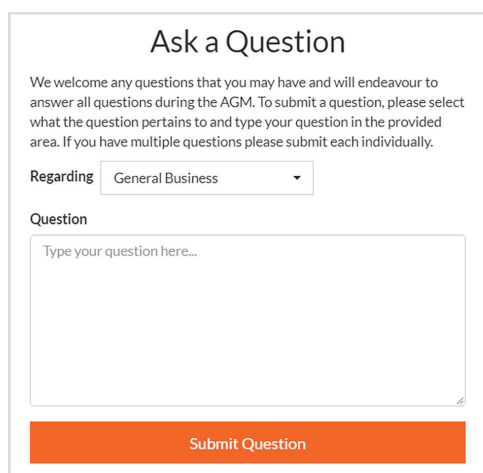
# Virtual Meeting Online Guide *continued*

## 2. How to ask a question

**Note:** Only securityholders are eligible to ask questions.

If you have yet to obtain a voting card, you will prompted to enter your securityholder number or proxy details before you can ask a question. To ask a question, click on the 'Ask a Question' button either at the top or bottom of the webpage.

The '**Ask a Question**' box will then pop up with two sections for completion.



The 'Ask a Question' form is titled 'Ask a Question' and includes a welcome message: 'We welcome any questions that you may have and will endeavour to answer all questions during the AGM. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.' Below this, there is a 'Regarding' section with a dropdown menu currently set to 'General Business'. Underneath is a 'Question' section with a large text area containing the placeholder 'Type your question here...'. At the bottom of the form is an orange button labeled 'Submit Question'.

In the '**Regarding**' section click on the drop down arrow and select the category/resolution for your question.

Click in the '**Question**' section and type your question and click on 'Submit'.

A '**View Questions**' box will appear where you can view your questions at any point. Only you can see the questions you have asked.

If your question has been answered and you would like to exercise your right of reply, you can submit another question.

Note that not all questions are guaranteed to be answered during the Meeting, but we will do our best to address your concerns.



The 'View Questions' box is titled 'View Questions' and includes a message: 'Your submitted questions can be viewed below. We will endeavour to answer all questions during the AGM.' Below this, there is a question card for 'When will the next AGM be held?'. The card indicates it was 'Asked regarding General Business', 'Asked at: 7:18AM', and 'Updated: 7:18AM'. There is a small icon with a plus sign in the top right corner of the card. Below the card is a grey button labeled 'OPEN COMMENTS'. At the bottom of the box is an orange button labeled 'SUBMIT ANOTHER QUESTION'.

## 3. Downloads

View relevant documentation in the Downloads section.

## 4. Voting closing

Voting will end 5 minutes after the close of the Meeting.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide screens advising the remaining voting time. If you have not submitted your vote, you should do so now.



## 5. Phone Participation

### What you will need

- a) Land line or mobile phone
- b) The name and securityholder number of your holding/s
- c) To obtain your unique PIN, please contact Link Market Services on +61 1800 990 363 by 2:00PM (AEDT) on Tuesday, 26 October 2021.

### Joining the Meeting via Phone

#### Step 1

From your land line or mobile device, call:  
Conference Call Number: 1800 577 505  
International Number: +61 2 9189 2002

#### Step 2

You will be greeted with a welcome message and provided with instructions on how to participate in the Meeting. Please listen to the instructions carefully.

At the end of the welcome message you will be asked to provide your PIN by the moderator. This will verify you as a securityholder and allow you to ask a question on the resolutions at the Meeting.

#### Step 3

Once the moderator has verified your details you will be placed into a waiting room where you will hear music playing.

Note: If your holding cannot be verified by the moderator, you will attend the Meeting as a visitor and will not be able to ask a question.

#### Step 4

At the commencement of the Meeting, you will be admitted to the Meeting where you will be able to listen to proceedings.

## Asking a Question

#### Step 1

When the Chairman calls for questions on each resolution, you will be asked to **press \*1 (asterisk 1)** on your keypad should you wish to raise your hand to ask a question.

#### Step 2

Please advise if your question relates to an item of business or General Business. The moderator will make a note and ask if you have any additional questions.

#### Step 3

When it is time to ask your question, the moderator will introduce you to the meeting, your line will be unmuted and you can then start speaking.

Note: If at any time you no longer wish to ask your question, you can lower your hand by **pressing \*2 (asterisk 2)** on your key pad. If you have also joined the Meeting Online, we ask that you mute your laptop, desktop, tablet or mobile device while you ask your question.

#### Step 4

Your line will be muted once your question has been answered.

## Contact us

### Australia

T +61 1800 990 363

E [info@linkmarketservices.com.au](mailto:info@linkmarketservices.com.au)