

MEDICAL DEVELOPMENTS INTERNATIONAL LIMITED

ACN 106 340 667 (ASX code: MVP)

NOTICE OF 2023 ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

Date and Time of Meeting:

27th October 2023 at 9.00am (AEDT)

Place of Meeting:

**The Offices of K&L Gates, Rialto South Tower Level 25,
525 Collins Street, Melbourne, VIC, 3000**

This Meeting will be conducted as a hybrid meeting, being in person at the above venue and virtually via the Computershare platform. Shareholders are strongly encouraged to lodge their completed Proxy Forms in accordance with the instructions in this Notice of Meeting.

In accordance with section 110D(1) of the Corporations Act 2001 the Company will not be sending hard copies of this Notice of Meeting to shareholders unless the Company does not have an email address for a shareholder or a shareholder has requested a hard copy of this Notice or made an election for the purposes of Section 110E of the Corporations Act to receive documents from the Company in physical form. This Notice can be viewed and downloaded from the Company's website at <https://www.medicaldev.com/> or the ASX at www2.asx.com.au

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If you are in doubt as to how to vote on any of the Resolutions, you should seek advice from your accountant, solicitor or other professional adviser without delay.

MEDICAL DEVELOPMENTS INTERNATIONAL LIMITED

ACN 106 340 667

Notice of 2023 Annual General Meeting

Notice is given that a general meeting of the shareholders of Medical Developments International Limited ACN 106 340 667 (Company or MDI) will be held as a hybrid meeting, being physically at the offices of K&L Gates located at Rialto South Tower, Level 25, 525 Collins Street Melbourne, and virtually at the same time, on 27 October 2023 at 9.00 am (AEDT) for the purpose of considering and if thought fit passing the resolutions as stated below.

The Directors encourage Shareholders to participate in the Meeting via either attendance or the online Computershare platform.

While Shareholders will be able to vote online during the Meeting, Shareholders are encouraged to lodge a proxy ahead of the Meeting, even if they are participating online. If you are unable to attend, please lodge your proxy or vote online at www.investorvote.com.au.

As always, we invite Shareholders to submit questions in advance of the Meeting. Questions may be submitted when lodging your proxy at www.investorvote.com.au.

Please note that additional information concerning the proposed resolutions is contained in the Explanatory Memorandum that accompanies and forms part of this Notice of Annual General Meeting. Voting Exclusions to some the following resolutions appear below and are deemed to form part of this Notice.

Financial statements and reports

To receive and consider the financial statements and the reports of the Directors and of the Auditors for the year ended 30 June 2023.

Resolution 1: Adoption of Remuneration Report

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

"That the Remuneration Report for the year ended 30 June 2023 as set out in the Company's Annual Report for the year ended 30 June 2023 be adopted."

Corporations Act voting exclusion re Resolution 1:

The Company will disregard any vote cast on Resolution 1 by, or on behalf of:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the remuneration report; or*
- (b) a closely related party of such a member.*

However, a person (the Voter) described above may cast a vote on the resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or*
- (b) the Voter is the chair of the meeting and the appointment of the chair as proxy:
 - (i) does not specify the way the proxy is to vote on the Resolution; and*
 - (ii) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.**

**Please note that section 250R(3) of the Corporations Act 2001 (Cth) provides that the vote on this resolution is advisory only and does not bind the Directors or the Company*

Resolution 2: Re-election of Ms Christine Emmanuel-Donnelly

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

"That pursuant to the Company's Constitution and for all other purposes, the members of the Company approve the re-election of Ms Christine Emmanuel-Donnelly as a Non-Executive Director of the Company, who pursuant to clause 12.4 of the Company's Constitution is retiring by rotation and being eligible offers herself for re-election."

Resolution 3: Re-election of Ms Mary Sontrop

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

"That pursuant to the Company's Constitution and for all other purposes, the members of the Company approve the re-election of Ms Mary Sontrop as a Non-Executive Director of the Company, who pursuant to clause 12.4 of the Company's Constitution is retiring by rotation and, being eligible, offers herself for re-election."

Resolution 4: Election of Dr Russell Basser

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

"That pursuant to the Company's Constitution and for all other purposes, the members of the Company approve the election of Dr Russell Basser as a Non-Executive Director of the Company, who pursuant to clause 12.6.2 of the Company's Constitution is retiring as a director and, being eligible, offers himself for election"

Resolution 5: Approval of Employee Incentive Scheme

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That the shareholders approve the Company's Employee Incentive Scheme for the purposes of ASX Listing Rule 7.2 Exception 13(b), sections 200B, 200E and 259B(2) of the Corporations Act 2001, and for all other purposes, as laid before the meeting, a copy of which is available for inspection at the registered office of the Company (during normal business hours)."

ASX voting exclusion re Resolution 5:

The Company will disregard any vote cast in favour of Resolution 5 by, or on behalf of:

- (a) any person who is eligible to participate in the Company's Employee Incentive Scheme; or
- (b) an associate of such a member.

However, this does not apply to a vote cast in favour of Resolution 5 by:

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

Resolution 6: Cancellation of CEO Options

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

*"That pursuant to and in accordance with ASX Listing Rule 6.23.2 and 6.23.4 and for all other purposes, Shareholders approve the cancellation of 1,968,704 Options issued to Brent MacGregor on 1 November 2020 (**CEO Options**) and in their place procure a transfer to Brent MacGregor of Shares equivalent in value to his FY23 STI (\$109,725) bought on market on behalf of Mr MacGregor (**New Shares**) using funds provided by the Company on the terms and conditions stated in the Explanatory Memorandum which accompanies this Notice of Meeting."*

ASX voting exclusion re Resolution 6:

The Company will disregard any vote cast in favour of Resolution 6 by, or on behalf of:

- (a) *Brent MacGregor and any other person who holds any CEO Options; or*
- (b) *an associate of such a members.*

However, this does not apply to a vote cast in favour of Resolution 6 by:

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

A vote on Resolution 6 must not be cast, and the Company will disregard any votes cast on this Resolution 6

- (a) *by or on behalf of a member of the Company's key management personnel as whose remuneration is disclosed in the Remuneration Report (Key Management Personnel):and*
- (b) *by or on behalf of a Closely Related Party of a member of the Key Management Personnel (each a KMP) appointed as a proxy to vote on this Resolution 6 and the appointment does not specify the way the proxy is to vote on Resolution 6..*

However, the Company will not disregard a vote if:

- (c) *it is cast by the Chair of the Meeting, and*
- (d) *the proxy expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.*

By order of the Board

Ms Tara Eaton
Company Secretary
25 September 2023

VOTING ENTITLEMENT NOTICE

1. Entitlement to vote

For the purposes of the Meeting, the Company has determined that in accordance with regulation 7.11.37 of the Corporations Regulations, shares will be taken to be held by the persons registered as holders at 9.00am (AEDT) on 25 October 2023. Accordingly, transfers registered after that time will be disregarded in determining entitlements to vote at the Meeting.

2. Voting at the meeting

You may vote as a Shareholder by attending the Meeting, by proxy, attorney or authorized representative. Shareholders also have the option to lodge their proxy or vote directly online at www.investorvote.com.au. We strongly encourage that all Shareholders plan to vote online by proxy and participate in the Meeting.

(a) Jointly held Shares

If more than one Shareholder votes in respect of jointly held Shares, only the vote of the Shareholder whose name appears first in the share register will be counted whether the vote is given personally, by attorney or proxy.

(b) Voting in person

Shareholders wishing to vote, or their attorneys or in the case of a Shareholder or proxy which is a corporation, corporate representatives, must attend the Meeting in person at the above described venue to be held at 9.00am (AEDT) on 27 October 2023. Participants should attend 15 minutes prior to the time designated for the commencement of the Meeting to register and to obtain a voting card.

(c) Shareholder online voting and asking questions

Shareholders can submit questions in relation to the business of the Meeting and vote on the Resolutions in real time during the Meeting via the online Computershare platform.

Shareholders participating in the Meeting using the online Computershare platform will be able to vote between the commencement of the Meeting and the closure of voting as announced by the Chair during the Meeting.

By participating in the Meeting online you will be able to:

- view the Meeting slides and hear the commentary;
- submit questions at the appropriate time whilst the Meeting is in progress; and
- vote during the Meeting.

Instructions on how to log on to ask questions during the Meeting are outlined below. Note, only Shareholders may ask questions online and only once they have been verified. It may not be possible to respond to all questions raised during the Meeting. Shareholders are therefore encouraged to lodge questions prior to the AGM.

If you choose to participate in the Meeting online, registration will open at 8am (AEDT) on Friday 27 October 2023.

To participate in the Meeting online, you can log in to the Meeting by the below URL in your browser or mobile device:

<https://meetnow.global/M6ASUF5>

Once there, Shareholders will need the following information to participate in the AGM in real-time:

1. your username, which is your SRN/HIN; and
2. your password, which is the postcode registered to your holding if you are an Australian Shareholder.

Overseas Shareholders should refer to the Online Meeting Guide (link below) for their password details. Assistance with online registration for the Meeting will be open from 8am (AEDT) by calling Computershare Investor Services on +61 3 9415 4024.

Computershare Investor Services will also provide a unique email link to appointed proxy holders using this same telephone number.

(d) Voting by proxy

Shareholders wishing to appoint a proxy to vote on their behalf at the Meeting must either complete and sign or validly authenticate the personalised Proxy Form which accompanies this Notice of Meeting or lodge their proxy online at www.investorvote.com.au. A person appointed as a proxy may be an individual or a body corporate.

A proxy need not be a Shareholder.

If you appoint a proxy and subsequently wish to attend the meeting yourself, the proxy will retain your vote and you will be unable to vote yourself unless you notify the registrar of the revocation of your proxy appointment before the commencement of the Meeting. You may notify the registrar by calling 1300 850 505 (within Australia) or +61 3 9415 4000 (overseas).

If a proxy appointment is signed by a Shareholder but does not name the proxy or proxies in whose favour it is given, the Chairman will act as proxy.

You are entitled to appoint up to two proxies to participate in the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy you must specify the names of each proxy and the percentage of votes or number of securities for each proxy on the Proxy Form. Replacement Proxy Forms can also be obtained from the Share Registry.

If you hold Shares jointly with one or more other persons, in order for your proxy appointment to be valid, each of you must sign the Proxy Form.

Completed Proxy Forms must be delivered to the Share Registry by 9.00am (AEDT) on 25 October 2023 in any of the following ways:

- (i) Online** Shareholders have the option to appoint their proxy online at www.investorvote.com.au by following the instructions on that website. Online appointments of proxies must be done by 9.00am (AEDT) on 25 October 2023. You will need a specific six digit Control Number to vote online. This number is located on the front of your letter.

Note - votes submitted through this site must be received by 9.00am (AEDT) Wednesday 25 October 2023

- (ii) By mail** to the Share Registry:
Medical Developments International Limited
C/- Computershare Investor Services Pty Limited
GPO Box 242, Melbourne, Victoria 3001

- (iii) By Hand:**
C/- Computershare Investor Services Pty Limited
452 Johnston Street, Abbotsford, Victoria 3067

(iv) By Fax:
C/- Computershare Investor Services Pty Limited
+61 3 9473 2555

(e) Undirected proxies

If a Shareholder nominates the chairman of the Meeting as that Shareholder's proxy, the person acting as chairman of the Meeting must act as proxy under the appointment in respect of any or all items of business to be considered at the Meeting.

If a proxy appointment is signed or validly authenticated by that Shareholder but does not name the proxy or proxies in whose favour it is given, the Chairman of the Meeting will act as proxy in respect of any or all items of business to be considered at the Meeting.

Proxy appointments in favour of the Chairman of the Meeting, the Company Secretary or any Director which do not contain a direction as to how to vote will be voted in favour of the resolution at the Meeting.

The Chairman intends to vote undirected proxies of which the chair is appointed as proxy in favour of the resolutions.

(f) Voting by attorney

If you wish to appoint an attorney to vote at the Meeting, the original or a certified copy of the power of attorney under which the attorney has been appointed must be received by the Share Registry no later than 9.00am (AEDT) on 25 October 2023 (or if the Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Meeting in relation to the resumed part of the Meeting).

Any power of attorney granted by a Shareholder will, as between the Company and that Shareholder, continue in force and may be acted on, unless express notice in writing of its revocation or the death of the relevant Shareholder is lodged with the Company.

Your appointment of an attorney does not preclude you from logging in online and participating and voting at the Meeting. The appointment of your attorney is not revoked merely by your participation and taking part in the Meeting, but if you vote on a resolution, the attorney is not entitled to vote, and must not vote, as your attorney on that resolution.

(g) Voting by corporate representative

To vote by corporate representative at the Meeting, a Shareholder or proxy who is a corporation should obtain a Certificate of Appointment of Corporate Representative from the Share Registry, complete and sign the form in accordance with the instructions on it. The completed appointment form should be lodged with the Share Registry before 9.00am (AEDT) on 25 October 2023.

The appointment of a representative may set out restrictions on the representative's powers. The appointment must comply with section 250D of the Corporations Act.

The original Certificate of Appointment of Corporate Representative, a certified copy of the Certificate of Appointment of Corporate Representative, or a certificate of the body corporate evidencing the appointment of a representative is prima facie evidence of a representative having been appointed.

(h) Custodian Voting

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

MEDICAL DEVELOPMENTS INTERNATIONAL LIMITED

ACN 106 340 667 (ASX code: MVP)

Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting of Shareholders to be held in person at Rialto South Tower Level 25, 525 Collins Street Melbourne and virtually via the online Computershare platform at 9.00am (AEDT) on 27 October 2023 (**Meeting**).

Accounts and Reports

The Corporations Act requires the Company to provide before the Annual General Meeting, the Financial Report, Directors' report (including the Remuneration Report) and the Auditor's Report for the financial year ended 30 June 2023.

Shareholders will be offered the opportunity to discuss the Financial Report, Directors' Report and Auditor's Report at the Meeting. Copies of these reports can be found on the Company's website <https://www.medicaldev.com/>.

There is no requirement for Shareholders to approve the Financial Report, Directors' Report and Auditor's Report. Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report for the financial year ended 30 June 2023;
- (b) ask questions or make comments on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and preparation and content of the Auditor's Report.

In addition to taking questions at the Annual General Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Annual General Meeting to the Company Secretary at the Company's registered office.

1. Resolution 1: Adoption of Remuneration Report

1.1 Background - Corporations Act

Under the Corporations Act, listed entities are required to put to the vote a resolution that the Remuneration Report section of the Directors' Report be adopted. This Remuneration Report can be found in the Company's 2023 Annual Report. It sets out a range of matters relating to the remuneration of Directors and senior executives of the Company.

A vote on this resolution is advisory only and does not bind the Directors or the Company. A copy of the Company's 2023 Annual Report can be found on its website at <https://www.medicaldev.com/>.

The Corporations Act provides that:

- (a) members of the Key Management Personnel whose remuneration details are included in the Remuneration Report (and any closely related party of those members) are not permitted to vote on a resolution to approve the Remuneration Report, and
- (b) if the vote to approve the Remuneration Report receives a “no” vote by at least 25% of the votes cast, this will constitute a “first strike”.

The Company's current “strike” count is zero. If a “first strike” was to occur at this 2023 Annual General Meeting:

- (c) the Company's subsequent Remuneration Report (in other words, the Company's Remuneration Report to be included in the 2024 Annual Report) must include an explanation of the Board's proposed action in response to a 2023 “no vote” or an explanation of why no action has been taken; and
- (d) if the Company's subsequent (i.e. 2024) Remuneration Report also receives a “no vote” at the 2024 Annual General Meeting of at least 25% of the votes cast, then Shareholders at the 2024 Annual General Meeting will be asked (at that 2024 Annual General Meeting) to vote on whether or not the Company is to hold another general Shareholder's meeting (within the following 90 days) to vote on a “spill resolution” under section 250V of the Corporations Act.

1.2 Board Recommendation

As set out in the Notice of Meeting, any member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, together with a closely related party of those members, are excluded from casting a vote on Resolution 1.

Accordingly, the Board abstains from making a recommendation in relation to Resolution 1. The Chairman intends to exercise all undirected proxies in favour of Resolution 1.

2. Resolution 2: Re-election of Ms Christine Emmanuel-Donnelly

2.1 Background

Clause 12.4 of the Company's Constitution provides that no Director may hold office for a period in excess of 3 years, or beyond the third annual general meeting following the Director's election, whichever is the longer, without submitting themselves for re-election. It also provides that one third of the Company's directors must retire at each annual general meeting and, if eligible, may stand for re-election.

Ms Christine Emmanuel-Donnelly was re-elected as a Non-Executive Director on 28 October 2020 and being the longest serving director in office retires at this AGM, and being eligible, offers herself for re-election.

Ms Emmanuel-Donnelly is an experienced IP and business development professional having 35 years' experience locally and internationally. Ms Emmanuel-Donnelly is a former Executive Manager of Business Development and Commercial at the CSIRO, where she led the management of CSIRO's IP team and IP portfolio for 14 years and managed the CSIRO equity portfolio for over 5 years. Prior to this role, Ms Emmanuel-Donnelly was in-house IP Counsel for Unilever in the UK and practised as a patent and trademark attorney for Wilson Gunn (UK), Davies Collison Cave and Griffith Hack in Melbourne.

Ms Emmanuel-Donnelly is also currently non-executive director of Polynovo Ltd, Pikcha Holdings Ltd, trading as Seminal, and on the Life Sciences Council of SBE Australia. She was previously Vice President of the Institute of Patent & Trademarks Attorneys of Australia for over 2 years, having been on that board since 2010.

2.2 Board Recommendation

The Directors (other than Ms Christine Emmanuel-Donnelly, who abstains from providing a recommendation given her interest in the outcome of the resolution) recommend that Shareholders

vote in favour of this Resolution 2. The Chairman intends to exercise all undirected proxies in favour of Resolution 2.

3. Resolution 3: Re-election of Mary Sontrop

3.1 Background

The background for this resolution is the same as described in section 2.1 above. Clause 13.3 of the Company's Constitution provides that no Director may hold office for a period in excess of 3 years, or beyond the third annual general meeting following the Director's election, whichever is the longer, without submitting themselves for re-election.

Ms Sontrop was re-elected as a Non-Executive Director on 29 October 2021 and being one of the next longest serving directors in office retires (as determined by ballot amongst other directors last appointed at the same time) at this AGM, and being eligible, offers herself for re-election.

Ms Sontrop has extensive international experience in the biopharmaceutical sector across manufacturing operations, quality, and business integration. During her 28 years with CSL Limited (ASX: CSL), Ms Sontrop was an integral part of CSL's globalisation through a series of major acquisitions. This included primary responsibility for the turnaround of unprofitable manufacturing operations. Subsequently as head of global plasma manufacturing, Ms Sontrop delivered a globally integrated manufacturing network spanning four countries. As head of CSL's Australia and New Zealand pharmaceutical business, Mary and her team delivered Australia's most successful adolescent/adult immunisation program and achieved USFDA (US Food & Drug Administration) approval to manufacture and export CSL's seasonal and pandemic influenza vaccines.

Ms Sontrop holds a Bachelor of Applied Science, Graduate Diplomas in Quality Management and Administration (Health) and a Master of Business Administration. Ms Sontrop is an experienced non-executive director (previously on the board of IDT Australia Ltd (ASX: IDT)) and a Graduate of the Australian Institute of Company Directors. She also has significant international governance experience.

3.2 Board Recommendation

The Directors of the Company (other than Ms Sontrop, who abstains from providing a recommendation given her interest in the outcome of the resolution) believe that Resolution 3 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution 3. The Chairman intends to exercise all undirected proxies in favour of Resolution 3.

4. Resolution 4: Election of Dr Russell Basser

4.1 Background

Dr Russell Basser was appointed to the Board as an additional director on 1 September 2023. Pursuant to Clause 12.6.2. of the Company's constitution, Dr Basser resigns as a director and being eligible puts himself forward for election as a director.

The Board considers that, if Dr Basser is elected, that he would be considered an independent non-executive director and of significant benefit to the Company.

Dr Basser is a qualified physician, with over 30 years of international medical and biopharmaceutical experience. Dr Basser's prior medical appointments include Associate Professor with the Royal Melbourne and Medical Oncologist with Western Hospitals. He also has substantial expertise in international drug and vaccine development, having held multiple global executive roles in medical and clinical fields at CSL, including several years based in the USA.

Dr Basser currently serves as a non-executive director on the boards of Starpharma Holdings Limited and Doherty Clinical Trials. He has previously served on the boards of the ANZ Breast Cancer Trials Group and the Hadassah Australia Medical Research Collaboration.

4.2 Board Recommendation

The Directors of the Company (other than Dr. Bassler, who abstains from providing a recommendation given his interest in the outcome of the resolution) believe that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution 4. The Chairman intends to exercise all undirected proxies in favour of Resolution 4.

5. Resolution 5: Approval of Employee Incentive Scheme

5.1 Background

The Board remains committed to incentivising and retaining all the Company's Directors, employees and consultants in a manner which promotes alignment of their interests with shareholder interests, whilst at the same time offering eligible participants market-competitive remuneration arrangements.

During FY23, the Human Resources Committee has overseen a major overhaul of the executive compensation system to more strongly align company executive remuneration practices with the delivery of long-term strategy and shareholder interests. This includes a new short-term incentive plan (STI), which rewards employees on the delivery of both individual objectives and overall business performance. In addition, a new long term incentive plan (LTI) is linked to the achievement of share price growth over three years. These plans replaced all historic plans and were effective for FY23. They were offered to the CFO and select senior managers (excluding the CEO). The Employee Incentive Scheme sets out the conditions for these revisions. As set out in the explanatory memorandum to Resolution 6, a major change to the CEO's compensation structure was agreed to take effect for FY24, subject to shareholder approval now being sought.

The Company desires to maintain maximum placement capacity accordance with ASX Listing Rule 7.1, without seeking prior shareholder approval, and to have the flexibility to be able to issue a range of employee incentives, recognising that different types incentives may suit different employees at different times and under different circumstances. On 15 December 2022 the Board adopted one overall employee incentive plan, an Employee Incentive Scheme as contained within the Omnibus Employee Incentive Rules (**Rules**), that will allow the Board the discretion to choose between offering eligible participants incentives referred to in that Rules, including options, shares, loan funded shares, performance rights, deferred shares and exempt shares. Once approved, any securities issued pursuant to the rules will not reduce the Company's capacity under Listing Rule 7.1.

An overarching summary of the Rules is set out in Schedule 1 to these Explanatory Notes. More detailed summaries of particular components of the Rules are contained in Schedules 1.1, 1.2 and 1.3.

The Directors abstain from making a recommendation on Resolution 5 as they are eligible to participate in the rules and therefore have a potential personal interest in the matter. The Chairman intends to vote undirected proxies in favour of this resolution.

If this Resolution 5 is not approved by Shareholders then the Company will still be able to issue securities under the Rules, but the Company will not be able to:

- (a) provide any termination benefits in relation to those securities (see discussion on Section 200B Corporations Act below); or
- (b) take security over such securities (see discussion on Section 259B(2) Corporations Act below);

and each security issued under the Rules will be need to be issued out of the Company's existing Listing Rule 7.1 capacity, and only if the Company has capacity available under Listing Rule 7.1. Please refer to further discussion of Listing Rule 7.1 below.

5.2 ASX Listing Rules

Listing Rule 7.1 requires shareholder approval for an issue of equity securities if, over a rolling 12 month period, the amount of equity securities issued (without prior shareholder approval) is or would be more

than 15% of the number of ordinary shares on issue at the start of that 12 month period.

Listing Rule 7.2 exception 13(b) provides that an issue of securities under an employee incentive scheme does not detract from the available 15% limit under Listing Rule 7.1 if the issue of securities is made under an employee incentive scheme and that employee incentive scheme was approved by shareholders no more than three years before the date of issue of the securities. The rules are regarded as an employee incentive scheme for the purposes of Listing Rule 7.2 and this Resolution 5 seeks Shareholder approval for the rules to meet the 3 year approval requirement.

The Company intends that any issue of securities under the rules does not detract from the Company's Listing Rule 7.1 15% entitlement. Accordingly, it is seeking Shareholder approval in order for the Company to be able to issue securities pursuant to the rules and have those securities qualify under exception 13(b) to Listing Rule 7.2.

5.3 Information required for Listing Rule 7.2 Exception 13(b)

Listing Rule 7.2 Exception 13(b) requires the information detailed in sections (a), (b) and (c) below to be provided to members for approval under this resolution:

(a) *Summary of terms of rules*

A summary of the general terms of the rules appears in Schedule 1, with further summaries of components of the Rules contained in Schedules 1.1, 1.2 and 1.3.

(b) *Number of securities issued under the rules*

The Company has issued 475,990 securities pursuant to the rules since the Board approval of the rules.

(c) *The Maximum number of securities proposed to be issued under the rules*

The aggregate number of securities (including Options, each exercisable into 1 Share), which may be issued under the rules, together with all securities which may be issued under all other employee incentive schemes, shall not at any time exceed 10% of the total number of issued Shares in the Company.

(d) *voting exclusion statement*

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

5.4 Termination benefits under the rules

Section 200B of the Corporations Act requires shareholder approval by ordinary resolution, and in accordance with the special provisions of s 200E of the Act, in order to access the exemption from the prohibition on a company giving a person a benefit in connection with that person's retirement from an office or position of employment in that company where that person is, or was in the three years prior to his or her retirement, in a managerial or executive office in that company.

The rules allows the Board, in its discretion, to accelerate vesting of share entitlements on a retirement, which could constitute a benefit otherwise prohibited under Section 200B. In order to give the Board flexibility to exercise its discretions under the Rules to the extent that an acceleration of vesting could be regarded as providing a person a benefit in connection with that person's retirement from an office or position of employment (**Employment Retirement Benefit**), shareholder approval for the purposes of sections 200B and 200E of the Corporations Act 2001 is being sought.

For a section 200B benefit to be allowed, section 200E requires that this Notice of Meeting provide shareholders with either the value of the proposed benefits or, where the value of the proposed benefits cannot currently be ascertained, the manner in which the value of the proposed benefits is calculated, and the matters, events and circumstances that will, or are will likely to, affect the calculation of the value.

(a) *Value of termination benefits*

The Board has not determined that it will exercise discretion to grant any Employment Retirement Benefits. In the circumstances of a possible Employment Retirement Benefit, the value of the benefits that the Board may give under the rules cannot be determined in advance, as many of the factors that will or are likely to affect that value will not be known until the time the benefit is decided to be awarded (if at all).

Specifically, the value of an Employment Retirement Benefits will depend on a number of factors, including the Company's share price at the time.

(b) *Further voting restrictions*

Insofar as Resolution 5 could relate to the provision of an Employment Retirement Benefit, in accordance with the Corporations Act, a vote on Resolution 5 must not be cast (in any capacity) by or on behalf of any person who may be entitled to receive a benefit in connection with that person's retirement from a managerial or executive office in the Company (or any related body corporate), or an associate of that person. However, a person is entitled to cast a vote if:

- (i) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the resolution; and
- (ii) it is not cast on behalf of that person or an associate of that person.

As at the date of this Notice, the Board has not identified any particular person to receive a benefit in connection with that person's retirement from a managerial or executive office in the Company.

5.5 Loans for and security over Shares

Section 259B(2) of the Corporations Act permits a Company to take security over its own shares issued pursuant to an employee share scheme under certain conditions, including where prior shareholder approval of the employee share scheme has been obtained. Accordingly, the Company is seeking shareholder approval under Resolution 5 in respect of the operation of section 259B(2) of the Corporations Act, for circumstances where the Company elects to provide an employee assistance in the acquisition of shares in itself, such as providing a loan for the exercise of Rules Options under the rules, and takes security over its own shares for repayment of the loan.

Section 260A of the Corporations Act allows only limited circumstances under which a company may provide financial assistance for the acquisition of shares in itself without obtaining prior shareholder approval, including pursuant to Section 260A(1) the giving of the assistance which does not materially prejudice (i) the interests of the company or its shareholders, or (ii) the company's ability to pay its creditors. The Board is of the view that the Section 260A(1) exemption is applicable, and at the relevant times will be applicable, to any loans that may be granted for the exercise of Rules securities under the rules. Accordingly the Company will not be seeking shareholder approval with respect to Section 260A of the Corporations Act.

5.6 Recommendation

The Directors abstain from making a recommendation on Resolution 5 as they are eligible to participate in issues under the rules and therefore have a potential personal interest in the matter. The Chairman intends to vote undirected proxies in favour of this resolution.

6. Resolution 6 – Approval to cancel 1,968,704 Options in return for transfer of shares.

6.1 Background

The Company issued to Brent MacGregor, the Company's Chief Executive Officer, 1,968,704 options to purchase Shares upon the terms described in Schedule 2 on 1 November 2020 (CEO Options).

As foreshadowed in the FY22 report, the Company's Human Resources Committee has overseen a major

overhaul of the Company's executive compensation system to more strongly align company executive remuneration practices with the delivery of long-term strategy and shareholder interests. Building off the FY23 work, a major change to the CEO's compensation structure was agreed to take effect for FY24, subject to shareholder approval. The overarching objectives of the change are:

- Maintain the current fixed annual remuneration for the CEO.
- Bring the at-risk components of the CEO's remuneration structure into alignment with the rest of the executive team and expectations of shareholders.
- More strongly align the CEO's compensation with the interests of shareholders.

It is now proposed that the CEO Options be cancelled (by agreement with Mr MacGregor) in return for the transfer to Mr MacGregor (without payment by Mr MacGregor) of shares equivalent in value to his FY23 STI (\$109,725) (New Shares) to be purchased by the Company's Share Registry, on the ASX, on behalf of Mr MacGregor. The New Shares will be bought on market using Company funds within 3 months after Shareholder approval of this Resolution 6 using a 20-day Volume Weighted Average Price following the Annual General Meeting. The New Shares will be subject to a holding lock by the Share Registry for a one year period. Based on share price as at 19 September, the Board estimates the number of the New Shares to be 100,947.

Listing Rule 6.23.2 requires that a change to the term of Options which has the effect of cancelling an option for consideration (such as the proposed cancellation of the CEO Options and the transfer of the New Shares) can only be made if holders of ordinary shares approve the change. In addition, given the proposed cancellation was not a term on which the CEO Options were issued, shareholder approval is also required under Listing Rule 6.23.4 to change the terms of the CEO Options. If approval is granted, the Board will be able to cancel the 1,968,704 CEO Options and procure the transfer of the New Shares to Mr MacGregor, as described above.

If this Resolution 6 is not passed, the CEO Options will not be cancelled and the New Shares will not be purchased on market on behalf of, nor transferred to, Mr MacGregor.

The Board believes that the CEO Option cancellation and transfer of the New Shares is appropriate, for the reasons set out in the FY23 remuneration report.

6.2 Recommendation for Resolution 6

The Directors of the Company believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution 6. The Chairman intends to exercise all undirected proxies in favour of Resolution 6.

7. Further information

The Directors are not aware of any other information which is relevant to the consideration by members of the proposed Resolutions set out in this Notice of Meeting.

The Directors recommend members read this Explanatory Memorandum in full and, if desired, seek advice from their own independent financial or legal adviser as to the effect of the proposed resolutions before making any decision in relation to the proposed Resolutions.

Glossary

Definitions

The following definitions are used in the Notice of Meeting and the Explanatory Memorandum:

Annual General Meeting / AGM means the annual general meeting of the Company to be held as a hybrid meeting, being physically at the offices of K&L Gates, located at Rialto South Tower Level 25, 525 Collins Street Melbourne and virtually using the Computershare platform on 27 October 2023 at 9.00am pursuant to the Notice of Meeting.

ASX means ASX Limited ACN 008 624 691.

ASX Listing Rules or **Listing Rules** means the Listing Rules of the ASX as amended from time to time.

Board means the board of Directors of the Company.

CEO Options has the meaning as provided in section 6.1 of this Explanatory Memorandum.

Closely Related Party has the meaning as provided in the Corporations Act.

Company means Medical Developments International Limited ACN 106 340 667.

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

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum attached to this Notice.

Key Management Personnel or **KMP** means the key personnel as disclosed in the Remuneration Report.

Meeting means the annual general meeting subject to this Notice.

Notice of Meeting or **Notice** means this notice of Annual General Meeting.

Option means an option to purchase a Share.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report of the Company for the year ended 30 June 2023 as set out in the Company's Annual Report for the year ended 30 June 2023.

Resolution means the resolutions referred to in the Notice of Meeting.

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

Share Registry means Computershare Investor Services Pty Limited

Shareholder means a holder of a Share.

Schedule 1 - General Employee Incentive Rules

A summary of the terms of each of the constituent awards under the Employee Incentive Rules (**Rules**) is as follows:

Only those Employees, Directors and Contractors of the Company invited by the Board, in its absolute discretion, to apply for Awards will be eligible to participate (**Eligible Participants**).

Types of Award

The Rules allow for the following Awards to be offered by the Board to Eligible Participants:

- (a) a **Loan Share**, by which the Company may provide an Acquisition Loan in relation to Loan Shares by making a loan to a Participant on the terms set out in an Offer and in the Rules - refer Schedule 1.1 below for further detail;
- (b) an **Option** - a right to acquire a newly issued Share in the Company subject to achievement of specified vesting conditions and payment of the relevant exercise price - refer Schedule 1.2 below for further detail;
- (c) a **Performance Right** to acquire a Share issued in the Company subject to achievement of the specific performance-based vesting conditions - refer Schedule 1.3 below for further detail;
- (d) a **Deferred Share Award**, which are Shares issued to Eligible Participants:
 - (i) who elect to receive Shares in lieu of any wages, salary, director's fees, or other remuneration; or
 - (ii) by the Company in its discretion, in addition to their wages, salary and remuneration, or in lieu of any discretionary cash bonus or other incentive payment; or
- (e) an **Exempt Share Award** may be offered, which are Shares issued for no consideration or at an Issue Price which is a discount to the Market Price with the intention that up to \$1,000 (or such other amount which is exempted from tax under the Tax Act from time to time) of the total value or discount received by each Eligible Participant will be exempt from tax.

A **Restricted Award** is an Award or a Share issued on exercise of an Award in respect of which a restriction applies under these rules. A Participant must not sell, transfer, grant a Security Interest over or otherwise dispose of any Restricted Awards, or agree to do any of those things, during the Restriction Period. Without limiting its discretions under the Rules, the Board may at any time in its discretion waive or shorten the Restriction Period applicable to an Award.

Offer Letters

Awards will be issued to Eligible Participants that accept the terms of offer outlined in the letter of offer (**Offer Letter**). Participation in the Rules is voluntary. The Offer Letter will detail the following terms (where appropriate):

- (a) Type of Award to be offered (e.g. Options, Performance rights, etc.);
- (b) Number of Awards to be offered;
- (c) Exercise period, which will include details of the vesting date or dates and the expiry date;
- (d) Exercise price or issue price;
- (e) Vesting performance conditions such as the achievement of a particular performance target;
- (f) Vesting Conditions, such as the requirement to remain a permanent employee;
- (g) Disposal restrictions;
- (h) Award expiry date, being the date that the terms of offer expire;

- (i) any other terms or conditions that the Board decides to include; and
- (j) any other matters required to be specified in the Offer by either the Corporations Act or the Listing Rules.

Exercising an Award

Exercising the Award is done by providing the Company with a Notice of Exercise stating the number of Award units to be exercised, and if required, accompanied by payment of the Exercise Price or acceptance of a loan agreement with the Company, to fund the Exercise Price.

Once a Participant has exercised a vested Award (including payment of the Exercise Price where required), the Company will issue new Shares to the Participant. If the Company has provided a loan to the Participant to fund the exercise price, the shares will be issued with disposal restrictions.

General Provisions

A Holder cannot vote in respect of Options and Performance Rights held under the Rules. Holders can vote in respect of Shares acquired under the Rules, including upon the exercise of vested Options and Performance Rights.

Subject to further detail below, in general:

- (a) Deferred Share Awards

Unless a different Restriction Period is specified in an Offer, the Restriction Period for Deferred Share Awards will expire on the earlier of:

- (i) when a Participant ceases to be an Eligible Participant;
- (ii) when the Board, in its discretion, agrees to end the Restriction Period; and
- (iii) 10 years from the date of issue of the Shares.

- (b) Exempt Share Awards

Unless a different Restriction Period is specified in an Offer, the Restriction Period for Exempt Share Awards will expire on the earlier of:

- (i) three years from the date of issue of the Shares; and
- (ii) the time when a Participant ceases to be an Eligible Participant.

The Company will offer Exempt Share Awards on a non-discriminatory basis as defined by section 83A-35(6) of the Tax Act.

Dilution Limit

An Offer of Awards must not be made if the total of the following:

- (a) the number of Shares which are the subject of the Offer of Awards;
- (b) the total number of Shares which are the subject of any outstanding Offers of Awards;
- (c) the total number of Shares issued during the previous five years under these Rules or any other employee share scheme extended only to Eligible Participants of the Company (adjusted if necessary in each case for capital reorganisations), but not including existing Shares transferred to a Participant after having been acquired for that purpose; and
- (d) the total number of Shares which would be issued under all outstanding Awards that have been granted but which have not yet been exercised, terminated or expired, assuming all such Awards were exercised and ignoring any Vesting Conditions,

but disregarding any Offer made, or Award offered or issued, or Share issued by way of or as a result of:

- (e) an offer to a person situated outside Australia at the time of receipt of the offer;
- (f) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- (g) of offer made under a disclosure document as defined in the Corporations Act,

would exceed 10% of the number of Shares on issue at the time of the Offer.

Good Leaver / Leaver for any Awards

Where a Participant ceases to be employed by the Company or any of its subsidiaries for any reason the Board may in its absolute discretion determine that Participant as a "Good Leaver" and where the Board makes no determination within 30 days of the Participant ceasing employment, that Participant will be deemed to be a "Leaver".

Where an Eligible Participant's employment with the Company or its subsidiaries ceases for any reason and that Eligible Participant has received an Award under these rules, then:

- (a) if that Eligible Participant is a Good Leaver:
 - (i) the employee may continue to hold their vested Awards and may be able to exercise them in accordance with the terms of the Award, and
 - (ii) their unvested Awards lapse on the date of their termination,
- (b) if that employee is not a Good Leaver, then their vested and unvested Awards immediately lapse on the date of their termination (other than a vested STI Award which the employee may continue to hold and exercise in accordance with the terms of the STI Award),

unless the Board, in its sole discretion, determines otherwise in writing.

Default Vesting Conditions

The Awards held by a Participant will vest in and only become exercisable by that Participant upon the satisfaction of any Vesting Conditions specified in the Offer and in accordance with these Rules. Vesting Conditions may be waived at the absolute discretion of the Board (unless such waiver is excluded by the terms of the Award). If Vesting Conditions or other vesting events are not specified in an Offer and the Offer does not expressly state to the effect that no vesting conditions apply, the following Vesting Conditions apply to any Awards offered under the rules:

- (a) the Awards (other than in respect of an Award in the nature of an STI) vest in equal one-third tranches on the first, second, and third anniversaries of the grant date of the Awards (or of another date specified in the Offer for this purpose); and
- (b) at the time of vesting, the Participant must either:
 - (i) remain employed with a Company Group Member, continue to provide consulting services to a Company Group Member or act as a director of a Company Group Member (as applicable); or
 - (ii) ceased before the applicable vesting date in circumstances where the person was a Good Leaver (in which case the above Good Leaver / Leaver provisions apply).

If vesting conditions or other vesting events are not specified in an Offer and the Offer does not expressly state to the effect that no vesting conditions apply, the following Vesting Conditions apply to any Options, Performance Rights or Loan Shares offered under the Rules:

- (a) the Awards only vest if at the applicable vesting date the Participant either:
 - (i) remains employed with a Company Group Member, continues to provide consulting services to a Company Group Member or acts as a director of a Company Group Member (as applicable); or

- (ii) ceased to do so before the applicable vesting date in circumstances where the person was a Good Leaver; and
- (b) the Awards vest in equal one-third tranches on the first, second, and third anniversaries of the grant date of the Awards (or of another date specified in the Offer for this purpose).

Where, for the purposes of the Rules:

“Good Leaver” means a Participant who ceases to be employed by, contracted by, or a director of, a Company Group Member and the Board in its discretion designates as a “Good Leaver” where the Board in making its determination may consider the following factors::

- (a) total or permanent disablement, or an illness which persists for at least 3 months, which in either case prevents the person from carrying out their previous functions as an employee, contractor or director;
- (b) genuine redundancy;
- (c) Retirement;
- (d) death; or
- (e) any other factors determined by the Board in its discretion to constitute sufficient reason to treat the person as a Good Leaver;

provided that the Participant has not committed a material breach of their employment contract or obligations during their employment or engagement with the Company Group.

“Leaver” means a person who has ceased to be employed or engaged by the Company or its subsidiary, in circumstances where they are not a Good Leaver;

Takeovers and control transactions

If a takeover bid is made to acquire all of the issued Shares of the Company, or a scheme of arrangement, selective capital reduction or other transaction is initiated which has an effect similar to a full takeover bid for Shares in the Company, then Participants are entitled to accept the takeover bid or participate in the other transaction in respect of all or part of their Awards, other than Exempt Share Awards, notwithstanding that a restriction period in respect of such Awards has not expired. The Board may, in its discretion, waive unsatisfied vesting conditions in relation to some or all Awards in the event of such a takeover or other transaction.

Ranking

Shares allotted under or on the exercise of an Award will rank equally in all respects with the then existing issued ordinary fully paid shares in the capital of the Company (except to the extent any such Shares are subject to a restriction agreement upon issue or in respect to any dividends which shall have been declared but not yet distributed before the actual exercise of an Option) and will be subject to the provisions of the Constitution of the Company.

Quotation

If the Company is Listed, then as soon as practicable after the date of the allotment of Shares, the Company will, unless the Board otherwise resolves, apply for official quotation of such Shares on the ASX.

Trustee

The Company may appoint a trustee on terms and conditions which it considers appropriate to acquire and hold Shares, options, or other securities of the Company either on behalf of Participants or for the purposes of the Rules.

Takeovers and control transactions

If a takeover bid is made to acquire all of the issued Shares of the Company, or a scheme of arrangement, selective capital reduction or other transaction is initiated which has an effect similar to a full takeover bid for Shares in the Company, then Participants are entitled to accept the takeover bid or participate in the other transaction in respect of all or part of their Awards other than Exempt Share Awards notwithstanding that

the Restriction Period in respect of such Awards has not expired and the Board may, in its discretion, waive unsatisfied Vesting Conditions.

Malus and Clawback

Where a Participant is found by the Company to have acted fraudulently, unlawfully, wilfully in default of their employment obligations, or in material breach of the Company's policies or codes of conduct or the Participant brings the Company into disrepute - the Company may in its discretion bring forward an expiry date, cancel, terminate or suspend any Awards or require the Participant to take any of the following actions (in each case without the need to provide any compensation to the Participant):

- (a) all or some of the Awards held by the Participant immediately expire and are incapable of being exercised; and/or
- (b) the Participant must, or must procure, transfers any or all Shares issued upon the exercise of the relevant Award on terms, determined by the Company (which may include transferring them for nil consideration), to the Company or to a person, determined by the Board in its discretion.
- (c) the Participant must pay the Company any proceeds received from the sale of any Shares issued upon the exercise of the Awards and any distributions or dividends paid on Shares issued upon the exercise of the Awards as a debt due to the Company

The Board also has the same power where it discovers that a Vesting Condition was not, in fact, satisfied; the Participant did not meet the 'Good Leaver' criteria; or satisfaction of a Vesting Condition, or the decision of the Company or Board to waive a Vesting Condition, was contributed to by the Participant's fraud, unlawful behaviour, wilful default, or conduct in material breach of the Company's policies and codes of conduct.

Share Buy Back

Shares held by a Participant may be bought back and cancelled if:

- (a) there is a transfer of that Participants Loan Shares to the Company in satisfaction of any outstanding Loan;
- (b) an Loan has become repayable and either the Participant does not repay the Acquisition Loan on the repayment due date or any Vesting Conditions in respect of relevant Loan Shares have not been satisfied at the repayment due date;
- (c) any Vesting Conditions in respect of relevant Loan Shares have not been satisfied by the last date for their satisfaction (if applicable) or have otherwise failed to be satisfied;

Buy Back price, if the buy-back is in respect of Loan Shares, the full satisfaction of any Loan provided in connection with the acquisition of those Loan Shares. If the buy back is in relation to a clawback described above, the buy back price is \$nil.

Adjustments

The following adjustments apply to Options, Performance Rights and other Awards where the Participant may be entitled to acquire Shares in the future on exercise of the Award:

- (a) a Participant is not entitled to participate in a new issue of Shares or other securities made by the Company to holders of its Shares without exercising the Awards
- (b) if the Company makes a pro-rata bonus issue to the holders of its Shares, and the Award is not exercised prior to the record date in respect of that bonus issue, the Award will, when exercised, entitle the holder to one Share plus the number of bonus shares which would have been issued to the holder if the Award had been exercised prior to the record date.
- (c) if the Company undergoes a reorganisation of capital (other than by way of a bonus issue or issue for cash) the terms of the Awards of the Participant will be changed to the extent necessary to comply with the Listing Rules as they apply at the relevant time.

Termination Benefits

Notwithstanding any other term of the Rules, an Award or other agreement or arrangement to the contrary, no person will be entitled to any Benefit in connection with any person's cessation of employment to the extent that the giving of the Benefit would give rise to a breach of Part 2D.2 of the Corporations Act, any other provision of the Corporations Act, or any other applicable law (which limits or restricts the giving of such Benefits) or the ASX Listing Rules (Limiting Legislation). If any Limiting Legislation limits the amount of the Benefit, or the amount of the Benefit that may be given without obtaining shareholder approval:

- (a) the Benefit is capped at that limited amount and no further Benefit is required to be provided to the relevant person.
- (b) the Company Group may reduce any Benefit in such manner as it determines appropriate to ensure compliance with Limiting Legislation and so that shareholder approval does not need to be obtained.
- (c) No Company Group entity is required to seek or obtain the approval of its shareholders for the purpose of overcoming any limitation or restriction imposed by any Limiting Legislation.

Procedure on Exit Event

On or prior to the Company selling its business, or all its shares being transferred, the Board may:

- (a) where there is a Reconstruction Event (being, a share 'exchange' by shareholders for holdings in a new holding entity which maintains substantially the same relative share ownership) the as part of the Exit Event:
 - (i) provide for the grant of an Award in substitution for some or all of the Awards on a like for like basis, by the new holding entity;
 - (ii) arrange for some or all of the Awards to be acquired by the new holding entity in exchange for their market price on the date of completion of the Reconstruction Event;
- (b) buy back or cancel some or all of the Awards (whether vested or not) in exchange for their Market Price; or
- (c) make appropriate arrangements to ensure that such Awards are able to be exercised on or prior to the Exit Date;

If the Company expects an Exit Event to occur, or an Exit Event not anticipated by the Company does occur, then the Company may require that all Awards (including those Awards vesting as described in (c) above) either be exercised:

- (a) on or before the Exit Date pertaining to the relevant Exit Event; or
- (b) in the case of an unanticipated Exit Event, a date after the Exit Date for that event,

Power of Attorney

Each Eligible Participant irrevocably appoints the Company as that Eligible Participant's attorney to do any one or more of the following things on behalf of that Eligible Participant and in the name of that Eligible Participant:

- (a) to effect the entry by that Eligible Participant into, any documents that the Board determines are necessary or desirable to give effect to, or evidence participation by that Eligible Participant under, the rules or to complete any transaction contemplated by these Rules;
- (b) to perform any act, matter or thing which, in the opinion of the Board, is contemplated by, incidental to or necessary or desirable to give effect to, or evidence participation by that Eligible Participant under, the rules or to complete any transaction contemplated by these Rules.

Costs

Each Eligible Participant must pay their own costs in connection with their participation under the rules, including all costs to review the documents and information provided to that Eligible Participant in connection with the rules and all taxes for which that Eligible Participant may be liable as a result of their participation under the rules, the issue of Shares or any other dealing with the Shares.

Schedule 1.1 - Loan Share Terms:

The rules empower the Board to exercise its discretion to issue fully paid ordinary shares in the Company (Loan Shares) to employees who qualify to participate in the Rules, upon the basis that the Company advances (Loan) the Participant the funds to purchase the Loan Shares pursuant to the terms of a secured limited recourse loan agreement between the Participant and the Company (Loan Agreement) and that the Participant (if required by the Company) enters a Restriction Agreement with the Company. The Loan Shares may be issued subject to Vesting Conditions as determined by the Board in its discretion. Loan Shares are Restricted Awards until Vesting Conditions are satisfied and the Loan is repaid or satisfied

Loan Terms

The key terms of each limited recourse loan (Loan) provided under the Rules (Loan Terms) are as follows:

- (a) the Loan may only be applied towards the subscription price for the Loan Shares;
- (b) the Loan will be interest free, provided that if the Participant is in default of the Loan Terms interest may apply if, and as specified, in the Offer;
- (c) by signing and returning a limited recourse Loan application, the Participant acknowledges and agrees that the Loan Shares will not be transferred, encumbered, otherwise disposed of, or have a security interest granted over it, by or on behalf of the Participant, until the Loan is repaid in full to the Company;
- (d) the Company has the discretion as to whether it will apply a holding lock in respect of the Loan Shares or require the Participant to provide the Company with security over the Loan Shares as security for repayment of the Loan, which security includes a pledge of the Participant's Loan Shares provided under the Rules and a charge over all dividends and other amounts paid or payable on those Loan Shares;
- (e) the Company has the discretion as to whether it will require the Participant to enter a restriction agreement with the Company (Restriction Agreement) in accordance with the terms of the Rules;
- (f) the Loan becomes repayable on the earliest of:
 - (i) the date on which the Participant ceases to be an Eligible Participant;
 - (ii) the buy-back of the Loan Shares in accordance with Rules;
 - (iii) the failure to satisfy any Vesting Conditions applicable to the corresponding Loan Shares;
 - (iv) any breach by the Participant of these rules or any of the Loan Documents where the breach is not remedied within seven days of the Company's notice to the Participant to do so; or
 - (v) an application being made to a court for an order, or an order being made, that the Participant be made bankrupt (or any similar event in any jurisdiction as determined by the Board in its discretion); andthe earliest date being the **Repayment Date**.
- (g) notwithstanding paragraph (f) above,
 - (i) the Participant may repay all or part of the Loan after Vesting but before the Repayment Date;
 - (ii) the Participant must repay in full the outstanding amount of the Loan at the end of the Loan period (or return the relevant securities in accordance with the Loan Terms) and
 - (iii) the Loan will be limited recourse such that on the Repayment Date the repayment

obligation under the limited recourse loan will be limited to the lesser of the outstanding balance of the limited recourse loan and the market value of the Loan Shares on that date.

(h) where the Participant has elected for the Loan Shares to be provided to the Company in full satisfaction of the Loan, the Company must accept a transfer of the Loan Shares by the Participant to, or as directed by the Company, as full settlement of the repayment obligation under the limited recourse loan.

Rights attaching to the Loan Shares

The Loan Shares will rank equally with all other fully paid ordinary shares on issue in the capital of the Company, other than for the provisions of an applicable Restriction Agreement. Holders of Loan Shares will be entitled to exercise all voting rights attaching to those Shares in accordance with the Company's constitution. In addition, holders of Loan Shares will be entitled to participate in dividends declared and paid by the Company in accordance with the Company's constitution, but the Company may retain, or pay to itself on behalf of a Participant, any moneys (including dividends) and any capital distributions that may become payable in respect of a Loan Share in reduction of the amount outstanding under the Loan in respect of that Loan Share.

Sale of the Loan Shares

The Loan Shares may only be sold by a Participant where the Loan Shares have vested and the Loan has been repaid in full.

If the Participant has not repaid the outstanding amount of a Loan (if any) by the Repayment Date or not satisfied the Vesting Conditions applicable to the Loan Shares, the Board may, in its discretion, determine that the Company may (on behalf of the Participant) transfer to the Company (or its nominee) the Loan Shares to which the outstanding amount of the Loan or outstanding Vesting Conditions (as applicable) relate, or sell the relevant Loan Shares to which the outstanding amount of the Loan or outstanding Vesting Conditions (as applicable) relate.

If the Company sells any Loan Shares as described above, the proceeds of sale will be applied first in payment of any costs and expenses of the sale incurred by the Company; next in reduction of the outstanding amount of the Acquisition Loan (if any); and the balance (if any, and provided the Vesting Conditions applicable to the Loan Shares were satisfied at the time of the sale), in payment to the Participant.

Schedule 1.2 - Option Terms and Conditions:

Particulars

The number of Options; the Options exercise price and expiry date, any vesting conditions and any applicable restrictions will be determined by the Board in its absolute discretion and will be communicated to any Eligible Participant by way of letter of offer (Offer Letter).

Exercise of Options

The Options may be exercised for part or all of the Options vested at a particular time by the Option Holder giving written notice, in the required form and specifying the number of Options to be exercised and the method of exercise (Notice of Exercise) to the Company at its registered office prior to the Expiry Date.

These terms apply unless the Offer specifies otherwise:

- (a) Options are Restricted Awards until they are exercised or expire.
- (b) An Offer may specify a Restriction Period for Shares issued on the exercise of Options.
- (c) Options are subject to adjustment under the Rules.
- (d) If granted while the Company is admitted to a stock exchange, must comply with and be subject to the listing rules of that exchange (as amended from time to time).
- (e) At the discretion of the Board, the Board may (in the issue terms of the Options) permit the exercise of the Options by way of cash payment or under a Cashless Exercise Facility.

The Cashless Exercise Facility entitles a Participant to setoff the cash Exercise Price against the number of Shares which the Participant is entitled to receive upon exercise of the Participant's Options. If a Participant is permitted and elects to use the Cashless Exercise Facility, the Participant will only be issued that number of Shares (rounded down to the nearest whole number) as are equal in value to the difference between the total Exercise Price otherwise payable in cash for the Options on the Options being exercised and the then market value of the Shares at the time of exercise (determined as the volume weighted average prices at which Shares were traded on the ASX over the 5 ASX Business Days immediately preceding the exercise date), calculated in accordance with the following:

$$S = O \times (MSP - EP)$$

MSP

Where:

S = Number of Shares to be issued on exercise of the Options using the Cashless Exercise Facility.

O = Number of Options being exercised.

MSP = Market value of the Shares (calculated using the volume weighted average prices at which Shares were traded on the ASX over the 5 ASX Business Days immediately preceding the exercise date).

EP = (Cash) Option Exercise Price.

To the extent the Cashless Exercise Facility is not utilised, an exercise of any Options will require the full payment of such Exercise Price shall be made in cash for these Options being exercised, such payment to accompany the Notice of Exercise, and shall be made in cash or bank cheque, or in any other manner permitted in the discretion of the Board.

No person exercising an Option shall have any of the rights of a holder of the shares underlying that Option until the date that such ordinary shares are issued following the exercise of such Option. No adjustment shall be made for cash dividends or other rights for which the record date is prior to the date of such issuance.

Transfers

The Options are not transferable and are subject all restrictions, if any, as described in the Offer Letter.

Reorganisation

If any reorganisation (including consolidation, subdivision, reduction, return or cancellation) of the issued capital of the Company occurs before the expiry of any Options, the number of Options to which each Option Holder is entitled or the Exercise Price of their Options or both must be reorganised in accordance with the ASX Listing Rules applying to a reorganisation at the time of the reorganisation (which adjustment formula will apply even where the Company is not admitted to the ASX Official List).

Rights Entitlement

An Option does not confer the right to participate in new issues of capital offered to holders of Shares (**Rights Entitlement**) during the currency of the Options without exercising the Options. However, the Company will use reasonable endeavours to procure that for the purpose of determining Rights Entitlements to any such issue, the Option Holder is to receive prior notice from the Company of the pending closing or record date and time for the Option Holder to exercise the Options prior to that closing or record date in order to qualify for the participation in the Rights Entitlement.

The Options do not provide any entitlement to dividends paid to ordinary shareholders. The Options do not entitle the Option Holder to vote at any meeting of shareholders

Listing Rules

While the Company is admitted to the ASX Official List, the terms of all Options issued by the Company is subject to the ASX Listing Rules (as applying or amended from time to time) and the ASX Listing Rules prevail over any inconsistency in the terms of these Rules or the terms of any Options which are issued by the Company.

Schedule 1.3 - Performance Rights

The Company may offer or issue Performance Rights, which are rights to be issued a Share for nil Exercise Price upon the satisfaction of specified Vesting Conditions. These terms apply unless the Offer specifies otherwise:

- (a) Performance Rights are Restricted Awards until they are exercised or expire.
- (b) An Offer may specify a Restriction Period for Shares issued on the exercise of Performance Rights.
- (c) Performance Rights are subject to adjustment under the Rules.
- (d) If granted while the Company is admitted to a stock exchange, must comply with and be subject to the listing rules of that exchange (as amended from time to time).

Entitlements

A Performance Right does not confer upon the holder (**Holder**) the right to

- (a) receive notices of general meetings and financial reports and accounts of the Company that are circulated to holders of fully paid ordinary shares in the capital of the Company.
- (b) vote or receive dividends.
- (c) a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (d) participate in the surplus profit or assets of the Company upon a winding up; or
- (e) participate in new issues of securities such as bonus issues or entitlement issues

unless and until the applicable Vesting Condition is achieved and the Performance Right converts into ordinary shares.

Schedule 2

Summary 2020 Option Terms (being cancelled)

Particulars

Number and Class of Options 1,968,704 options

Issue Date 1 November 2020

Vesting Conditions

The options are subject to a share price target which commences at the grant date of the option. Following the achievement of the share price target, the CEO must complete a service period (as specified above). Each tranche vests at the end of the relevant service period. The service period condition is waived if the share price hurdle is achieved by the 5th anniversary of the options grant, for example, if the share price hurdle is met 4.5 years after grant, the options will vest at the 5th anniversary.

The option issue was divided into four equal tranches, with the vesting criteria for each tranche as follows:

- 25% vest on the achievement of a \$8 daily VWAP for 30 consecutive trading days (vesting is also subject to the completion of a 4-year service period from the date of achieving the share price hurdle)
- 25% vest on the achievement of a \$9 daily VWAP for 30 consecutive trading days (vesting is also subject to the completion of a 3-year service period from the date of achieving the share price hurdle)
- 25% vest on the achievement of a \$10 daily VWAP for 30 consecutive trading days (vesting is also subject to the completion of a 2-year service period from the date of achieving the share price hurdle)
- 25% vest on the achievement of a \$11 daily VWAP for 30 consecutive trading days (vesting is also subject to the completion of a 1-year service period from the date of achieving the share price hurdle)

Following vesting and exercise, 50% of the shares will be subject to escrow for 24 months. If employment ceases for any reason prior to vesting, the unvested options are forfeited.

Exercise Price Nil

Need assistance?



Phone:

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



Online:

www.investorcentre.com/contact



Medical Developments International Ltd Annual General Meeting

The Medical Developments International Ltd Annual General Meeting will be held on Friday, 27 October 2023 at 9:00am (AEDT). You are encouraged to participate in the meeting using the following options:



MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:



Control Number: 182836

SRN/HIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

For your proxy appointment to be effective it must be received by 9:00am (AEDT) Wednesday, 25 October 2023.



ATTENDING THE MEETING VIRTUALLY

To watch the webcast, ask questions and vote on the day of the meeting, please visit:
<https://meetnow.global/M6ASUF5>

For instructions refer to the online user guide www.computershare.com.au/virtualmeetingguide



ATTENDING THE MEETING IN PERSON

The meeting will be held at:

The Offices of K&L Gates, Rialto South Tower Level 25, 525 Collins Street, Melbourne, VIC, 3000

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

Need assistance?



Phone:

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



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:00am (AEDT) on Wednesday, 25 October 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

Online:

Lodge your vote online at 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: 182836

SRN/HIN:

For Intermediary Online subscribers (custodians) go to 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.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Medical Developments International Ltd hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Medical Developments International Ltd to be held at The Offices of K&L Gates, Rialto South Tower Level 25, 525 Collins Street, Melbourne, VIC, 3000 and as a virtual meeting on Friday, 27 October 2023 at 9:00am (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 5 and 6 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 5 and 6 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Ms Christine Emmanuel-Donnelly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Ms Mary Sontrop	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Dr Russell Bassar	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Employee Incentive Scheme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Cancellation of CEO Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

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