

1 May 2023

Dear Shareholder,

GENERAL MEETING – NOTICE AND PROXY FORM

Notice is hereby given that a General Meeting ('Meeting') of Shareholders of Neurotech International Limited ('Company') will be held at the offices of BDO Australia, Level 9, Mia Yellagonga Tower 2, 5 Spring St, Perth WA 6000 at 3:30pm (WST) on Thursday, 1 June 2023.

In accordance with section 110D of the *Corporations Act 2001 (Cth)* (as inserted by the *Corporations Amendment (Meeting and documents) Act 2022 (Cth)*), the Company will not be dispatching physical copies of the Notice of Meeting ('Notice') unless specifically requested to do so. Instead, a copy of the Notice is available at the Company's ASX Announcement Platform at www2.asx.com.au (ASX:NTI).

If you have elected to receive notices by email, a copy of your personalised proxy form will be emailed to you. If you have not elected to receive notices by email, a copy of your personalised proxy form will be posted to you, together with this letter for your convenience.

The Board has made the decision that it will hold a physical Meeting. Shareholders who are unable to attend the Meeting will be able to participate by:

- (a) voting prior to the Meeting by lodging your proxy instructions by no later than 48 hours prior to the Meeting (by 3:30pm (WST) on Tuesday 30 May 2023) either by:
 - voting online at <https://investor.automic.com.au/#/loginsah>, or
 - lodging a proxy form by:
 - **post to:** Automic, GPO Box 5193, Sydney, NSW, 2001; or
 - **in person to:** Automic, Level 5, 126 Phillip Street, Sydney, NSW, 2000; or
 - **by email to:** meetings@automicgroup.com.au
- (b) lodging questions in advance of the Meeting by emailing the questions to Eryn Dawson, Company Secretary at cosec@neurotechinternational.com, by no later than 25 May 2023.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

If you have any difficulties obtaining a copy of the Notice, or for any other relevant information please contact me on +61 8 9389 3180 or cosec@neurotechinternational.com.

This announcement has been authorised for release by the Board of Directors of Neurotech International Limited.

Yours sincerely,



Eryn Dawson
Company Secretary

NEUROTECH INTERNATIONAL LIMITED

ACN 610 205 402

NOTICE OF GENERAL MEETING

TIME: 3:30pm (AWST)

DATE: 1 June 2023

PLACE: The offices of BDO Australia, Level 9, Mia Yellagonga Tower 2, 5 Spring St,
Perth WA 6000

Proxy Forms for the Meeting should be lodged before 3:30pm (AWST) on 30 May 2023.

Shareholders can also submit and are encouraged to submit any questions relating to the business of the Meeting in advance of the Meeting by emailing the questions to cosec@neurotechinternational.com by no later than 5:00pm (AWST) on 25 May 2023.

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at <https://neurotechinternational.com/>.

This Notice of General Meeting and the accompanying Explanatory Statement and Proxy Form should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by email at cosec@neurotechinternational.com.

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of Neurotech International Limited ACN 610 205 402 (**Company**) will be held at the offices of BDO Australia, Level 9, Mia Yellagonga Tower 2, 5 Spring St, Perth WA 6000 on 1 June 2023 at 3:30pm (AWST) (**Meeting or General Meeting**).

The Explanatory Statement to this Notice of General Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Statement and the Proxy Form form part of this Notice.

Terms and abbreviations used in this Notice and the Explanatory Statement are defined in the Glossary in the Explanatory Statement.

AGENDA

1. Resolution 1 – Ratification of Placement Shares issued under LR7.1A (November)

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 71,769,912 Shares on the terms and conditions set out in the Explanatory Statement”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, including Trust Company (Australia) Limited as custodian for the Merchant Biotech Fund, or an associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder 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 this Resolution; and
 - (ii) the Shareholder votes on this Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

2. Resolution 2 – Ratification of Placement Shares issued under LR7.1 (November)

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,230,088 Shares on the terms and conditions set out in the Explanatory Statement”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, including Trust Company (Australia) Limited as custodian for the Merchant Biotech Fund, or an associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder 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 this Resolution; and

- (ii) the Shareholder votes on this Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

3. Resolution 3 – Ratification of Placement Shares issued under LR7.1 (December)

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 15,000,000 Shares on the terms and conditions set out in the Explanatory Statement”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, including Trust Company (Australia) Limited as custodian for the Merchant Biotech Fund, or an associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder 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 this Resolution; and
 - (ii) the Shareholder votes on this Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

4. Resolution 4 – Ratification of Placement Options

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 44,999,994 Options on the terms and conditions set out in the Explanatory Statement”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, including Trust Company (Australia) Limited as custodian for the Merchant Biotech Fund, or an associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder 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 this Resolution; and
 - (ii) the Shareholder votes on this Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

5. Resolution 5 – Ratification of Options to the Joint Lead Managers

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Options on the terms and conditions set out in the Explanatory Statement”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, including PAC Partners Securities Pty Ltd and Peloton Capital Pty Ltd, or an associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder 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 this Resolution; and
 - (ii) the Shareholder votes on this Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

6. Resolution 6 – Issue of Options to Dr Alexandra Andrews

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 5,416,667 Options on the terms and conditions set out in the Explanatory Statement”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares), including Dr Alexandra Andrews, or an associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder 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 this Resolution; and
 - (ii) the Shareholder votes on this Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

Voting Prohibition

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

7. Resolution 7 – Issue of Options to the estate of the late Professor Allan Cripps AO

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

“That, for the purposes of Listing Rule 10.11, section 208 of the Corporations Act, and for all other purposes, Shareholders approve the issue of 5,000,000 Options to the executor of the estate of the late Professor Allan Cripps AO (or his/her nominee/s), on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares), including the executor of the estate of the late Professor Allan Cripps AO and any beneficiaries of such estate, and an associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this 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 this Resolution; and
 - (ii) the Shareholder votes on this Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

Voting Prohibition

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8. Resolution 8 – Issue of Options to Max Capital

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 10,000,000 Options on the terms and conditions in the Explanatory Statement.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares), including Max Capital Pty Ltd, or an associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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 holder 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 holder 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 holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

By Order of the Board of Directors

A handwritten signature in black ink that reads "Erlyn Dawson". The signature is written in a cursive, flowing style.

Erlyn Dawson
Company Secretary

Date: 27 April 2023

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of General Meeting.

This Explanatory Statement forms part of the Notice of General Meeting and should be read in conjunction with it. Shareholders are specifically referred to the Glossary in this Explanatory Statement which contains definitions of capitalised terms used in the Notice of General Meeting and in this Explanatory Statement.

Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

By appointing the Chair as a proxy (or where the Chair becomes proxy by default) the relevant Shareholder gives the Chair express authority to exercise the proxy on Resolutions 6 and 7 (except where the Shareholder has indicated a different voting intention on the Proxy Form) even though Resolutions 6 and 7 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

As at the date of this Notice of General Meeting, the Chair intends to vote undirected proxies **IN FAVOUR OF** each of the Resolutions. In exceptional cases the Chair's intentions may subsequently change and in this event, the Company will make an announcement to the market.

Voting Entitlements

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at 5:00pm AWST on 30 May 2023. Accordingly, transactions registered after that time will be disregarded in determining Shareholders' entitlement to attend and vote at the Meeting.

Enquiries

Shareholders may contact the Company at cosec@neurotechinternational.com if they have any queries in respect of the matters set out in these documents.

Proxy return

Please refer to the following proxy return instructions on the enclosed Proxy Form.

By email:

Email your Proxy Form to:
meetings@automicgroup.com.au

By Mobile:

Scan the QR Code on
your Proxy form and
follow the prompts

By Mail to:

Automic
GPO Box 5193
Sydney NSW 2001

By voting online:

By clicking on:

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

Login & click on 'Meetings'. Use your holder number
as shown on the top of your Proxy Voting Form.

By Facsimile Transmission to:

02 8583 3040 (within Australia) or

+61 2 8583 3040 (outside Australia)

1. Background to Resolutions 1 - 5

1.1 Placement

On 28 October 2022 the Company announced it had received commitments from existing and new institutional, professional and sophisticated investors (**Placement Participants**) to subscribe for:

- (a) 90,000,000 Shares at \$0.10 per Share to raise \$9,000,000 (before costs); and
- (b) Up to 45,000,000 free attaching listed Options (each exercisable at \$0.135 and expiring on 30 January 2025) (**Placement Option**) on the basis that the Placement Participants were entitled to receive 1 Placement Option for every 2 Shares subscribed for and issued to the Placement Participants,

(**Placement**).

The Company completed the Placement in a number of tranches as follows:

- (a) on 7 November 2022, the Company issued 71,769,912 Shares utilising the Company's placement capacity under Listing Rule 7.1A – the Company is seeking to ratify the issue of these Shares under Resolution 1 in accordance with Listing Rule 7.4;
- (b) on 7 November 2022, the Company issued 3,230,088 Shares utilising the Company's placement capacity under Listing Rule 7.1 – the Company is seeking to ratify the issue of these Shares under Resolution 2 in accordance with Listing Rule 7.4;
- (c) on 21 December 2022, the Company issued the remaining 15,000,000 Shares utilising the Company's placement capacity under Listing Rule 7.1 – the Company is seeking to ratify the issue of these Shares under Resolution 3 in accordance with Listing Rule 7.4; and
- (d) on 25 January 2023, the Company issued 44,999,994 Placement Options as free attaching Options and utilising the Company's placement capacity under Listing Rule 7.1 – the Company is seeking to ratify the issue of the Placement Options under Resolution 4 in accordance with Listing Rule 7.4.

Funds raised by the Placement have been, or will be, applied to the Company's paediatric clinical trials program, including multiple Phase I/II trials in PANDAS/PANS and cerebral palsy, the Phase II/III clinical trials in autism spectrum disorder, drug product manufacturing and scale-up, lead-in pre-clinical work associated with the Company's planned submissions to the US Food and Drug Administration to undertake future US trials for NTI164 and general working capital.

1.2 JLM Mandate

PAC Partners and Peloton acted as joint lead managers to the Placement.

The Company and the Joint Lead Managers entered into a Corporate Advisor and Capital Raising Mandate under which the Joint Lead Managers were appointed as the joint lead managers to the Placement (**JLM Mandate**). The Company agreed to provide the Joint Lead Managers (collectively) the following fees (exclusive of GST):

- (a) an offer arrangement fee of 2% of the gross proceeds raised under the Placement;
- (b) a capital raising fee of 4% of the gross proceeds raised under the Placement; and
- (c) the issue of the 10,000,000 listed JLM Options (each exercisable at \$0.135 and expiring on 30 January 2025) to the Joint Lead Managers (or their nominees).

The Company issued the JLM Options to the Joint Lead Managers (or their nominees) on 25 January 2023 and is seeking shareholder approval under Resolution 5 to ratify the issue of the JLM Options in accordance with Listing Rule 7.4.

1.3 Prospectus

The Placement Options and JLM Options were issued by the Company under a prospectus dated 22 December 2022. The Placement Options and JLM Options are listed on the ASX (ASX security code: NTIOA) which required the Options to be issued with disclosure under Chapter 6D of the Corporations Act.

2. Resolution 1, 2 and 3 – Ratification of Placement Shares

2.1 General

Details of the Placement undertaken by the Company are set out in paragraph 1 of this Explanatory Statement.

The Company issued 75,000,000 Shares under the Placement on 7 November 2022, and a further 15,000,000 Shares on 21 December 2022

Resolutions 1, 2 and 3 seek Shareholder approval to ratify the prior issue of those Shares in accordance with Listing Rule 7.4.

2.2 Listing Rules 7.1, 7.1A and 7.4

Listing Rule 7.1 provides that a Company may, subject to specified exceptions, during any 12 month period, issue equity securities up to 15% of the number of Shares on issue at the commencement of the 12 month period without obtaining Shareholder approval.

Listing Rule 7.1A provides that an eligible entity can seek approval from its members (by way of special resolution passed at its annual general meeting) to increase its 15% placement capacity (under Listing Rule 7.1) by an extra 10%, i.e. to 25%. The Company obtained approval to increase its placement capacity by an extra 10% (to 25%) at its prior annual general meeting held on 30 November 2022.

Listing Rule 7.4 allows the shareholders of a listed company to ratify a prior issue of securities made pursuant to Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the prior issue did not breach Listing Rule 7.1), and if ratified those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1 and so do not reduce the Company's placement capacity under Listing Rule 7.1 and/or 7.1A.

The purpose of Resolution 1 is to approve and ratify, in accordance with Listing Rule 7.4, the prior issue of 71,769,912 Shares under the Placement on 7 November 2022 utilising the Company's 7.1A placement capacity.

The purpose of Resolution 2 is to approve and ratify, in accordance with Listing Rule 7.4, the prior issue of 3,230,088 Shares under the Placement on 7 November 2022 utilising the Company's 7.1 capacity.

The purpose of Resolution 3 is to approve and ratify, in accordance with Listing Rule 7.4, the prior issue of 15,000,000 Shares under the Placement on 21 December 2022 utilising the Company's 7.1 capacity.

If Shareholders approve Resolutions 1, 2 and 3 then the prior issue of 90,000,000 Shares under the Placement will be treated as having been made with approval for the purpose of Listing Rule 7.1.

Therefore, if Resolution 1 is approved the Company's additional 10% placement capacity under Listing Rule 7.1A will be refreshed, and the Company will be able to issue further equity securities up to that limit.

If Resolutions 2 and 3 are approved, the Company's 15% placement capacity under Listing Rule 7.1 will be refreshed, and the Company will be able to issue further equity securities up to that limit.

Refreshing the limit under Listing Rule 7.1 and 7.1A will also provide the Company with the flexibility to undertake future equity raisings without shareholders' approval, subject to those applicable limits.

If Shareholders do not approve Resolutions 1 and 2, the 75,000,000 Shares issued under the Placement on 7 November 2022 will continue to count towards the 15% limit under Listing Rule 7.1 and additional 10% placement capacity under Listing Rule 7.1A, until 7 November 2023, when pursuant to Listing Rule 7.1 and 7.1A, the Shares will no longer count towards the relevant limits.

If Shareholders do not approve Resolution 3, the 15,000,000 Shares issued under the Placement on 21 December 2022 will continue to count towards the 15% limit under Listing Rule 7.1, until 21 December 2023, when pursuant to Listing Rule 7.1, the Shares will no longer count towards the relevant limits.

2.3 Specific Information Required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 1, 2 and 3:

- (a) the Shares were issued to existing and new institutional, professional and sophisticated investors (none of whom are related parties of the Company) who were identified by the Company and the Joint Lead Managers, including 8,500,000 Shares issued to the Trust Company (Australia) Limited as custodian for the Merchant Biotech Fund who was a substantial holder of the Company as per the Substantial Holder Notice announced on 4 November 2022;
- (b) 90,000,000 fully paid ordinary shares were issued under the Placement;
- (c) the Shares issued were fully paid ordinary Shares in the Company, ranking equally with all other Shares and having identical rights to existing Shares quoted on the ASX;
- (d) the Shares were issued as follows:
 - (i) 71,769,912 Shares under Listing Rule 7.1A on 7 November 2022;
 - (ii) 3,230,088 Shares under Listing Rule 7.1 on 7 November 2022; and
 - (iii) 15,000,000 Shares under Listing Rule 7.1 on 21 December 2022;
- (e) the issue price was \$0.10 per Share, and the Company has not and will not receive any other consideration for the issue of Shares under the Placement;
- (f) the purpose of the Placement was to raise \$9,000,000 (before costs), which have been, or will be, applied to the Company's paediatric clinical trials program, including multiple Phase I/II trials in PANDAS/PANS and cerebral palsy, the Phase II/III clinical trials in autism spectrum disorder, drug product manufacturing and scale-up, lead-in pre-clinical work associated with the Company's planned submissions to the US Food and Drug Administration to undertake future US trials for NTI164 and general working capital;
- (g) The Joint Lead Managers were engaged by the Company in respect of the Placement and were paid the fees set out in paragraph 1.2 of this Explanatory Statement. No other agreements were entered into in respect of the Placement; and

- (h) voting exclusion statements are included in the Notice preceding this Explanatory Statement with respect to Resolutions 1, 2 and 3.

2.4 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolutions 1, 2 and 3. The Chair intends to vote undirected proxies in favour of Resolutions 1, 2 and 3.

3. Resolution 4 – Ratification of Placement Options

3.1 General

Details of the Placement undertaken by the Company are set out in paragraph 1 of this Explanatory Statement.

On 25 January 2023, the Company issued 44,999,994 Placement Options to Placement Participants as free attaching Options on the basis that each Placement Participant received 1 Placement Option for every 2 Shares subscribed for and issued to the Placement Participant under the Placement.

Resolution 4 seeks Shareholder approval to ratify the prior issue of those Placement Options in accordance with Listing Rule 7.4.

3.2 Listing Rules 7.1 and 7.4

A summary of Listing Rules 7.1 and 7.4 is set out in paragraph 2.2 of this Explanatory Statement.

The purpose of Resolution 4 is to approve and ratify, in accordance with Listing Rule 7.4, the prior issue of 44,999,994 Placement Options to the Placement Participants utilising the Company's 7.1 placement capacity.

If Shareholders approve Resolution 4 then the prior issue of 44,999,994 Placement Options will be treated as having been made with approval for the purpose of Listing Rule 7.1.

Therefore, if Resolution 4 is approved the Company's 15% placement capacity under Listing Rule 7.1 will be refreshed, and the Company will be able to issue further equity securities up to that limit.

Refreshing the limit under Listing Rule 7.1 will also provide the Company with the flexibility to undertake future equity raisings without shareholders' approval, subject to those applicable limits.

If Shareholders do not approve Resolution 4, the 44,999,994 Placement Options issued on 25 January 2023 will continue to count towards the 15% limit under Listing Rule 7.1, until 25 January 2024, when pursuant to Listing Rule 7.1, the Placement Options will no longer count towards the relevant limits.

3.3 Specific Information Required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) the Placement Options were issued to the Placement Participants (or their nominees) who were existing and new institutional, professional and sophisticated investors (none of whom are related parties of the Company) who were identified by the Company and the Joint Lead Managers, including 4,250,000 Placement Options issued to the Trust Company (Australia) Limited as custodian for the Merchant Biotech Fund who was a substantial holder of the Company as per the Substantial Holder Notice announced on 4 November 2022;
- (b) 44,999,994 Placement Options were issued which are listed Options (ASX security code: NTIOA);
- (c) the Placement Options were issued on the terms and conditions set out in Schedule 1;
- (d) the Placement Options were issued on 25 January 2023;

- (e) the Placement Options were issued for nil cash consideration as free attaching Options to the Placement on the basis that each Placement Participant received 1 Placement Option for every 2 Shares subscribed for and issued under the Placement;
- (f) the purpose of the issue of the Placement Options was to incentivise participation in the Placement (refer to paragraph 2.3(f) of this Explanatory Statement for details of the use of funds with respect to the Placement);
- (g) the Joint Lead Managers were engaged by the Company in respect of the Placement and were paid the fees set out in paragraph 1.2 of this Explanatory Statement. No other agreements were entered into in respect of the Placement; and
- (h) a voting exclusion statement is included in the Notice preceding this Explanatory Statement with respect to Resolution 4.

3.4 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 4. The Chair intends to vote undirected proxies in favour of Resolution 4.

4. Resolution 5 – Ratification of Options to the Joint Lead Managers

4.1 General

On 25 January 2023, the Company issued 10,000,000 JLM Options to the Joint Lead Managers in consideration for the lead manager services provided by the Joint Lead Managers with respect to the Placement.

A summary of the JLM Mandate entered into with the Joint Lead Managers is set out in paragraph 1.2 of this Explanatory Statement.

Resolution 5 seeks Shareholder approval to ratify the prior issue of the JLM Options in accordance with Listing Rule 7.4.

4.2 Listing Rules 7.1 and 7.4

A summary of Listing Rules 7.1 and 7.4 is set out in paragraph 2.2 of this Explanatory Statement.

The purpose of Resolution 5 is to approve and ratify, in accordance with Listing Rule 7.4, the prior issue of 10,000,000 JLM Options to the Joint Lead Managers utilising the Company's 7.1 placement capacity.

If Shareholders approve Resolution 5 then the prior issue of 10,000,000 JLM Options will be treated as having been made with approval for the purpose of Listing Rule 7.1.

Therefore, if Resolution 5 is approved the Company's 15% placement capacity under Listing Rule 7.1 will be refreshed, and the Company will be able to issue further equity securities up to that limit.

Refreshing the limit under Listing Rule 7.1 will also provide the Company with the flexibility to undertake future equity raisings without shareholders' approval, subject to those applicable limits.

If Shareholders do not approve Resolution 5, the 10,000,000 JLM Options issued on 25 January 2023 will continue to count towards the 15% limit under Listing Rule 7.1, until 25 January 2024, when pursuant to Listing Rule 7.1, the JLM Options will no longer count towards the relevant limits.

4.3 Specific Information Required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) 5,000,000 JLM Options were issued to PAC Partners Securities Pty Ltd and 5,000,000 JLM Options were issued to Peloton Capital Pty Ltd none of whom are related parties of the Company;
- (b) 10,000,000 JLM Options were issued which are listed Options (ASX security code: NTIOA);

- (c) the JLM Options were issued on the terms and conditions set out in Schedule 1;
- (d) the JLM Options were issued on 25 January 2023;
- (e) the JLM Options were issued for nil cash consideration as part consideration for lead manager services provided by the Joint Lead Managers with respect to the Placement (refer to paragraph 1.2 of this Explanatory Statement);
- (f) the purpose of the issue of the JLM Options was to comply with the terms of the JLM Mandate;
- (g) the Joint Lead Managers were engaged by the Company in respect of the Placement and were paid the fees set out in paragraph 1.2 of this Explanatory Statement. No other agreements were entered into in respect of the Placement; and
- (h) a voting exclusion statement is included in the Notice preceding this Explanatory Statement with respect to Resolution 5.

4.4 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 5. The Chair intends to vote undirected proxies in favour of Resolution 5.

5. Resolution 6 – Issue of Options to Dr Alexandra Andrews

5.1 General

As announced on 3 March 2022, the Company appointed Dr Alexandra Andrews as Chief Executive Officer of the Company.

On 10 March 2022 the Company issued 15,000,000 Options (**CEO Options**) to Dr Andrews on the following terms and conditions:

- (a) 5,000,000 unlisted Options each with an exercise price of \$0.08 and expiry date of 10 March 2024. The Options were to vest upon Dr Andrews remaining continually employed by the Company as CEO until 8 March 2023.
- (b) 5,000,000 unlisted Options each with an exercise price of \$0.12 and expiry date of 10 March 2024. The Options were to vest upon Dr Andrews remaining continually employed by the Company as CEO until 8 September 2023.
- (c) 5,000,000 unlisted Options each with an exercise price of \$0.16 and expiry date of 10 March 2024. The Options were to vest upon Dr Andrews remaining continually employed by the Company as CEO until 8 March 2024.

As announced on 1 September 2022, the Company and Dr Andrews agreed that Dr Andrews would (with immediate effect) transition from her position as Chief Executive Officer to a new position of Chief Operating Officer. As a result, the vesting conditions attaching to the CEO Options (which required Dr Andrews to be continually employed by the Company as CEO for the specified periods) are no longer capable of satisfaction, and the CEO Options will now never vest in accordance with their terms.

The Company and Dr Andrews executed a new executive services agreement in respect of her new position under which the Company has agreed to issue 5,416,667 new Options to Dr Andrews (or her nominee) on the following terms and conditions (**COO Options**):

- (a) 2,500,000 unlisted Options each with an exercise price of \$0.08 and expiry date of 10 March 2024. These Options were expressed to vest on 1 March 2023 provided that Dr Andrews was continually employed by the Company for the previous 12 months. Since that date will have passed prior to the date on which the COO Options are to be issued (following the Meeting), and that condition has been satisfied, these COO Options will vest and will be capable of exercise immediately upon their issue;

- (b) 1,666,667 unlisted Options each with an exercise price of \$0.12 and expiry date of 10 March 2024, which shall vest on 1 September 2023 provided Dr Andrews has been continually employed by the Company for the 18 months prior to the vesting date; and
- (c) 1,250,000 unlisted Options each with an exercise price of \$0.16 and expiry date of 10 March 2024, which shall vest on 1 March 2024 provided Dr Andrews has been continually employed by the Company for the 2 years prior to the vesting date.

In addition to being issued the COO Options, Dr Andrews will receive a salary of \$180,000 per annum (exclusive of superannuation).

The Company is seeking Shareholder approval under Listing Rule 7.1 to issue the 5,416,667 COO Options to Dr Andrews (or her nominee).

5.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in paragraph 2.2 of this Explanatory Statement.

The issue of the COO Options does not fall within any of the exceptions to Listing Rule 7.1. Whilst the issue of the COO Options does not exceed the Company's placement capacity under Listing Rule 7.1, and can therefore be made by the Company without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval under Listing Rule 7.1.

Resolution 6 seeks Shareholder approval to issue the COO Options under and for the purposes of Listing Rule 7.1 so that the Company does not have to use any of its existing placement capacity.

If Resolution 6 is passed then the Company will be able to proceed with the issue of the COO Options. In addition, the issue of the COO Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 6 is not passed, the Company can proceed with the issue of the COO Options but it will reduce the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue.

5.3 Specific information required by Listing Rule 7.4

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided to Shareholders in relation to Resolution 6:

- (a) the COO Options will be issued to Dr Alexandra Andrews (or her nominee), who does not fall into a class of persons requiring Shareholder approval under Listing Rule 10.11 (being a related party, a substantial (30%) holder, a substantial (10%) holder who has appointed a nominee Director, an associate of the foregoing, or a person for whom, in ASX's opinion, approval should have been obtained);
- (b) 5,416,667 unlisted COO Options will be issued;
- (c) the COO Options will be issued on the terms and conditions set out in Schedule 2;
- (d) the COO Options will be issued no later than 3 months after the date of the Meeting;
- (e) the COO Options will be issued for nil cash consideration as part of Dr Alexandra Andrews' remuneration package agreed in her Executive Services Agreement;
- (f) the purpose for issuing the COO Options is to replace the CEO Options (which are no longer capable of vesting) which form part of the remuneration package agreed with Dr Andrews;
- (g) the COO Options will be issued to Dr Andrews under the terms of her Executive Services Agreement under which the Company has agreed to pay Dr Andrews a salary of \$180,000 per annum (exclusive of superannuation) in addition to the issue of the COO Options; and
- (h) a voting exclusion statement is included in the Notice of Meeting preceding this Explanatory Statement with respect to Resolution 6.

5.4 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 6. The Chair intends to vote undirected proxies in favour of Resolution 6.

6. Resolution 7 – Issue of Options to the estate of the late Professor Allan Cripps AO

6.1 General

The Company appointed non-executive director Professor Allan Cripps AO as Director on 19 May 2021 and as Chief Scientist of the Company on 16 August 2022.

At the last Company's AGM (on 30 Nov 2022), Shareholders approved the issue of 5,000,000 Options (exercisable at \$0.10 per Option and expiring 3 years from the date of issue) to Professor Allan Cripps AO. The Options were to be issued as equity based component to his remuneration package. Refer to Resolution 7 of the Company's 2022 Notice of AGM for details.

As announced by the Company on 21 December 2022, Professor Cripps passed away prior to the Options being issued to him in accordance with the Shareholder approval.

The Board is seeking Shareholder approval under Listing Rule 10.11, and section 208 of the Corporations Act, to issue 5,000,000 Options to the executor of Professor Cripps' estate (or his/her nominee/s), in that capacity, in recognition of Professor Cripps's prior work and the ongoing benefits of his work and the introduction of his network continues to have for the Company.

The terms and conditions of the Options are identical to the terms previously agreed by Shareholders other than there being no vesting conditions that will attach to the Options. The Options will have an exercise price of \$0.10 and expiry date this is 3 years from the date of issue.

6.2 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company (such as the Company) must not issue or agree to issue equity securities to:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- (d) an associate of a person referred to in paragraph 6.2 (a) to (c) (Listing Rule 10.11.4); or
- (e) a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

The proposed issue of the Options will fall within Listing Rule 10.11.1 as Professor Cripps was a Director of the Company within the past 6 months prior to the issue of the Options. None of the exceptions in Listing Rule 10.12 apply and therefore Shareholder approval is required under Listing Rule 10.11.

If Resolution 7 is passed then the Company will be able to proceed with the issue of the Options.

If Resolution 7 is not passed then the Company will not be able to proceed with the issue of the Options.

Pursuant to Listing Rule 7.2, Exception 14, as Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Pursuant to that exception, the effect of passing Resolution 7 will be to allow the Company to issue the Options as detailed above without using up any of the Company's 15% placement capacity under Listing Rule 7.1.

6.3 Chapter 2E of the Corporations Act

Part 2E.1 of the Corporations Act prohibits the Company from giving a financial benefit to a related party (such as a Director or an entity controlled by a Director) unless either:

- (a) the giving of the financial benefit falls within one of the exceptions in sections 210 to 216 of the Corporations Act; or
- (b) Shareholder approval is obtained prior to giving the benefit,

Professor Cripps was a Director of the Company within the past 6 months prior to the issue of the Options and therefore the issue of the Options will fall within Part 2E.1 of the Corporations Act.

The Directors have considered the application of these provisions in respect of the proposed issue of the Options. The Directors have determined to seek Shareholder approval for the issue of the Options to the executor of Professor Cripps' estate (or his/her nominee/s) in accordance with Chapter 2E of the Corporations Act.

6.4 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided to Shareholders in relation to Resolution 7:

- (a) the Options will be issued to the executor of Professor Cripps's estate (or his/her nominee/s), in that capacity;
- (b) the issue of the Options will fall within the category in Listing Rule 10.11.1, as Professor Cripps was a Director of the Company within the past 6 months prior to the issue of the Options;
- (c) 5,000,000 unlisted Options will be issued with an exercise price of \$0.10 and expiring 3 years from the date of issue. The terms and condition of the Options are set out in Schedule 3;
- (d) the Company will issue the Options no later than one month after the date of the Meeting;
- (e) no funds will be raised by the issue of the Options as they are being issued for nil cash consideration in lieu of the Options originally proposed to be issued as part of the remuneration package agreed with Professor Allan Cripps AO, and in recognition of his prior work and the ongoing benefits his work and the introduction of his network continues to have for the Company. If the Options are issued and are all subsequently validly exercised, the Company will receive \$500,000;
- (f) as set out above, the purpose for the issue of the Options is to honour the Company's intent to provide an equity-based element of remuneration to Professor Cripps prior to his passing, and in recognition of his prior work and the ongoing benefits of his work and the introduction of his network continues to have for the Company;
- (g) Professor Allan Cripps AO was paid a total of \$20,379, up to 30 November 2022 for the year ending 30 June 2023. His total remuneration package was \$44,000 per annum plus any statutory superannuation and reimbursements. If the Options are issued under Resolution 7 then his total remuneration package for the financial year ending 30 June 2023 would have increased to \$96,767 (based on the current Share price and the Black Scholes valuation methodology of the Options);
- (h) the Options are not being issued under any agreement; and
- (i) a voting exclusion statement is included in the Notice preceding this Explanatory Statement with respect to Resolution 7.

6.5 Information required by Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided to Shareholders in relation to Resolution 7:

- (a) **Identity of the related party.** The Options will be issued to the executor of Professor Cripps's estate (or his/her nominee/s), in that capacity.
- (b) **Nature of the financial benefit.** The nature of the financial benefit that will be given if Resolution 7 is approved is the issue of 5,000,000 Options (exercisable at \$0.10 per Option and expiry date that is 3 years after the issue date) on the terms and conditions set out in Schedule 3.

The Shares to be issued upon exercise of the Options (to the extent they are exercised) will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing shares. The Company will apply for quotation of the Shares on ASX.

The Options are proposed to be issued in recognition of Professor Cripps's work prior to his passing, and the ongoing benefits of his work and the introduction of his network continues to have for the Company. The number of Options proposed to be issued has been determined having regard to the remuneration package that was agreed with Professor Cripps prior to his passing.

- (c) **Value of the financial benefit.** The Company's valuation of the Options (and underlying assumptions), using a Black Scholes valuation model, is set out in Schedule 4. The total value ascribed to the 5,000,000 Options is \$76,418.
- (d) **Remuneration of the related party.** Professor Cripps's remuneration arrangement is set out in paragraph 6.4(g) above.
- (e) **Existing relevant interests of related party.** Professor Cripps had a relevant interest in Equity Securities of 180,000 Shares and 500,000 Options (exercise price of \$0.09 and expiry date of 12 May 2023) at the time of his passing.

If Resolution 7 is approved by Shareholders, all of the Options pursuant to that Resolution are issued and exercised, and no other Equity Securities are issued or exercised, the executor of the estate of Professor Cripps would (in that capacity) have a relevant interest in 5,000,000 Shares, representing approximately 0.57% of the Company's enlarged share capital.

- (f) **Trading history.** The highest and lowest closing market sale prices of Shares on ASX during the 12 months prior to the date of this Notice were:

Highest: \$0.13 per Share, on 24 October 2022; and

Lowest: \$0.048 per Share, on 29 April 2022.

The latest available closing market sale price of Shares on ASX prior to the date of this Notice was \$0.052 per Share, on 27 April 2023.

- (g) **Dilution.** The issue of the Options pursuant to Resolution 7 will have a dilutive effect on the interests of existing Shareholders in the event that the Options are exercised.

On the basis of the number of Shares on issue as at the date of this Notice (being 873,909,482 Shares), and assuming that no other Shares are issued other than those resulting from the exercise of the Options, the potential dilutive effect of the exercise of the Options is approximately 0.57%.

On a fully diluted basis (that is, assuming that all existing Options on issue vest and are exercised, and that all Equity Securities contemplated to be issued pursuant to the Resolutions in this Notice are issued and, where relevant, vest and are exercised), the potential dilutive effect of the exercise of the Options proposed to be issued pursuant to Resolution 7 is approximately 0.47%.

The actual dilution will depend on the extent that additional Shares are issued by the Company prior to the exercise of the Options.

- (h) **Directors' interests in the outcome.** The Directors do not have a personal interest in the outcome of Resolution 7.
- (i) **Director recommendations.** Each of the Directors recommends that Shareholders vote **FOR** Resolution 7, since they consider that the issue of the options would be made in recognition of Professor Cripps's work prior to his passing, and the ongoing benefits of his work and the introduction of his network continues to have for the Company.
- (j) **Other information.** The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to decide whether or not it is in the best interests of the Company to pass Resolution 7.

6.6 Voting Intention of the Chair

The Chair intends to vote undirected proxies in favour of Resolution 7.

7. Resolution 8 – Issue of Options to Max Capital

7.1 General

The Company and Max Capital Pty Ltd (**Max Capital**) have entered into a corporate advisory mandate under which Max Capital will provide general corporate advisory services and capital raising services to the Company (**Mandate**). In consideration for the corporate advisory services the Company has agreed, subject to Shareholder approval, to issue Max Capital (or its nominee(s)) with 10,000,000 Options in the Company's class of listed Options (ASX security code: NTIOA, exercisable at \$0.135 each and expiring 30 January 2025) (**Corporate Advisory Options**). A separate fee arrangement will be agreed between the parties with respect to any issues of securities by the Company to parties introduced by Max Capital.

The Company is seeking approval under Listing Rule 7.1 to issue the Corporate Advisory Options to Max Capital (or its nominee(s)).

A summary of Listing Rule 7.1 is set out in paragraph 2.2 of this Explanatory Statement.

The proposed issue of the Corporate Advisory Options does not fall within any of the exceptions in Listing Rule 7.2 and is also subject to Shareholder approval under the terms of the Mandate. It therefore requires Shareholder approval under Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Corporate Advisory Options which will allow the Company to fulfil its obligations to Max Capital. In addition, the issue of the Corporate Advisory Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the Corporate Advisory Options. This will also likely result in the Company having to remunerate Max Capital by other means (i.e. by way of cash).

7.2 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 8:

- (a) the Corporate Advisory Options will be issued to Max Capital Pty Ltd (or its nominee(s)) (who are not related parties of the Company);
- (b) the maximum number of Corporate Advisory Options to be issued is 10,000,000, which will be listed Options (ASX security code: NTIOA);
- (c) the Corporate Advisory Options will be issued on the terms and conditions set out in Schedule 1;

- (d) the Corporate Advisory Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that all Corporate Advisory Options will be issued on the same date;
- (e) the Corporate Advisory Options will be issued for nominal consideration of \$0.00001 per Option in consideration for the corporate advisory services to be provided by Max Capital under the Mandate;
- (f) the purpose for issuing the Corporate Advisory Options is to fulfil the Company's contractual obligations to Max Capital under the Mandate and to remunerate Max Capital in carrying out the services as the Company's corporate advisor;
- (g) the Corporate Advisory Options are being issued under the Mandate which is summarised at paragraph 7.1 of this Explanatory Statement; and
- (h) a voting exclusion statement is included in the Notice of Meeting preceding this Explanatory Statement with respect to Resolution 8.

7.3 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 8. The Chair intends to vote undirected proxies in favour of Resolution 8.

Glossary

In this Notice and Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

\$	means Australian dollars.
ASX	means ASX Limited ACN 008 624 691 or the securities market operated by it, as the context requires.
AWST or WST	means Australian Western Standard Time as observed in Perth, Western Australia.
Board	means the Company's board of Directors.
Business Day	has the meaning given to that term in the Listing Rules.
Chair	means the person appointed to chair the Meeting or any part of the Meeting.
Closely Related Party	has the meaning given in section 9 of the Corporations Act.
Company	means Neurotech International Limited ACN 610 205 402.
COO Option	means an Option to be issued under Resolution 6 on the terms and conditions set out in Schedule 2.
Corporate Option	Advisory means an Option to be issued under Resolution 8 on the terms and conditions set out in Schedule 1.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Explanatory Statement	means this explanatory statement (including the Schedules) forming part of the Notice of General Meeting.
JLM Option	means an Option issued to the Joint Lead Managers (or their nominees) on the terms set out in Schedule 1.
Joint Lead Managers	means Peloton and PAC Partners and a Joint Lead Manager means either one of them.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
Listing Rules or Listing Rules	ASX means the listing rules of ASX.
Max Capital	means Max Capital Pty Ltd (ACN 152 214 956).
Meeting or General Meeting	has the meaning given in the introductory paragraph of the Notice.

Notice of General Meeting or Notice	means the Notice of General Meeting, including this Explanatory Statement.
Option	means an option which entitles the holder to subscribe for a Share.
PAC Partners	PAC Partners Securities Pty Ltd (ACN 623 653 912).
Peloton	Peloton Capital Pty Ltd (ACN 149 540 018).
Placement	has the meaning given to that term in paragraph 1.1 of the Explanatory Statement.
Placement Participants	has the meaning given to that term in paragraph 1.1 of the Explanatory Statement.
Placement Option	means an Option issued to the Placement Participants (or their nominees) on the terms set out in Schedule 1.
Proxy Form	means the proxy form attached to the Notice.
Resolution	means a resolution set out in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a registered holder of at least one Share.

Schedule 1 – Terms and conditions of the Placement Options, JLM Options and proposed Corporate Advisory Options

The terms and conditions of the Placement Options and JLM Options whose issue is proposed to be ratified under Resolutions 4 and 5, and of the Corporate Advisory Options proposed to be issued under Resolution 8, are as follows:

(a) Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.135 (**Exercise Price**).

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on 30 January 2023 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Company will provide to each Option holder a notice that is to be completed when exercising their Options (**Notice of Exercise**). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Secretary of the Company to be received prior to the Expiry Date. The Notice of Exercise must, among other things, state the number of Options exercised, the consequent number of Shares to be allotted and the identity of the proposed allottee. The Notice of Exercise by an Option holder must be accompanied by payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(h) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

(j) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(m) Quotation

The Company will apply for quotation of the Options on ASX.

Schedule 2 – Terms and conditions of the COO Options

The terms and conditions of the COO Options (each of which is referred to as an **Option** in this Schedule) proposed to be issued under Resolution 6 are as follows:

1. Each Option entitles the holder (**Option Holder**) to subscribe for one Share by exercising that Option in accordance with these terms prior to the Expiry Date, provided such Option has first vested in accordance with these terms.
2. The expiry date of the Options (**Expiry Date**) is the earlier of 10 March 2024, or the date the Executive Services Agreement (**ESA**) is terminated by reason of Dr Andrews' being a bad leaver.
3. The Option Holder is not required to pay any amount on the issue of an Option.
4. The following vesting conditions will apply to the Options:
 - (a) 2,500,000 Options will not be subject to any vesting conditions (**Tranche 1 Options**);
 - (b) 1,666,667 Options will vest on 8 September 2023 provided Dr Andrews is continually employed by the Company up until that date (**Tranche 2 Options**); and
 - (c) 1,250,000 Options will vest on 8 March 2024 provided Dr Andrews is continually employed by the Company up until that date (**Tranche 3 Options**).
5. The exercise price of:
 - (a) each Tranche 1 Option is \$0.08;
 - (b) each Tranche 2 Option is \$0.12; and
 - (c) each Tranche 3 Option is \$0.16,(each the **Exercise Price**).
6. Unvested Options cannot be exercised.
7. An Option that is not exercised by the Expiry Date will automatically lapse immediately and all rights in respect of that Option will thereupon be lost.
8. Subject to compliance with the Corporations Act, Listing Rules and all other applicable laws, unvested Options shall automatically vest if a change of control event occurs before the Expiry Date, but if those Options are not then exercised by the earlier of:
 - (a) the Expiry Date; or
 - (b) 5:00pm (WST) on the second day after the change of control event occurs,they will automatically lapse immediately and all rights in respect of those Options will thereupon be lost.
9. In the event that Dr Andrews ceases to be employed by the Company (whether by reason of a bad leaving or otherwise), all unvested Options shall automatically lapse immediately and all rights in respect of those Options will thereupon be lost.
10. Options cannot be disposed of.
11. If, and for the period that, the Company is admitted to the official list of ASX:
 - (a) the Company will not apply to have the Options quoted on ASX; and

- (b) the Company will apply to ASX for Official Quotation of the Shares issued on exercise of Options.
12. There will be no entitlements inherent in the Options to participate in new issues of capital that may be offered to Shareholders during the currency of the Options.
13. If the Company makes a bonus issue of Shares or other securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) (**Bonus Issue**) and a Share has not been issued in respect of the Option before the record date for determining entitlements to the Bonus Issue, then the number of underlying Shares over which the Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Option before the record date for determining entitlements to the Bonus Issue.
14. If the Company makes a pro rata issue of Shares (except a Bonus Issue) to Shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) (**Pro Rata Issue**) and a Share has not been issued in respect of the Option before the record date for determining entitlements to the Pro Rata Issue, the Exercise Price of each Option will be reduced in accordance with Listing Rule 6.22.2.
15. If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company (**Reorganisation**), then the rights of the Option Holder (including the number of Options to which the Option Holder is entitled and the Exercise Price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the Reorganisation.
16. Any calculations or adjustments which are required to be made in relation to the Options and their terms will be made by the Company's directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.
17. To exercise Options, the Option Holder must give the Company or its securities registry, at the same time:
- (a) a written exercise notice (in the form approved by the board of directors of the Company from time to time) specifying the number of Options being exercised and Shares to be issued;
 - (b) payment of the aggregate Exercise Price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company; and
 - (c) any certificate for the Options.
18. The Option Holder may only exercise Options in multiples of 10,000 Options unless the Option Holder exercises all Options held by the Option Holder.
19. Options will be deemed to have been exercised on the date when the actions in paragraph 17 have been completed (provided those Options have vested and have not lapsed by that time).
20. The Company must give the Option Holder a certificate stating:
- (a) the number of Options issued to the Option Holder;
 - (b) the Exercise Price of the Options; and
 - (c) the date of issue of the Options.
21. If the Option Holder exercises less than the total number of Options registered in the Option Holder's name:
- (a) the Option Holder must surrender their Option certificate (if any); and
 - (b) the Company must cancel the Option certificate (if any) and issue the Option Holder a certificate stating the remaining number of Options held by the Option Holder.

22. Within 15 Business Days after the date when the actions in paragraph 17 have been completed, the Company must issue to the Option Holder the number of Shares resulting from the exercise of the Options which were exercised (provided those Options had vested and had not lapsed as at the time of exercise of those Options).
23. Subject to the Company's constitution, all Shares issued on the exercise of Options will rank in all respects (including rights relating to dividends) equally with the existing fully paid ordinary shares of the Company at the date of issue.
24. An Option does not confer any rights to dividends or to notice of, or to vote or attend at, a meeting of Shareholders.
25. Other than as expressly provided under these terms and subject to compliance with the ASX Listing Rules, there is no right to a change in the exercise price of the Options or to the number of Shares over which the Options are exercisable.
26. These terms and conditions of Options may be amended as necessary by the board of directors of the Company in order to comply with the Corporations Act, the Listing Rules (if applicable), or any directions of ASX (if applicable) regarding the terms and conditions of Options.
27. In these terms and conditions, the following expressions have the following meanings:

Bad Leaving means the termination of the executive's employment with the Company pursuant to the ESA:

- (a) by the executive, except for termination due to the ill health or Permanent Disablement of the executive; or
- (b) by the Company, other than without cause.

Change of Control Event means:

- (a) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares;
- (b) a court approves, under Section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme by which the Company is to be acquired by, or amalgamated with, any other company or companies; or
- (c) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

Dispose means to sell, transfer, mortgage, pledge, charge, grant a Security Interest over or otherwise dispose of an Option, and **Disposal** has a corresponding meaning.

Permanent Disablement means

- (a) the illness or incapacity of the executive necessitating the permanent withdrawal of the executive from the work force, as accepted to the satisfaction of the Board; or
- (b) any other circumstances which the Board considers should be treated as permanent disablement for the purposes of these terms.

Relevant Interest has the meaning given in the Corporations Act.

Security Interest means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature.

Takeover Bid means a takeover bid (as defined in the Corporations Act) to acquire Shares.

Voting Power has the meaning given in the Corporations Act.

Schedule 3 – Terms and conditions of the Options to be issued under Resolution 7

The terms and conditions of the Options to be issued under Resolution 7 are as follows:

(a) Entitlement

Subject to paragraph (o), each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraphs (l) and (n), the amount payable upon exercise of each Option is \$0.10 (**Exercise Price**).

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on the date that is three years from the date of issue of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Options are exercisable at any time and until and including the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

As soon as practicable after the valid exercise of an Option, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(h) Restrictions on transfer or disposal of Shares

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of the Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

(i) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(j) Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(k) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

(l) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(m) Adjustment for rights issue

In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the Exercise Price may be reduced in accordance with the formula set out in Listing Rule 6.22.2.

(n) Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(o) Unquoted

The Company will not apply for quotation of the Options on ASX.

(p) Transferability

The Options are only transferable with the prior written approval of the Board and subject to compliance with the Corporations Act and the Listing Rules.

Schedule 4 – Valuation of Options to be issued under Resolution 7

The Options proposed to be issued under Resolution 7 have been valued according to the Black Scholes valuation model on the following assumptions:

Number of Options	5,000,000
Market price of Shares	\$0.05 ¹
Exercise price	\$0.10
Exercise price premium to market value	\$0.05
Expiry period	3 years from date of issue
Volatility	71.37% ²
Risk free interest rate	2.90 ³
Annualised dividend yield	Nil
Value of each Option	\$0.0153
Aggregate value of Options	\$76,418

1 Market price at 28 March 2023 (being date of valuation)

2 Calculated utilising the market price of Shares for the period from 29 March 2022 to 28 March 2023.

3 3 year Government Bond Rate at 28 March 2023

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

Your proxy voting instruction must be received by **3.30pm (AWST) on Tuesday, 30 May 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

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

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

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

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