
SUN BIOMEDICAL LIMITED

ACN 001 285 230

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11.30 am WST

DATE: 26 November 2015

PLACE: Level 2, 1 Walker Avenue, West Perth, Western Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Peter Webse, on (+61 8) 9481 3860

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11.30 am WST on Thursday, 26 November 2015 at Level 2, 1 Walker Avenue, West Perth, Western Australia.

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 4.00 pm WST on, 24 November 2015.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. An amendment to the Act ("Amending Act") received Royal Assent on 27 June 2012, which aims to clarify confusion surrounding proxy voting by chairpersons for remuneration related matters.

The Amending Act clarifies that the chair of an AGM can vote undirected proxies in a shareholder vote on the remuneration report where the shareholder provides express authorisation.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

Financial, Directors' and Auditor's Reports

To receive and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2015, which includes the Financial Report, the Directors' Report and the Auditor's Report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **non-binding resolution**:

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Statement."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (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 this 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 and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this 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, or if the Company is part of a consolidated entity, for the entity.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR HOWARD DIGBY

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

"That, Mr Howard Digby, being a Director who retires by rotation in accordance with Article 6.3(c) of the Constitution of the Company, being eligible and offering himself for re-election, be re-elected as a Director."

3. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **special resolution**:

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of the issue), calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons.

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

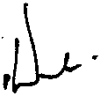
4. RESOLUTION 4 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **special resolution**:

"That, with effect from the date that ASIC alters the details of the Company's registration in accordance with section 157 of the Corporations Act, the name of the Company be changed to Dimerix Limited."

DATED: 12 OCTOBER 2015

BY ORDER OF THE BOARD



Peter Webse
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. Copies of the report can be found on the Company's website at www.sunbiomed.com.au or by contacting the Company on (08) 9481 3860.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report for the financial year ended 30 June 2015;
- (b) ask questions or make comment on the management of the Company;
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

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

- (a) the preparation and the 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 Meeting to the Company Secretary at the Company's registered office.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the Annual Report of the Company for the financial year ending 30 June 2015.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive and non-executive directors.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors or the Company. Of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act has been amended by the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act (Director and Executive Remuneration Act) which received the Royal Assent on 27 June 2011 and came into effect on 1 July 2011.

The Director and Executive Remuneration Act introduced new sections 250U and 250Y, among others, into the Corporations Act, giving Shareholders the opportunity to

remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (Two Strikes Rule).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting, a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

At the Company's 2014 Annual General Meeting votes cast there were less than 25% of votes cast against the adoption of the remuneration report.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting, Shareholders should be aware that if there is a 'no' vote of 25% or more at the next annual general meeting the consequences are that all Directors (other than the Managing Director) may be up for re-election.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR HOWARD DIGBY

Pursuant to Article 6.3 of the Company's Constitution, one third of the Directors (or the number nearest one third) must retire at each annual general meeting and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by lot unless otherwise agreed. However, these requirements for a Director to retire do not apply to a Managing Director.

Accordingly, Mr Howard Digby, is required to retire by rotation and being eligible, seeks re-election as a Director.

Resolution 2 seeks approval for the re-election of Mr Howard Digby, who is retiring by rotation under Article 6.3(c) of the Company's Constitution. His details are set out below.

Mr Digby joined the Board in January 2013. He served as Executive Chairman of the Company and reverted to a non-executive role in July 2015. Mr Digby has spent over 25 years managing technology businesses across the Asia Pacific region including 11 years being based in Hong Kong. Before returning to Perth, he was with the Economist Group as regional Managing Director. Prior to this, Mr Digby held senior business management roles at Gartner (NYSE: IT) and Adobe (NSDQ: ADBE), having started his career at IBM. Mr Digby holds a Bachelor of Engineering from the University of Western Australia. Mr Digby is former executive director of Cynata Therapeutics Limited (ASX: CYP) and is currently a non-executive director of Estrella Resources Limited (ASX: ESR).

The Board unanimously supports the re-election of Mr Howard Digby.

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

4.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 4.2 below).

The effect of Resolution 3 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

4.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the A&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the A&P/ASX 300 Index and at the date of this Notice has a current market capitalisation of \$9,265,480.

The Equity Securities must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities, being Shares (ASX Code: SBN).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
 - (a) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (b) plus the number of partly paid shares that became fully paid in the 12 months;
 - (c) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
 - (d) less the number of fully paid shares cancelled in the 12 months.

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

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Shareholders under ASX Listing Rule 7.1 or 7.4.

4.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX Trading Days of the date in paragraph (a)(i) above, the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).

or such longer period if allowed by ASX (**10% Placement Capacity Period**).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the number of Equity Securities the Company will have on issue as at the date of the Meeting.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company will have on issue at the date of the Meeting. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price. The voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Variable "A" in Listing Rule 7.1A.2	Dilution			
		\$0.0035 issue price (50% decrease in current issue price)	\$0.007 issue price (Current issue price)	\$0.0105 issue price (50% increase in current issue price)
1,323,640,049 (Current)	Shares Issued 10% Voting Dilution	132,364,004 Shares	132,364,004 Shares	132,364,004 Shares
	Funds Raised	\$463,274	\$926,548	\$1,389,822
1,985,460,074 (50% increase)*	Shares Issued 10% Voting Dilution	198,546,007 Shares	198,546,007 Shares	198,546,007 Shares
	Funds Raised	\$694,911	\$1,389,822	\$2,084,733
2,647,280,098 (100% increase)*	Shares Issued 10% Voting Dilution	264,728,009 Shares	264,728,009 Shares	264,728,009 Shares
	Funds Raised	\$926,548	\$1,853,096	\$2,779,644

*The number of ordinary securities on issue (variable A in the formula) could increase as a result of the issue of ordinary securities that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 9 October 2015.
2. The issue price set out above of \$0.007 is the closing price of the Shares on the ASX on 9 October 2015.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. No Options are exercised into Shares before the date of the issue of the Equity Securities;
5. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to by reason of placements under the 10% Placement Capacity. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Equity Securities in that class may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the date of issue or the Equity Securities are issued as part of the consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration, in which case the Company intends to use funds raised for expanding or accelerating the Company's existing business activities (including expenses associated with further development of the Company's existing assets), pursuing other acquisitions that have a strategic fit or will otherwise add value to shareholders (including expenses associated with such acquisitions) and general working capital; or
- (ii) as non-cash consideration for acquisition of new assets, technology and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) **Allocation under the 10% Placement Capacity**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company; and
- (v) advice from corporate, financial and broking advisers (if applicable).

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined but may include current Shareholders or new investors (or both), none of whom will be related parties or associates of a related party of the Company.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company has previously obtained Shareholder approval under Listing Rule 7.1A.

In the 12 months preceding the date of this Notice, the Company issued a total of 1,225,851,755 Equity Securities which represent 282.13% of the total number of Equity Securities on issue at 26 November 2014. The Equity Securities issued in the preceding 12 months were as follows:

Date of Appendix 3B	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to Market Price on the trading day prior to the issue	If issued for cash – the total consideration, what is was spent on and the intended use of any remaining funds If issued for non-cash consideration – a description of the consideration and the current value of the consideration.
16/06/2015	60,000,000	Note 2	Sophisticated and professional investors pursuant to section 708 of the Corporations Act.	\$0.01 issue price being a 20% discount to the Market Price of \$0.012 on 15/07/15.	The issue raised \$600,000 with the funds being applied towards the acquisition of Dimerix Bioscience, the existing business and general working capital.
03/07/2015	100,000,000	Note 2	Sophisticated and professional investors pursuant to section 708 of the Corporations Act.	\$0.01 issue price being at the Market Price of \$0.01 on 02/07/15.	The issue raised \$1,000,000 with the funds being used to fund the acquisition of Dimerix Bioscience, expenditure in the assets owned by Dimerix and the existing business of the Company and ongoing working capital.
03/07/2015	750,000,041	Note 2	Issued to the vendors of Dimerix Bioscience as approved by shareholders on 30 June 2015.	\$0.01 deemed issue price being the Market Price of \$0.01 on 02/07/15.	Issued in consideration for the acquisition of all of the shares in Dimerix Bioscience. The current value of the consideration is \$5,250,000 based on an issue price of \$0.007 (being the closing price of the Shares on the ASX on 9 October 2015).
03/07/2015	75,000,040	Note 3	Issued to the vendors of Dimerix Bioscience as approved by shareholders on 30 June 2015.	\$0.01 deemed issue price being the Market Price of \$0.01 on 02/07/15.	Issued in consideration for the acquisition of all of the shares in Dimerix Bioscience. The current value of the consideration is \$525,000 based on an issue price of \$0.007 (being the closing price of the Shares on the ASX on 9 October 2015).
03/07/2015	75,000,040	Note 3	Issued to the vendors of Dimerix Bioscience as approved by shareholders on 30 June 2015.	\$0.01 deemed issue price being the Market Price of \$0.01 on 02/07/15.	Issued in consideration for the acquisition of all of the shares in Dimerix Bioscience. The current value of the consideration is \$525,000 based on an issue price of \$0.007 (being the closing price of the Shares on the ASX on 9 October 2015).
03/07/2015	75,000,040	Note 3	Issued to the vendors of Dimerix Bioscience as approved by shareholders on 30 June 2015.	\$0.01 deemed issue price being the Market Price of \$0.01 on 02/07/15.	Issued in consideration for the acquisition of all of the shares in Dimerix Bioscience. The current value of the consideration is \$525,000 based on an issue price of \$0.007 (being the closing price of the Shares on the ASX on 9 October 2015).
03/07/2015	30,851,594	Note 4, 6	Issued to past and present employees and consultants of Dimerix Bioscience in connection with the acquisition.	\$0.02 exercise price being a 100% premium to the Market Price of \$0.01 on 2 July 2015.	Issued as a performance related incentive to past and present employees and consultants of Dimerix Bioscience as part of the acquisition. Valued at \$0.0008 each totaling \$24,174 using a Black & Scholes option pricing model.
03/07/2015	60,000,000	Note 5, 6	Issued to Forrest Capital Pty Ltd's nominees pursuant to terms of placement mandate.	\$0.0001 issue price. \$0.01 exercise price being at the Market Price of \$0.01 on 2 July 2015.	The issue raised \$6,000 which was used for working capital purposes. Valued at \$0.0019 each totaling \$114,579 using a Black & Scholes option pricing model.

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises).
 2. Fully paid ordinary shares in the capital of the Company, ASX Code: SBN (terms are set out in the constitution).
 3. Class A, B and C Performance shares issued to the vendors of Dimerix Bioscience Limited pursuant to the terms of the acquisition. The values provided above for these Performance shares assumes they have converted into ordinary Shares.
 4. Unlisted options expiring 30 June 2017, exercisable at \$0.02.
 5. Unlisted options expiring 30 June 2017, exercisable at \$0.01.
 6. The value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option.
- (g) The Company's cash balance on 26 November 2014 was approximately \$1,663,000. Cash raised from issues in the previous 12 months totals \$1,600,000. The Company's cash balance at the date of this Notice is approximately \$2,992,553. Funds expended during the 12 months have been on further developing the Company's existing drug testing assets for market, evaluation of potential new technologies to acquire, the acquisition of Dimerix Bioscience Limited and general working capital. The remaining funds of \$2,992,553 are intended to be used to progress the commercialisation of the Company's assets and for general working capital.

4.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

5. RESOLUTION 4 – CHANGE OF COMPANY NAME

The Directors have determined to change the name of the Company to "Dimerix Limited". Resolution 4 seeks Shareholder approval for the change of name in accordance with section 157 of the Corporations Act.

Resolution 4 is a special resolution.

The change of name of the Company will take effect from when ASIC alters the details of the Company's registration.

It is proposed the Company's ASX listing code will also be changed from "SBN" to "DXB".

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in section 4.2 of this Notice.

Annual General Meeting or **Meeting** means the meeting convened by this Notice.

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2015.

ASIC means the Australian Securities and Investments Commission.

Auditor's Report means the auditor's report on the Financial Report.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Company means Sun Biomedical Limited (ACN 001 285 230).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a current director of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the A&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Directors' Report.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

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

Shareholder means a holder of a Share.

Trading Day means a day determined by the ASX to be a trading day in accordance with the Listing Rules.

Variable A means "A" as set out in the calculation in section 4.2 of this Notice.

WST means Western Standard Time as observed in Perth, Western Australia.



Holder Number

Security Holder Appointment of Proxy – Annual General Meeting

I/We being a Shareholder entitled to attend and vote at the Meeting, hereby appoint

OR

The Chair as my/our proxy

(Name of Proxy)

or failing the person so named or, if no person is named, the Chair, or the Chair’s nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 11.30am (WST) on 26 November 2015 at Level 2, 1 Walker Avenue, West Perth, Western Australia and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 in accordance with the Chair’s voting intentions (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the “for,” “against” or “abstain” box you will be authorising the Chair to vote in accordance with the Chair’s voting intention.

VOTING ON BUSINESS OF THE MEETING

Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of director – Mr Howard Digby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4 Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDER(S):

Individual or Shareholder 1

Sole Director or
Sole Director / Company Secretary

Shareholder 2

Director

Shareholder 3

Director / Company Secretary

INSTRUCTIONS FOR COMPLETING 'APPOINTMENT OF PROXY' FORM

APPOINTING A PROXY

A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. The appointed proxy may be an individual or body corporate.

If a Body Corporate is appointed to act as your proxy then a representative of that Body Corporate must be appointed to act as its representative. When attending the meeting, the representative must bring a formal notice of appointment as per section 250D of the Corporations Act. Such notice must be signed as required by section 127 of the Corporations Act or the Body Corporate's Constitution.

If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll.

The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.

Note: If you wish to appoint a second proxy, you may copy this form but you must return both forms together.

VOTING ON BUSINESS OF MEETING

A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the number of votes that the proxy may exercise by writing the number of Shares next to the box marked for the relevant item of business.

Where a box is not marked the proxy may vote as they choose subject to the relevant laws.

Where more than one box is marked on an item the vote will be invalid on that item.

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 of the Shareholders should sign.
- **Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy 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.

ATTENDING THE MEETING

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

LODGEMENT OF VOTES

To be effective, a validly appointed proxy must be received by the Company **not less than 48 hours** prior to commencement of the Meeting.

Proxy appointments can be lodged by:

- a) **Hand Delivery** – to Sun Biomedical Limited, Level 2, 1 Walker Avenue, West Perth, Western Australia; or
- b) **Post** - to Sun Biomedical Limited, PO Box 271, West Perth, Western Australia, 6872; or
- c) **Facsimile** - to the Company on facsimile number +618 9321 1204.

Proxy Forms received later than this time will be invalid