



25 September 2015

Dear Shareholder,

Annual General Meeting

Attached is the Notice of the 2015 Annual General Meeting of the ordinary shareholders of Allegra Orthopaedics Limited (the Company) which will be held at 10.00 am on Wednesday 28 October 2015, at the Company's offices at 2/12 Frederick Street, St Leonards, NSW.

The formal part of the Annual General Meeting will cover the ordinary business transacted each year. This year the Annual General Meeting will also cover the following resolution:

- Cancellation of Forfeited Shares

Further details concerning these matters are contained in the Explanatory Notes that forms part of the Notice of Meeting.

If you are unable to attend the meeting in person, I encourage you to return the enclosed proxy form. The proxy form should be returned in the envelope provided, or faxed to our Share Registry on +61 2 9287 0309 so that it is received by 10.00 am (Sydney time) on Monday 26 October, 2015 being not less than 48 hours before the time for holding the meeting.

The Company's Annual Report for the year ended 30 June 2015 is available on our website at www.allegraorthopaedics.com. Printed copies of the report are distributed only to those shareholders who have elected to receive it in printed form.

Shareholders will have an opportunity to ask questions during the meeting, and are invited to join the Board for light refreshments at its conclusion. I look forward to welcoming you at the meeting.

Yours sincerely,

Richard Ulrick
Company Secretary



ALLEGRA ORTHOPAEDICS LIMITED
ABN 71 066 281 132

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2015 Annual General Meeting (“AGM”) of Shareholders of Allegra Orthopaedics Limited (“the Company”) will be held at 2/12 Frederick Street, St Leonards, NSW, 2065 on Wednesday 28 October 2015 at 10.00am.

BUSINESS

1. Financial and Other Reports

To receive and consider the Financial Report of the Company and the Reports of the Directors and the Auditor in respect of the year ended 30 June 2015.

2. Adoption of Remuneration Report

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

“That, the Company’s Remuneration Report for the financial year ended 30 June 2015 (set out in the Directors’ Report) be adopted.”

Note: The vote on this resolution is advisory only and the outcome will not be binding on the Directors or the Company.

If 25% or more of votes that are cast are voted against the adoption of the remuneration report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a “spill resolution”) that another meeting be held within 90 days at which all of the Company’s directors (other than the Managing Director) must stand for re-election.

3. Election of Peter Kazacos as a Director

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

“That Mr Peter Kazacos who retires in accordance with the Company’s constitution and, being eligible, offers himself for re-election, be elected as a Director of the Company.”

4. Election of Anthony Hartnell as a Director

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

“That Mr Anthony Hartnell, a Director who was appointed since the last Annual General Meeting, retires in accordance with the Company’s constitution and, being eligible, offers himself for election, be elected as a Director of the Company.”

5. Cancellation of Forfeited Shares

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

“That, in accordance with section 258D of the Corporations Act 2001 (Cth) and for all other purposes, the Company’s share capital be reduced by the cancellation of 250,000 shares that had been issued to former employees and which have been forfeited in accordance with the terms of their issue.”

By Order of the Board

Richard Ulrick
Company Secretary
Sydney, 25 September 2015

PROXIES AND VOTING

Voting Exclusions

Item 2

In accordance with the Corporations Act, any vote cast on the resolution the subject of Item 2 by Key Management Personnel of the Company or the consolidated entity of which the Company is a part and their Closely Related Parties, which include certain family members, dependants and companies they control (collectively “Excluded Persons”) will be disregarded if the remuneration of the Key Management Personnel appears in the Remuneration Report.

However, the Company need not disregard a vote if it is cast by:

- one of the Excluded Persons, as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- 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.

Key Management Personnel are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies at page 7 of the Company’s Annual Report the Company’s Key Management Personnel for the financial year to 30 June 2015.

Item 5

The Company will disregard any votes cast on the resolution the subject of Item 5 by any person (and any associates of such a person) whose shares are to be cancelled if the resolution is passed.

However, the Company need not disregard a vote if:

- it is cast by a person as 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.

Proxies

A Proxy Form accompanies this Notice of Annual General Meeting. A member who is entitled to attend and vote at the meeting is entitled to appoint no more than two proxies (who need not be members of the Company) to attend and vote in their place.

A single proxy exercises all voting rights. Where a member wishes to appoint two proxies, an additional proxy form may be obtained by contacting the Company, or the member may copy the enclosed proxy form. A member appointing two proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints two proxies and does not specify each proxy’s voting rights, the rights are deemed to be 50% each. Fractions of votes are to be disregarded. A member or proxy that is a corporation and entitled to vote may appoint an individual to act as its

representative. Evidence of the appointment of a representative must be in accordance with the Corporations Act 2001 (Cth) and lodged with the Company before the meeting or at the registration desk on the day of the meeting.

If any instrument (including an Appointment of Corporate Representative or Proxy Form) returned to the Company is completed by an individual or a corporation under Power of Attorney, the Power of Attorney under which the instrument is signed, or a certified copy of that Power of Attorney, must accompany the instrument unless the Power of Attorney has previously been noted by the Company.

To be valid, Proxy Forms must be lodged:

- (a) by posting or facsimile to the Company's share registry as follows: Allegra Orthopaedics Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Facsimile: (02) 9287 0309; or
- (b) by delivering it to Link Market Services Limited at 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000; or
- (c) online at www.linkmarketservices.com.au

by no later than 10.00am (AEDT) on Monday 26 October 2015.

Appointment of the Chairman or other Key Management Personnel as your proxy

Due to the voting exclusions and requirements referred to above, if you intend to appoint the Chairman, any other director or Key Management Personnel or their Closely Related Parties or associates as your proxy, you are encouraged to direct your proxy on how to vote on the resolution the subject of Item 2, by marking either "For", "Against" or "Abstain" on the proxy form for that item of business.

The Chairman's stated voting intention would be to vote any undirected proxies in favour of all proposed resolutions including for the resolution the subject of Item 2 (Adoption of Remuneration Report).

Further you should note that:

- if you execute a proxy form and do not nominate a person to act as your proxy, the Chairman will be appointed as your proxy by default;
- if you appoint the Chairman as your proxy or the Chairman is appointed as your proxy by default, and the proxy form does not specify whether to vote "For", "Against" or "Abstain", your undirected proxies held by the Chairman will be taken as a direction to the Chairman to vote in accordance with his stated voting intention, which is to vote in favour of all resolutions (including the resolution the subject of Item 2);
- you will be taken to authorise the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel or the Chairman has an interest in the outcome of the relevant resolution.

Shareholders always have the ability to appoint the Chairman as their proxy to cast the votes contrary to the Chairman's stated voting intention or to abstain from voting on a resolution.

If you appoint someone other than the Chairman as your proxy who is another director or member of Key Management Personnel or their Closely Related Parties or associates and do not direct them how to vote on the resolution the subject of Item 2, then your proxy will not be voted on that resolution.

Corporate Representatives

Corporate shareholders who wish to appoint a representative to attend the meeting on their behalf must provide that person with a properly executed letter or other document confirming that they are authorised to act as the company's representative.

Eligibility to Vote

For the purpose of voting at the meeting, the Directors have determined that all Shares of the Company are taken to be held by the persons who are registered as holding them at 7.00 pm (AEDT) on Monday 26 October 2015. The entitlement of members to vote at the meeting will be determined by reference to that time.

Questions

In addition to asking questions at the meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about the content of the auditor's report and the conduct of the audit, may be submitted no later than Wednesday, 21 October 2015 to the Company's Share Registry, Link Market Services Limited, the contact details being set out above.

EXPLANATORY NOTES

The purpose of these Explanatory Notes is to provide shareholders of the Company with information that is reasonably required by shareholders to decide how to vote upon the resolutions. The Directors recommend that shareholders read this Explanatory Statement before determining whether to support the resolutions.

Item 1- Financial and Other Reports

The Company's Annual Report which contains the Financial and other Reports in respect of the year ended 30 June 2015 has been made available to shareholders and may be viewed on the Company's website.

No resolution is required for this item. Following consideration of the Reports, the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the management of the Company and to ask the Company's auditor questions about its audit report, the conduct of the audit of the Company's financial report for the year ended 30 June 2015, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

Item 2 – Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2015 is set out on pages 5 to 10 of the Company's Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for directors and senior executives.

The Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions about or make comments on the Remuneration Report at the meeting. In addition, shareholders will be asked to vote on adoption of the Remuneration Report. However, this vote is of an advisory nature only and does not bind the Company nor its directors.

Acknowledging that each director has a personal interest in his own remuneration from the Company as described in the Remuneration Report, the directors unanimously recommend shareholders vote in favour of the resolution the subject of Item 2.

Item 3- Election of Peter Kazacos as a Director

Mr Kazacos B.E, B.Sc, retires as a director in accordance with the Company's Constitution and being eligible offers himself for election.

Mr Kazacos, having been first appointed on 9 May 2006 and re-elected most recently on 26 November 2014, is non-executive Chairman of both the Company and the Nomination & Remuneration Committee and a member of the Audit & Risk Committee.

Mr Kazacos has over 40 years' experience in the IT industry. He has founded and successfully grown 2 companies in the IT sector to the extent that both companies became leading service providers in Australia.

Further details of his qualifications, experience and achievements are contained on page 4 of the Annual Report.

The Board considers that Mr. Kazacos experience in successfully growing companies in conjunction with his strategic and capital markets experience will assist the Company in the rollout of its product range.

The directors, with Mr Kazacos abstaining, unanimously recommend that shareholders vote in favour of this resolution.

Item 4: Election of Anthony Hartnell as a Director

Mr Anthony Hartnell BEc LLB (Hons) (ANU), LLM (Highest Hons) (George Washington University), a Director who was appointed since the last Annual General Meeting, retires in accordance with the Company's constitution and, being eligible, offers himself for election.

He is Chairman of the Audit and Risk Committee and a Member of the Nomination and Remuneration Committee.

Mr. Hartnell who has been honoured as an Officer in the Order of Australia has had a distinguished legal career in both government and private practice. He is the founding partner of Atanaskovic Hartnell, a legal firm specialising in corporate and commercial law, particularly covering corporate financing, takeovers and regulatory issues. He was the inaugural Chairman of the Australian Securities Commission.

Further details of his qualifications, experience and achievements are contained on page 4 of the Annual Report.

The Board considers that Mr. Hartnell's qualifications and broad experience are appropriate for assisting the Company in achieving its objectives.

The directors, with Mr Hartnell abstaining, unanimously recommend that shareholders vote in favour of this resolution.

Item 5: Cancellation of Forfeited Shares

750,000 fully paid ordinary shares in the Company were issued at no cost to certain employees on 23 October 2012, in accordance with their employment arrangements, on condition that they would be forfeited in the event that the holder ceased to be an employee on or before 30 June 2015.

As advised to ASX Limited on 16 March 2015 250,000 of those shares have been forfeited for that reason. There are no amounts called but unpaid or any amounts uncalled relating to the forfeited shares.

Notwithstanding, under the ASX Listing Rules and Section 258D of the Corporations Act 2001(Cth), cancellation of the forfeited shares requires approval of shareholders by an ordinary resolution.

The cancellation will have the following impact on the Company's capital:

Current Issued Capital- 63,851, 248 fully paid ordinary shares.

Issued Capital following cancellation- 63,601, 248 fully paid ordinary shares.

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