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**NEURODISCOVERY LIMITED**

**ACN 113 824 141**

**NOTICE OF GENERAL MEETING**

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**TIME:** 9:30am (WST)

**DATE:** Wednesday, 22 May 2013

**PLACE:** 338 Hay Street, Subiaco, 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 on + 61 407 770 183.***

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## **IMPORTANT INFORMATION**

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### **TIME AND PLACE OF MEETING**

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Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 9:30am (WST) on Wednesday, 22 May 2013 at:

338 Hay Street, Subiaco, Western Australia.

### **YOUR VOTE IS IMPORTANT**

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

### **VOTING ELIGIBILITY**

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The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00 pm (WST) on Monday, 21 May 2013.

### **VOTING IN PERSON**

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

### **VOTING BY PROXY**

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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 Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes is 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.

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – ELECTION OF DIRECTOR – MR MARTIN ROGERS

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

*“That, for the purposes of clause 13.4 of the Constitution and for all other purposes, Mr Martin Rogers, a Director who was appointed on 3 April 2013, retires, and being eligible, is re-elected as a Director.”*

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#### 2. RESOLUTION 2 – ISSUE OF OPTIONS AND SHARES TO RELATED PARTY – MR MARTIN ROGERS

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

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to allot and issue 19,000,000 Options and 10,000,000 Shares to Mr Martin Rogers (and/or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Martin Rogers (and/or his nominee) and any of his associates. 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.

**Voting Prohibition Statement:**

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 though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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#### 3. RESOLUTION 3 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*"That, for the purposes of section 157(1)(a) and for all other purposes, approval is given for the name of the Company to be changed to **OncoSil Medical Ltd.**"*

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**DATED: 19 APRIL 2013**

**BY ORDER OF THE BOARD**

**ROBERT HOBBY  
COMPANY SECRETARY  
NEURODISCOVERY LTD**

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## EXPLANATORY STATEMENT

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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.

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### 1. RESOLUTION 1 – ELECTION OF DIRECTOR – MR MARTIN ROGERS

Clause 13.4 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Martin Rogers was appointed a Director of the Company on 3 April 2013.

Martin Rogers is the former CEO, and current non-executive director, of Prima BioMed Ltd. Mr Rogers has Chemical Engineering and Science degrees and has a depth of experience in incubating companies and publicly listed organisations. Mr Rogers has experience in all aspects of financial, strategic and operational management and has helped raise over \$100 million in cash equity. Mr Rogers has been both an investor and senior executive in a private funded advisory business in the science and biotechnology sectors, where he was instrumental in significantly increasing the value of those investments. Mr Rogers is the Chairman of Consegna Group Ltd and non-executive director of Cellmid Ltd.

The Board of NeuroDiscovery look forward to Mr Rogers commencing his new role adding value to shareholders via his extensive knowledge, contact network within the biotechnology sector and investment community.

Mr Martin Rogers will retire in accordance with clause 13.4 of the Constitution and being eligible seeks re-election.

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### 2. RESOLUTION 2 – ISSUE OF OPTIONS AND SHARES TO RELATED PARTY - MR MARTIN ROGERS

#### 2.1 General

As mentioned above at Section 1 of this Explanatory Statement, Mr Rogers was recently elected by the Board as a Director of the Company.

As part of Mr Roger's executive remuneration package, the Company has agreed, subject to obtaining Shareholder approval, to allot and issue a total of 19,000,000 Options (**Related Party Options**) and 10,000,000 Shares (**Related Party Shares**) to Mr Martin Rogers (and/or his nominee) on the terms and conditions set out below.

The Related Party Options are exercisable upon different performance based vesting conditions being met. The Related Party Options are comprised of:

- (a) 10,000,000 Class A Options;
- (b) 3,000,000 Class B Options;

- (c) 3,000,000 Class C Options; and
- (d) 3,000,000 Class D Options,

each with different vesting conditions set out in Schedule 1.

## **2.2 Chapter 2E of the Corporations Act**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Related Party Options and Related Party Shares constitutes giving a financial benefit and Mr Rogers is a related party of the Company by virtue of being a Director.

## **2.3 ASX Listing Rule 10.11**

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Related Party Options and Related Party Shares to Mr Rogers (and/or his nominee).

## **2.4 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)**

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Related Party Options and Related Party Shares:

- (a) the Related Party Options and Related Party Shares will be issued to Mr Martin Rogers (and/or his nominee);
- (b) Mr Martin Rogers is a related party of the Company by virtue of being a Director;
- (c) 19,000,000 Related Party Options is the maximum number of Options to be granted to Mr Rogers (and/or his nominee);
- (d) 10,000,000 Shares is the maximum number of Shares to be issued to Mr Rogers (and/or his nominee);

- (e) the Related Party Options and Related Party Shares will be granted/issued to Mr Rogers (and/or his nominee) no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that allotment will be on the same date;
- (f) the Related Party Options will be granted for nil cash consideration, accordingly no funds will be raised;
- (g) the Related Party Shares will be issued at an issue price of \$0.025 per Share to raise up to \$250,000;
- (h) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (i) the funds raised from the issue of the Related Party Shares will be used for general working capital expenses of the Company;
- (j) the terms and conditions of the Related Party Options are set out in Schedule 1;
- (k) the value of the Related Party Options (and therefore the financial benefit to be received by Mr Rogers (and/or his nominee)) and the pricing methodology is set out in Schedule 2;
- (l) the financial benefit that Mr Roger's (and/or his nominee) will receive from being issued the Related Party Shares is determinant upon the trading price of the Company Shares at any one point in time. The last closing price recorded on ASX prior to preparation of this Notice was 3.5 cents on 18 April 2013. The deemed value of the Related Party Shares is \$100,000, being the difference in the issue price of the Related Party Shares (2.5 cents per Share) and the last recorded closing market price on ASX;
- (m) Mr Rogers does not currently holds any Shares or Options;
- (n) the remuneration and emoluments from the Company to Mr Rogers for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

<b>Related Party</b>	<b>Current Financial Year</b>	<b>Previous Financial Year</b>
Mr Martin Rogers	21,800	Nil

- (o) if all the Related Party Options are granted and exercised by Mr Rogers (and/or his nominee), and the Related Party Shares are issued to Mr Rogers (and/or his nominee), a total of 29,000,000 Shares would be allotted and issued. This will increase the number of Shares on issue from 231,989,274 to 260,989,274 (this figure assumes that no other Options are exercised and the 135,000,000 Shares to be issued pursuant to shareholder approval obtained on 28 March 2013 have been issued). The potential dilutionary effect upon Shareholders is illustrated in the table below:



<b>Event</b>	<b>No of Shares currently on Issue<sup>1</sup></b>	<b>No. of Shares issued</b>	<b>No of Shares on Issue (Post Issue)</b>	<b>Dilution Percent age</b>
Shares issued on exercise of Related Party Options	231,989,274	19,000,000	250,989,274	7.57%
Related Party Shares	231,989,274	10,000,000	241,989,274	4.13%
<b>Total</b>	<b>231,989,274</b>	<b>29,000,000</b>	<b>260,989,274</b>	<b>11.11%</b>

**Notes:**

<sup>1</sup> This assumes that no other Options are exercised and 135,000,000 Shares have been issued as contemplated by the shareholder approval obtained on 28 March 2013.

The market price for Shares during the term of the Related Party Options would normally determine whether or not the Related Party Options are exercised. If, at any time any of the Related Party Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Related Party Options, there may be a perceived cost to the Company.

- (p) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	<b>Price</b>	<b>Date</b>
Highest	4.4 cents	4 April 2013
Lowest	2 cents	15,16 and 29 May 2012, 8 and 15 June 2012
Last	3.5 cents	18 April 2013

- (q) the Board acknowledges the grant of Related Party Options to Mr Rogers (and/or his nominee) is contrary to Recommendation 8.3 of The Corporate Governance Principles and Recommendations with 2010 Amendments (2<sup>nd</sup> Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of Related Party Options to Mr Rogers reasonable in the circumstances for the reason set out in paragraph (u);
- (r) the primary purpose of the grant of the Related Party Options and Related Party Shares to Mr Rogers is to provide a performance linked incentive component in his remuneration package that motivates and rewards the performance of Mr Rogers in his role as a Director;
- (s) Mr Rogers declines to make a recommendation to Shareholders in relation to Resolution 2 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Options and Related Party Shares in the Company should Resolution 2 be passed.
- (t) with the exception of Mr Rogers, no other Director has a personal interest in the outcome of Resolution 2.

- (u) Dr Roger Aston recommends that Shareholders vote in favour of Resolution 2 for the following reasons:
- (i) the grant of Related Party Options and the Related Party Shares to Mr Rogers, in particular, the vesting conditions of the Related Party Options, will align his interests with those of Shareholders;
  - (ii) the grant of the Related Party Options and Related Party Shares is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
  - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Related Party Options upon the terms proposed;
- (v) Mr David McAuliffe recommends that Shareholders vote in favour of Resolution 2 for the reasons set out in paragraph (u);
- (w) Mr Simon O'Loughlin recommends that Shareholders vote in favour of Resolution 2 for the reasons set out in paragraph (u);
- (x) in forming their recommendations, each Director considered the experience of Mr Rogers, the current market price of Shares, the issue price of the Related Party Shares, the current market practices when determining the number of Related Party Options to be granted as well as the exercise price of 5 cents and expiry date of those Related Party Options; and
- (y) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 2.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Options and Related Party Shares to Mr Rogers as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Options and Related Party Shares to Mr Rogers will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

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### 3. RESOLUTION 3 – CHANGE OF COMPANY NAME

On 28 March 2013, the Company obtained shareholder approval to acquire 100% of the issued share capital in Enigma Therapeutics Limited, a company registered in the United Kingdom focussing on developing and launching an innovative brachytherapy product for the treatment of pancreatic cancer (**Transaction**).

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 3 seeks the approval of Shareholders for the Company to change its name to OncoSil Medical Ltd.

The Board proposes this change of name on the basis that it more accurately reflects the future operations of the Company upon completion of the Transaction.

If Resolution 3 is passed the change of name will take effect when ASIC alters the details of the Company's registration.

The proposed name has been reserved by the Company and if Resolution 3 is passed, the Company will lodge a copy of the special resolution with ASIC following the Meeting in order to effect the change.

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## GLOSSARY

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**\$** means Australian dollars.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**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.

**Chair** means the chair of the Meeting.

**Class A Option** has the meaning set out in Schedule 1.

**Class B Option** has the meaning set out in Schedule 1.

**Class C Option** has the meaning set out in Schedule 1.

**Class D Option** has the meaning set out in Schedule 1.

**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 NeuroDiscovery Limited (ACN 113 824 141).

**Constitution** means the Company's constitution.

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

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**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.

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

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

**Option** means an option to acquire a Share with the terms and conditions set out in Schedule 1.

**Optionholder** means a holder of an Option.

**Proxy Form** means the proxy form accompanying the Notice.

**Related Party Options** means the Options to be issued to Mr Rogers pursuant to Resolution 2 on the terms and conditions set out in Schedule 1.

**Resolutions** means the resolutions set out in the Notice, 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.

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

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## SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

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The terms and conditions of the 19,000,000 Related Party Options to be issued to Mr Rogers pursuant to Resolution 2 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 (j), the amount payable upon exercise of each Option will be the greater of \$0.05 or the 40% premium to the volume weighted average price of the Company's shares as traded on ASX over the 5 trading days prior to the date of issue of the Options (**Exercise Price**).

**(c) Expiry Date**

Each Option will expire at 5.00pm (WST) on the date that this four years after the date the Option is issued (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**(d) Exercise Period and Vesting Conditions**

The Related Party Options shall be exercisable at any time on or prior to the Expiry Date subject to the following vesting conditions (**Exercise Period**):

- (i) 10,000,000 Options shall vest immediately upon grant and shall be exercisable from that date (**Class A Options**);
- (ii) 3,000,000 Options shall vest upon the Company's Shares trading at a volume weighted average price of 10 cents or above on the ASX for 10 consecutive days (**Class B Options**);
- (iii) 3,000,000 Options shall vest upon the Company's Shares trading at a volume weighted average price of 15 cents or above on the ASX for 10 consecutive days (**Class C Options**); and
- (iv) 3,000,000 Options shall vest upon the Company's Shares trading at a volume weighted average price of 20 cents or above on the ASX for 10 consecutive days (**Class D Options**).

**(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**

Within 15 Business Days after the later of the following:

- (i) the Exercise Date; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- (iii) 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;
- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (v) 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.

If a notice delivered under (g)(iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

**(h) Shares issued on exercise**

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

**(i) 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.

**(j) Reconstruction of capital**

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

**(k) 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.

**(l) 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.

**(m) Unquoted**

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

**(n) Transferability**

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



## SCHEDULE 2 – VALUATION OF RELATED PARTY OPTIONS

The Related Party Options to be issued to Mr Rogers pursuant to Resolution 2 have been independently valued by Stantons International Audit and Consulting Pty Ltd (trading as Stantons International Securities).

Using the Black & Scholes option pricing model and based on the assumptions set out below, the Related Party Options were ascribed the following value:

<b>Assumptions:</b>	
Valuation date	8 April 2013
Market price of Shares	4 cents
Exercise price	5.613 cents (40% premium to the 5 day VWAP)
Expiry date (length of time from issue)	4 Years
Risk free interest rate	2.93%
Volatility (discount)	75%
Vesting Condition Discount Rate:*	
- Class A Options	0%
- Class B Options	85%
- Class C Options	90%
- Class D Options	95%
<b>Indicative value per Related Party Option</b>	
- Class A Option	1.9849 cents
- Class B Option	0.2977 cents
- Class C Option	0.1985 cents
- Class D Option	0.0992 cents
<b>Total Value of Related Party Options</b>	
- Class A Options	\$198,490
- Class B Options	\$8,931
- Class C Options	\$5,955
- Class D Options	\$2,976
<b>Total</b>	<b>\$216,352</b>

### Notes:

\* The valuation of the Class B, C and D Options have been discounted on the basis of the A-IFRS Accounting Standard on Share Based payments, whereby a discount is applied to

take into account the probability of the Options not vesting and therefore the Options being incapable of exercise. The discount formula is somewhat subjective (as it is impossible to predict future performance of the Company's Share price) and has been calculated taking into account the Company's historical trading Share price.

\*\* The valuation noted above is not necessarily the market price that the Related Party Options could be traded at and is not automatically the market price for taxation purposes.

**PROXY FORM**

**APPOINTMENT OF PROXY  
NEURODISCOVERY LIMITED  
ACN 113 824 141**

**GENERAL MEETING**

I/We

of

being a Shareholder entitled to attend and vote at the Meeting, hereby

appoint

Name of proxy

OR

the Chair as my/our 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 Meeting to be held at 9:30am (WST), on Wednesday, 22 May 2013 at 338 Hay Street, Subiaco in Western Australia, and at any adjournment thereof.

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

**Voting on business of the Meeting**

Resolution 1 – Election of Director – Mr Martin Rogers

Resolution 2 – Issue of Options and Shares to Related Party – Mr Martin Rogers

Resolution 3 – Change of Company Name

FOR	AGAINST	ABSTAIN
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<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.

**Important for Resolution 2.**

If you have not directed your proxy how to vote as your proxy in respect of Resolution 2 and the Chair is, or may by default be, appointed your proxy, you must mark the box below.

I/we direct the Chair to vote in accordance with his/her voting intentions (as set out above) on Resolution 2 (except where I/we have indicated a different voting intention above) and expressly authorise that the Chair may exercise my/our proxy even though Resolution 2 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel and acknowledge that the Chair may exercise my/our proxy even if the Chair has an interest in the outcome of Resolution 2 and that votes cast by the Chair for Resolution 2, other than as proxy holder, will be disregarded because of that interest.

If the Chair is, or may by default be, appointed your proxy and you do not mark this box and you have not directed the Chair how to vote, the Chair will not cast your votes on Resolution 2 and your votes will not be counted in calculating the required majority if a poll is called on Resolution 2.

If two proxies are being appointed, the proportion of voting rights this proxy represents is \_\_\_\_\_ %

**Signature of Shareholder(s):**

**Date:** \_\_\_\_\_

**Individual or Shareholder 1**

**Shareholder 2**

**Shareholder 3**

**Sole Director/Company Secretary**

**Director**

**Director/Company Secretary**

**Contact Name:** \_\_\_\_\_ **Contact Ph (daytime):** \_\_\_\_\_

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## Instructions for Completing 'Appointment of Proxy' Form

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1. **(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. 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.
2. **(Direction to vote):** 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 proportion or number of votes that the proxy may exercise by writing the percentage or 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.
3. **(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 provided 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):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(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.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to NeuroDiscovery Limited, PO Box 2106 Subiaco, WA 6904; or
  - (b) facsimile to the Company on facsimile number +61 8 6380 1026,so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**