



26 March 2021

Dear Shareholders,

EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

On behalf of the Directors of Medlab Clinical Ltd (**MDC** or **Company**), I am pleased to invite you to participate in an Extraordinary General Meeting (**Meeting**) of the Company.

Enclosed is the Notice of Meeting setting out the business of the Meeting. Given the current situation regarding COVID-19 situation, the Directors have made a decision that the Meeting will be held virtually via an online meeting platform provided by the Company's share registry. The Meeting will be held on Monday, 26 April 2021 at 10:00am (Sydney time).

On 19 March 2021, the Company announced a placement of Shares to raise up to \$15 million (**Placement**).

The Placement will be undertaken in two tranches. The first tranche involved the issue of 48,379,990 Shares at a price of \$0.24 per Share (**Tranche 1 Shares**) to existing Shareholders and sophisticated and professional investors utilising the Company's existing ASX Listing Rules 7.1 and 7.1A capital raising capacities and raising approximately \$11.6 million. The second tranche will involve the further issue of up to 14,120,010 Shares at a price of \$0.24 per Share (**Tranche 2 Shares**), raising approximately \$3.4 million. The issue of Tranche 2 Shares is conditional on obtaining Shareholder approval.

The purpose of the Meeting is to seek Shareholder approval and ratification of the issue of Tranche 1 Shares and approval of the issue of Tranche 2 Shares.

A live webcast and electronic voting via www.advancedshare.com.au/virtual-meeting will be offered to allow Shareholders to listen to the Meeting and vote online.

Please refer to the Meeting ID and Shareholder ID on your personalised proxy form to login to the website. Once logged in Shareholders may submit questions ahead of the Meeting via the portal from date the Notice is issued until 10:00am 23 April 2021, and then again from one (1) hour before the start of the Meeting. The Poll option will only be accessible during the Meeting on the direction of the Chair.

Shareholders can also submit any questions in advance of the Meeting by emailing questions to the Company Secretary at investor@medlab.co by no later than 5pm (AEST) on Friday 23 April 2021.

I encourage you to read the enclosed Notice (including the Explanatory Memorandum) and the Proxy Form and consider directing your proxy how to vote on the Resolutions by marking either the For box, the Against box or the Abstain box on the Proxy Form.

The Directors of MDC unanimously recommend that Shareholders vote in favour of the Resolutions.

Thank you for your continued support of MDC.

For and behalf of the Board.

Alan Dworkin
Company Secretary

NOTICE OF EXTRAORDINARY GENERAL MEETING
MEDLAB CLINICAL LIMITED
ACN 169 149 071

Notice is given that the Extraordinary General Meeting of Medlab Clinical Limited will be held on Monday, 26 April 2021 at 10:00am (Sydney time).

The Meeting is accessible to Shareholders via a live webcast with an online platform to facilitate Shareholder questions and answers in relation to the business. This facilitation will also allow Shareholder voting in real time. Please see details set out in the Proxy Form for details of how to virtually attend the Meeting.

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

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

Business of the Meeting

Agenda

1.1 Resolution 1 – Ratification of Tranche 1 Shares Issue

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

*"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 48,379,990 Shares at an issue price of \$0.24 per Share issued in accordance with Listing Rules 7.1 and 7.1A (**Tranche 1 Shares**), on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion Statement

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 1 by or on behalf of any person who participated in, or who obtained a material benefit as a result of the issue of Shares the subject of Resolution 1 (except a benefit solely by reason of that person being a holder of the Shares in the Company), or any Associate of such persons.

However, this does not apply to a vote cast in favour of Resolution 1 by:

- a) a person as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with the directions given to the proxy or attorney to vote on Resolution 1 in that way; or
- b) the Chair as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with a direction given to the Chair to vote on Resolution 1 as the Chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 1; and
 - b. the holder votes on Resolution 1 in accordance with directions given by the beneficiary to the holder to vote in that way.

1.2 Resolution 2 – Approval to Issue Tranche 2 Shares

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

*"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 14,120,010 fully paid ordinary Shares at an issue price of \$0.24 per Share (**Tranche 2 Shares**), on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion Statement

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 2 by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of the issue of Shares the subject of Resolution 2 (except a benefit solely by reason of that person being a holder of the Shares in the Company), or any Associate of such persons.

However, this does not apply to a vote cast in favour of Resolution 2 by:

- d) a person as proxy or attorney for a person who is entitled to vote on Resolution 2, in accordance with the directions given to the proxy or attorney to vote on Resolution 2 in that way; or
- e) the Chair as proxy or attorney for a person who is entitled to vote on Resolution 2, in accordance with a direction given to the Chair to vote on Resolution 2 as the Chair decides; or
- f) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 2; and
 - b. the holder votes on Resolution 2 in accordance with directions given by the beneficiary to the holder to vote in that way.

Important Information

Your vote is important

The business of the 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 Meeting are those who are registered members at 5.00pm AEST on Friday 23 April 2021.

Voting in person

To vote in person, attend the Meeting at the time and date using the online meeting platform as set out above.

Voting by proxy

Under rule 10.24 of the Company's Constitution, each member may appoint a proxy. The proxy may be a member of the Company but does not have to be a member. A member who is entitled to cast two or more votes may appoint two proxies, but must specify the proportion or number of votes each proxy is appointed to exercise.

A proxy form is attached to this document. To be effective, proxy forms must reach the Advanced Share Registry Ltd by no later than 10.00am AEST on 24 April 2021.

You may lodge your proxy vote:

- online at www.advancedshare.com.au/investor-login,
- by mail to Advanced Share Registry Po Box 1156, Nedlands WA 6909,
- by email to admin@advancedshare.com.au,
- by Fax on 61 8 6370 4203
- or in person to Advanced Share Registry 110 Stirling Hwy, Nedlands WA 6009.

By order of the Board.

Dated: 26 March 2021



Alan Dworkin

Company Secretary

Medlab Clinical Limited

Explanatory Memorandum

This Explanatory Memorandum has been prepared to assist the Shareholders in considering the Resolutions set out in the Notice.

The purpose of this Explanatory Memorandum is to provide Shareholders with sufficient information that is reasonably required by Shareholders to decide how to vote on the Resolutions.

The Notice and this Explanatory Memorandum should be read in their entirety and in conjunction with each other.

Each of the Resolutions is an ordinary resolution, which require that a simple majority of votes cast by Shareholders present and entitled to vote on the resolution must be in favour of the Resolution.

Certain terms and abbreviations used in this Explanatory Memorandum have defined meanings which are explained in the Glossary appearing at the end of this Explanatory Memorandum.

BACKGROUND TO THE ITEMS OF BUSINESS ORDINARY BUSINESS

Resolution 1 – Ratification of Tranche 1 Shares Issue

As announced on 19 March 2021, the Company completed the placement of the Tranche 1 Shares to institutional and sophisticated investors in Australia. On 25 March 2021, 41,951,350 Shares were issued pursuant to the Company's 15% annual placement capacity under Listing Rule 7.1 and 6,428,640 Shares were issued pursuant to the Company's additional 10% annual placement capacity under Listing Rule 7.1A.

Broadly speaking and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 months period to 15% of the fully paid ordinary securities it had on issue at the start of that period. Under Listing Rule 7.1A, an eligible entity can seek approval from its shareholders, by way of special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. Shareholders approved this additional capacity at the Company's last annual general meeting.

The issue of the Tranche 1 Shares does not fall under any of the exceptions to Listing Rules 7.1 and 7.1A and was not approved by the Shareholders. By issuing Tranche 1 Shares, the Company therefore used its available 15% limit under Listing Rule 7.1 and all of its additional 10% limit under Listing Rule 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and Listing Rule 7.1A.

Under Listing Rule 7.4 the shareholders of a listed company can ratify an issue of equity securities after it has been made. If so ratified, the issue is taken to have been approved under Listing Rule 7.1 or Listing Rule 7.1A and will be excluded from calculations under those rules.

The Company wishes to retain as much flexibility as possible to issue further securities in future and seeks the Shareholder approval and ratification of the issue of the Tranche 1 Shares under and for the purposes of Listing Rule 7.4.

If Resolution 1 is passed, the Tranche 1 Shares will be excluded in calculating the Company's 15% limit under Listing Rule 7.1 and the Company's additional 10% limit under Listing Rule 7.1A, effectively increasing the number of equity securities the Company can further issue without the Shareholder approval.

If Resolution 1 is not passed, the Tranche 1 Shares will be included in calculating the Company's 15% limit under Listing Rule 7.1 and additional 10% limit under Listing Rule 7.1A, reducing the Company's capacity to issue further equity securities without the Shareholder approval.

In accordance with Listing Rule 7.5, the following information is provided in relation to the Tranche 1 Shares the subject of Resolution 1:

- a) the Tranche 1 Shares were issued to existing Shareholders and sophisticated and professional investors (**Placement Participants**) identified by Acova Capital Pty Ltd, Morgans Corporate Limited and Blue Ocean Equities Pty Ltd as Joint Lead Managers (**JLMs**) through a book-build process which involved the JLMs undertaking a marketing process and seeking expressions of interest to participate in the placement from non-related parties of the Company. None of the Placement Participants are a related party of the Company, a member of the Company's key management personnel, a substantial holder in or an advisor to the Company or an associate of any of them other than as noted in (e) below;

- b) a total of 48,379,990 Shares were issued, comprising 41,951,350 Shares under Listing Rule 7.1 and 6,428,640 Shares under Listing Rule 7.1A;
- c) the Tranche 1 Shares were issued on 25 March 2021 at an issue price of \$0.24 per Share;
- d) the Tranche 1 Shares were ordinary fully paid shares ranking equally in all respects with the Company's issued Shares;
- e) the Tranche 1 Shares were issued to address short to mid-term goals of the Company as it prepares to:
 - commence Phase 3 Clinical trials in US; UK and Australia;
 - provide for market access on prospect of US Expanded Access IND; and
 - provide working capital to continue research programs; partnering discussions, especially around NanoCelle® delivery technology; and
- f) a Voting Exclusion Statement immediately follows Resolution 1 in the Notice.

The Directors unanimously recommend Shareholders vote in favour of Resolution 1.

The Chair intends to vote all available undirected proxies in favour of Resolution 1.

Resolution 2 – Approval to Issue Tranche 2 Shares

As announced on 19 March 2021, the Company will undertake a placement of the Tranche 2 Shares, raising approximately \$3.4 million.

If Resolution 2 is passed, the Company will be able to proceed with the issue of Tranche 2 Shares. In addition, Tranche 2 Shares will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, which will increase the number of securities the Company can issue without the Shareholder approval over the 12 months period following the issue date of the Tranche 2 Shares.

If Resolution 2 is not passed, the Company's capacity to issue further equity securities and raise additional funds without Shareholder approval will be reduced.

In accordance with Listing Rule 7.3, the following information is provided in relation to the Tranche 2 Shares the subject of Resolution 2:

- a) the Tranche 2 Shares will be issued to existing Shareholders and sophisticated and professional investors (**Placement Participants**) identified by Acova Capital, Morgans Corporate Limited and Blue Ocean Equities as Joint Lead Managers (**JLMs**) through a book-build process which involved the JLMs undertaking a marketing process and seeking expressions of interest to participate in the placement from non-related parties of the Company. None of the Placement Participants are a related party of the Company, a member of the Company's key management personnel, a substantial holder in or an advisor to the Company or an associate of any of them other than as noted in (d) below;
- b) the maximum number of the Tranche 2 Shares that may be issued is 14,120,010;
- c) the Tranche 2 Shares will be fully paid ordinary shares in the Company issued at a price of 24 cents per Share and will rank equally with all other existing Shares;
- d) provided that Resolution 2 is passed, the Tranche 2 Shares will be issued no later than 3 months after the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that the issue of the Tranche 2 Shares will occur on or about 30 April 2021;
- e) the funds raised from the issue of the Tranche 2 Shares will be used to address short to mid-term goals of the Company as it prepares to:
 - commence Phase 3 Clinical trials in US; UK and Australia;
 - provide for market access on prospect of US Expanded Access IND; and

- provide working capital to continue research programs; partnering discussions, especially around NanoCelle® delivery technology; and

f) a Voting Exclusion Statement immediately follows Resolution 2 in the Notice.

The Directors unanimously recommend Shareholders vote in favour of Resolution 2.

The Chair intends to vote all available undirected proxies in favour of Resolution 2.

Glossary

Associate has the meaning given to that term in the Listing Rules.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Board means the Board of Directors of the Company.

Chair means the Chair of the Meeting.

Company means Medlab Clinical Ltd ACN 169 149 071.

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

Director means a Director of the Company.

Explanatory Memorandum means this explanatory memorandum accompanying the Notice.

Glossary means this Glossary set out in the Explanatory Memorandum.

Listing Rules means the ASX Listing Rules.

Meeting means the Extraordinary General Meeting convened by the Notice.

Notice means the Notice of the Meeting accompanying this Explanatory Memorandum.

Proxy Form means the Proxy Form accompanying the Notice.

Resolution means a Resolution proposed pursuant to the Notice.

Shares means fully paid ordinary shares in the Company.

Shareholders means holders of the Shares in the Company.

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LODGE YOUR PROXY APPOINTMENT ONLINE



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

2021 EXTRAORDINARY GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Medlab Clinical Ltd and entitled to attend and vote hereby:

APPOINT A PROXY

The Chair of the Meeting

OR



PLEASE NOTE: If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) are named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Extraordinary General Meeting of the Company to be held **virtually on 26 April 2021 at 10.00am (Sydney time)** and at any adjournment or postponement of that Meeting.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES:

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

VOTING DIRECTIONS

Resolutions

	For	Against	Abstain*
1 Ratification of Tranche 1 Shares Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval to Issue Tranche 2 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf 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 SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

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Please tick here to agree to receive communications sent by the Company via email. This may include meeting notifications, dividend remittance, and selected announcements.

MEDLAB CLINICAL LTD - EXTRAORDINARY GENERAL MEETING

A live webcast and electronic voting via www.advancedshare.com.au/virtual-meeting will be offered to allow Shareholders to listen to the Meeting and vote online.

To facilitate such participation, voting on each Resolution will occur by a poll rather than a show of hands.

Please refer to the Meeting ID and Shareholder ID on the proxy form to login to the website.

Shareholders may submit questions ahead of the Meeting via the portal.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PLEASE NOTE: If you appoint the Chair as your proxy (or if he is appointed by default) but do not direct him how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as he sees fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:

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

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 10:00am (Sydney time) on 24 April 2021, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 6370 4203



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033