



PALLA PHARMA

## ASX ANNOUNCEMENT

19 April 2021

The Manager  
Market Announcements Office  
ASX Limited

### Annual General Meeting of Palla Pharma Limited

In accordance with Listing Rule 3.17, I attach a copy of the following documents:

1. A Letter to Shareholders regarding arrangements for the 2021 Annual General Meeting as despatched to Shareholders in lieu of the Notice of Meeting;
2. Notice of Meeting for the 2021 Annual General meeting;
3. Proxy Form; and
4. Link Group - Virtual Meeting Online Guide.

Yours faithfully

Mark Licciardo  
Company Secretary  
Palla Pharma Limited

### About Palla Pharma Limited:

Palla Pharma Limited (ASX:PAL) is a vertically integrated opiate manufacturer from poppy straw growing through to tableting production. Palla Pharma has developed an innovative, efficient, and environmentally sustainable opiate manufacturing process based on a unique water-based extraction technology. The company is one of six licensed opiate producers globally, and one of three fully integrated suppliers from opiate extraction through to tableting production delivering on its strategy to secure access to regulated downstream narcotics markets by leveraging its production cost advantage.

### Palla Pharma Limited

PO Box 2139 Melbourne, VIC 3001, Australia

T +61 3 9301 0800 / F +61 3 9301 0899 / W [pallapharma.com](http://pallapharma.com) / E [info@pallapharma.com](mailto:info@pallapharma.com)



PALLA PHARMA

19 April 2021

## Annual General Meeting of Palla Pharma Limited

Dear Shareholder

The Palla Pharma Limited (ASX:PAL) (the “**Company**”) Annual General Meeting (“**Meeting**”) will be held at the offices of Arnold Bloch Leibler, Level 21, 333 Collins St, Melbourne VIC 3000 and virtually via the online platform at <https://agmlive.link/PALAGM21> on 26 May 2021 commencing at 3.00 pm (Melbourne time) (the “Meeting”). Physical attendance at the Meeting will be subject to public health guidance and may be subject to capacity limits.

The AGM will be held as a hybrid meeting, whereby shareholders can attend in person and virtually via the online platform at <https://agmlive.link/PALAGM21>. Accordingly, shareholders will be able to participate, ask questions and cast direct votes at the appropriate times whilst the meeting is in progress.

Due to the ongoing impact of COVID-19, we strongly encourage you to lodge your vote directly ahead of the meeting or appoint a proxy to vote on your behalf. You are also encouraged to submit questions to the Company (or the Company's Auditor) ahead of the meeting. These actions can all be taken by clicking the shareholder link(s) below. Registration opens from 2:30pm on the day of the meeting.

Although the Corporations (Coronavirus Economic Response) Determination (No. 3) 2020 (No. 3 Determination) expired on 21 March 2021 and the Treasury Laws Amendment (2021 Measures No. 1) Bill 2021 was not enacted, ASIC announced on 29 March 2021 that they have adopted a ‘no-action’ position in relation to the convening and holding of virtual meetings.

In accordance with the ‘no action’ position taken by ASIC, the Notice of AGM, accompanying explanatory statement and annexures (“the Meeting Materials”) are being made available to shareholders electronically. You will be able to access the Meeting Materials using the links below or the ASX market announcements page on the Company’s website.

In order to provide shareholders with the opportunity to fully participate in the Meeting, the Company announces that shareholders can attend in person and virtually via the online platform at <https://agmlive.link/PALAGM21>. To do this you will need a desktop or mobile/tablet device with internet access, and you will need to provide your details (including Shareholder Reference Number (SRN) or Holder Identification Number (HIN) to be verified as a security holder or proxy holder.

The online platform will allow you to listen to the proceedings, view the presentations and ask questions of the Board and vote in real-time.

Whilst live voting will now be available, shareholders are still strongly recommended to submit their votes by proxy to ensure that their votes are counted. Instructions on how to submit votes by proxy are contained within the “Casting vote by proxy” section on page 8 of the Notice.

To view the Notice of Annual General Meeting, please use the following link:

<https://www.pallapharma.com/investors>

To view the 2020 Annual Report, please use the following link:

<https://www.pallapharma.com/investors>

### Palla Pharma Limited

PO Box 2139 Melbourne, VIC 3001, Australia

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We recommend logging in to the online platform at least 15 minutes prior to the scheduled start time for the AGM using the instructions provided in the Notice of Meeting and in the Virtual Annual General Meeting Online Guide, which can be accessed online on <https://www.pallapharma.com/investors>.

An accompanying presentation will be made available via the ASX announcement platform.

### **Shareholder voting**

Shareholders are encouraged to cast their vote by proxy prior to the Meeting in accordance with the instructions set out on page 8 of the Notice. Shareholders will also have an opportunity to cast their votes during the AGM via the online platform at <https://agmlive.link/PALAGM21>. To do this you will need a desktop or mobile/tablet device with internet access, and you will need to provide your details (including Shareholder Reference Number (SRN) or Holder Identification Number (HIN) to be verified as a security holder or proxy holder.

The online platform will allow you to listen to the proceedings, view the presentations and ask questions of the Board and vote in real-time.

### **Shareholder questions**

Shareholders will also be given a reasonable opportunity to ask questions related to the business of the meeting, the Company's operations or of the auditor at the end of the meeting. If you would like to ask a question, please register as a shareholder or proxyholder and provide your HIN or SRN number and post code. Alternatively, you can register as a visitor, however you will not be permitted to ask questions. Please refer to Virtual Meeting Online Guide for more information.

Should you have any questions regarding your holding or the upcoming Palla Pharma Limited Annual General Meeting, please contact Link Market Services on +61 1300 306 089 or email [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au).



Mark Licciardo  
Company Secretary  
Palla Pharma Limited



PALLA PHARMA

**PALLA PHARMA LIMITED**  
**ACN 107 872 453**

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**NOTICE OF ANNUAL GENERAL MEETING**  
**EXPLANATORY MEMORANDUM**  
**PROXY FORM**

**Date of Meeting**

26 May 2021

**Time of Meeting**

3.00pm (Melbourne Time)

**Place of Meeting**

Arnold Bloch Leibler, Level 21,  
333 Collins Street, Melbourne  
VIC 3000  
& Virtually via  
<https://agmlive.link/PALAGM21>

## NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of the Shareholders of Palla Pharma Limited (the “**Company**”) will be held at **Arnold Bloch Leibler, Level 21, 333 Collins Street** & virtually via the online platform at <https://agmlive.link/PALAGM21> on 26 May 2021 commencing at 3.00pm (Melbourne time) (the “**Meeting**”).

The AGM will be held as a hybrid meeting, whereby shareholders can attend in person and virtually via the online platform at <https://agmlive.link/PALAGM21>. Accordingly, shareholders will be able to participate, ask questions and cast direct votes at the appropriate times whilst the meeting is in progress. Please note, subject to public health guidance, there will be a physical meeting, which may be subject to capacity limits. Any changes to the way shareholders are able to attend or participate in the AGM (including with respect to any regulatory changes or public health directives) will be announced by the Company on ASX before the AGM. All attendees are asked to stay home if they have experienced flu like symptoms such as cough, fever, sore throat, headache or shortness of breath or loss of smell, in the 14-day period preceding the AGM.

**Shareholders are strongly encouraged to** cast their vote by proxy prior to the Meeting in accordance with the instructions set out on page 8 of this Notice to ensure their votes are counted.

**All resolutions to be considered at the Meeting will be decided by a poll based on proxy votes received prior to the commencement of the Meeting and votes cast at the meeting and via the online platform during the Meeting.**

The Company is pleased to provide Shareholders with the opportunity to participate in the Meeting in person and via the online platform. Further information on how to participate and vote during the Meeting via the online platform is set out on pages 6 and 7 of this Notice and the online guide.

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

Should circumstances further change between the date of this Notice of Meeting and the proposed time of the Meeting, the Directors will further update Shareholders with the proposed next steps.

## AGENDA

### ORDINARY BUSINESS:

#### Financial Statements and Reports

To receive and consider the Financial Report of the year ended 31 December 2020 together with the Directors' Report and Auditor's Report as set out in the Annual Report.

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#### Resolution 1 - Adoption of Remuneration Report

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

*"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Directors' Report for the year ended 31 December 2020 be adopted."*

#### Voting exclusion

*To the extent required by section 250R of the Corporations Act, a vote must not be cast (in any capacity) on Resolution 1 by or on behalf of a Shareholder of the Company's or the Group's key management personnel, details of whose remuneration are included in the Remuneration Report, or a closely related party of such a Shareholder. However, a person (the "**Voter**") may cast a vote as a proxy where the vote is not cast on behalf of such a Shareholder or a closely related party of such a Shareholder and the Voter is either:*

- (a) appointed as a proxy by writing that specifies how the proxy is to vote on Resolution 1; or*
- (b) the Chair and the appointment of the Chair as proxy does not specify how the proxy is to vote on Resolution 1 and expressly authorises the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a shareholder of the key management personnel.*

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

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**Resolution 2 - Re-election of Stuart Alexander Black as a Director**

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

*"That, Stuart Alexander Black, who retires in accordance with clause 23.10(b) of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

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

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**Resolution 3 - Election of Iain Gladstone Ross as a Director**

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

*"That, Iain Gladstone Ross be elected as a Director of the Company."*

The Chairman intends to vote all available undirected proxies in favour of Resolution 3.

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**Resolution 4 - Ratification of issue of Ordinary Shares pursuant to ASX Listing Rule 7.4**

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

*"That in accordance with ASX Listing Rule 7.4, the Company ratifies and approves for the purposes of ASX Listing Rule 7.1, the issue of 8,000,000 Fully Paid Ordinary Shares in the capital of the Company, details of which are set out in the Explanatory Memorandum attached."*

**Voting exclusion**

*The Company will disregard any votes cast in favour of Resolution 4, by a person(s) who participated in the issue or an associate of that person(s) or is a counterparty to the agreement being approved, unless the vote is cast:*

- (a) *by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution;*

- (b) *by the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given on the proxy; 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:*
  - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, on the resolution; and*
  - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

The Chairman intends to vote all available undirected proxies in favour of Resolution 4.

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## **OTHER BUSINESS**

To consider any other business which may properly be brought before the Meeting in accordance with the Constitution and the Corporations Act.

## **BY ORDER OF THE BOARD**



**Mark Licciardo**  
**Company Secretary**  
**19 April 2021**



## Online Platform details

Having regard to social distancing requirements and in the interests of the health and safety of our shareholders, directors and staff, the Company has decided to hold a hybrid Meeting whereby Shareholders can participate via the online platform at <https://agmlive.link/PALAGM21>. Shareholders can join the meeting by following the instructions set out below:

We recommend logging into the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below.

Enter <https://agmlive.link/PALAGM21> into a web browser on your computer or online device:

- Shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) printed at the top of the Proxy Form; and
- Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meeting.

The online platform will allow you to listen to the proceedings, view the presentations and ask questions of the Board and vote in real-time. Further information on how to participate online is set out in the Virtual Meeting Online Guide which is available on company's website and also lodged with the ASX together with this Notice of Meeting.

An accompanying presentation will be made available via the ASX announcement platform.

Shareholders will also be given a reasonable opportunity to ask questions related to the business of the meeting, the Company's operations or of the auditor at the end of the meeting. If you would like to ask a question, please register as a shareholder or proxyholder and provide your valid HIN or SRN number when registering. Alternatively, you can register as a visitor, however you will not be permitted to ask questions. Please refer to the Virtual Meeting Online Guide for more information.

All resolutions to be considered at the Meeting will be decided by poll based on proxy votes received prior to the commencement of the Meeting and votes cast at the meeting and via the online platform during the Meeting. Shareholders are encouraged to cast their vote by proxy prior to the Meeting in accordance with the instructions set out on page 8 of this Notice to ensure that their votes are counted.

## Defined Terms

Capitalised terms used in this Notice will, unless the context requires otherwise, have the meaning given to them in the Glossary in the Explanatory Memorandum attached to this Notice.

## Materials accompanying this Notice

The following materials accompany this Notice:

1. the Financial Report, Directors' Report and Auditor's Report, including the Remuneration Report, if you have elected to receive a printed copy and have not withdrawn that election;
2. the Explanatory Memorandum setting out details relevant to the business set out in this Notice; and
3. a Proxy Form.

## Voting and required majority - Corporations Act

1. In accordance with section 249HA of the Corporations Act, for Resolutions 1 to 4 to be effective, not less than 28 days written notice specifying the intention to propose the Resolution has been given.
2. For Resolutions 1 to 4 to be effective, the resolution must be passed by more than 50% of all the votes cast by Shareholders entitled to vote on the Resolution (whether in person or by proxy, attorney or representative).

All resolutions will be determined by a poll based on proxy votes received prior to the commencement of the Meeting and votes cast during the Meeting. On a poll, every Shareholder has one vote for each Ordinary Share held.

## Entire Notice

The details of the Resolutions contained in the Explanatory Memorandum accompanying this Notice should be read together with, and form part of, this Notice.

## Entitlement to vote

In accordance with Section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the Meeting all Shares will be taken to be held by the persons who held them as registered Shareholders at 7.00 pm (AEDT)

on 24 May 2021. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

## **Casting Voting**

Enter <https://agmlive.link/PALAGM21> into a web browser on your computer or online device.

- Shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) printed at the top of the Proxy Form; and
- Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meeting.

The online platform will allow you to listen to the proceedings, view the presentations and ask questions of the Board and vote in real-time. Further information on how to participate online is set out in the Virtual Meeting Online Guide which is available on company's website and also lodged with the ASX together with this Notice of Meeting.

## **Casting a vote by proxy**

If you wish to cast a vote by proxy prior to the Meeting, you must complete the Proxy Form by providing voting directions for each resolution by marking "For", "Against" or "Abstain". Votes will only be valid for resolutions marked. Unless you have appointed the Chair as your proxy, no vote will be counted for resolutions left blank. If you appoint the Chair of the meeting as your proxy and do not provide voting directions for each resolution, the Chair intends to vote for all the resolutions.

## **Proxies and Representatives**

1. All Shareholders who are entitled to attend at the Meeting may appoint a proxy for that purpose.
2. A proxy need not be a Shareholder of the Company.
3. Each Shareholder who is entitled to cast two or more votes at the Meeting, may appoint up to two proxies and may specify the proportion or number of votes that each proxy is entitled to exercise. If a Shareholder does not specify the proportion or number of that Shareholder's votes each proxy may exercise, each proxy will be entitled to exercise half of the votes. An additional Proxy Form will be supplied by the Company on request.

4. If a proxy is given by a body corporate, a Proxy Form must be executed in writing under the common seal of the corporation or otherwise in accordance with section 127 of the Corporations Act or signed by an attorney.
5. If a proxy is given by a natural person, a Proxy Form must be executed under the hand of that person or that person's attorney.
6. To be effective, the Proxy Form and the power of attorney or other authority (if any) under which it is signed or a certified copy, must be received by the Company at least 48 hours before the time for holding the Meeting or any adjourned Meeting.
7. Any Proxy Form received after this deadline will be treated as invalid.
8. If a Shareholder appoints the Chair as the Shareholder's proxy and does not specify how the Chair is to vote, the Chair will vote, as proxy for that Shareholder, in favour of or against each resolution as set out in the Explanatory Memorandum.
9. A Shareholder that is a body corporate may appoint an individual as its representative to exercise all or any of the powers the body corporate may exercise at the Meeting. The appointment may be a standing one.

## EXPLANATORY MEMORANDUM

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This Explanatory Memorandum has been prepared to provide Shareholders with information to assist their assessment of the merits of the Resolutions contained in the accompanying Notice to be held at the offices of **Arnold Bloch Leibler, Level 21, 333 Collins Street** & virtually via the online platform at <https://agmlive.link/PALAGM21> on 26 May 2021 commencing at 3.00pm (Melbourne time).

Shareholders should read this statement and the Notice in full before deciding how to vote on the Resolutions set out in the Notice. **All resolutions to be considered at the Meeting will be decided by poll based on proxy votes received prior to the commencement of the Meeting and votes cast at the Meeting and via the online platform during the Meeting. Shareholders are encouraged to cast their vote by proxy prior to the Meeting in accordance with the instructions set out on page 8 of this Notice to ensure that their votes are counted.**

Capitalised terms used in this memorandum and the Notice are defined in Section 6.

### **1 Receipt and consideration of Financial Statements and Reports**

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The Corporations Act requires that the Financial Report and the reports of the Directors and Auditor be laid before the Meeting. There is no requirement for shareholders to vote on these reports. Shareholders will be given a reasonable opportunity to raise questions and make comments on these reports and on the management of the Company at the Meeting.

Representatives of the Company's Auditor will be present for discussion purposes on matters of relevance to the audit.

### **2 Resolution 1 - Adoption of Remuneration Report (Non-binding Resolution)**

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The Remuneration Report includes information on:

- (a) the remuneration policy adopted by the Board;
- (b) the relationship between that policy and the Company's performance;
- (c) the principles used to determine the nature and amount of remuneration;
- (d) the remuneration details of each Director and key management personnel; and

- (e) the performance conditions that must be met prior to an executive deriving any value from the “at risk” components of their remuneration.

The Remuneration Report is included in the Company's Annual Report, which is available on the Investor section of the Company's website at [www.pallapharma.com](http://www.pallapharma.com). For those Shareholders who have elected to receive a printed copy of the Annual Report, a copy of the Annual Report accompanies this Notice.

At the Meeting, the Chair will give Shareholders a reasonable opportunity to ask questions about or comment on the Remuneration Report.

The vote on this resolution is advisory only and will not bind the Directors or the Company. The vote will, however, be taken into consideration in determining future remuneration policy for Directors and executives.

**The Board recommends that Shareholders vote in favour of Resolution 1. The Board encourages Shareholders to apply the same level of diligence to voting on this Resolution as for the binding Resolutions. The Chair of the Meeting intends to vote all available proxies in favour of Resolution 1.**

### **3 Resolution 2 – Re-election of Mr Stuart Alexander Black as a Director**

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#### **Background**

Clause 23.10(a) of the Company's Constitution provides that an election of Directors, other than a Managing Director, must be held each year. Clause 23.10(b) provides that no Director, other than a Managing Director, may hold office for a period in excess of three years, or beyond the third annual general meeting following the Director's election, whichever is the longer, without submitting himself or herself for re-election.

In accordance with Clause 23.10(b) of the Company's Constitution, Stuart Alexander Black will retire at this Meeting, is eligible for re-election and has submitted himself for re-election at this Meeting.

A summary of Mr Black's experience, qualifications and background is provided on page 10 of the Company's 2020 Annual Report, a copy of which is available on the ASX website [www.asx.com.au](http://www.asx.com.au) or on the Company's website [www.pallapharma.com](http://www.pallapharma.com).

**The Board (in the absence of Mr Black) recommends that shareholders vote in favour of Resolution 2. The Chair of the Meeting intends to vote all available proxies in favour of Resolution 2.**

#### **4 Resolution 3 – Election of Iain Gladstone Ross as a Director**

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##### **Background**

Clause 23.6 of the Company's Constitution provides that the Board may appoint a person to be a Director at any time either to fill a casual vacancy or as an addition to the existing Directors. Any Director appointed under this clause 23.6 may hold office only until the next annual general meeting of the Company and is then eligible for election at that meeting.

Iain Gladstone Ross was appointed by the Board on 23 December 2020 as a Non-Executive Director in accordance with 23.6 of the Constitution.

In accordance with 23.6 of the Constitution, and being eligible, Mr Ross offers himself for election by members.

A summary of Mr Ross's experience, qualifications and background is provided on page 10 of the Company's 2020 Annual Report, a copy of which is available on the ASX website [www.asx.com.au](http://www.asx.com.au) or on the Company's website [www.pallapharma.com](http://www.pallapharma.com).

##### **Directors' Recommendation**

**The Directors (in the absence of Mr Ross) recommend that members vote in favour of Resolution 3. The Chair of the Meeting intends to vote all available proxies in favour of Resolution 3.**

#### **5 Resolution 4 – Ratification of issue of Ordinary Shares pursuant to ASX Listing Rule 7.4**

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##### **Background**

ASX Listing Rule 7.1 and 7.1A imposes a cap on the number of securities that a company may issue within the 12 month period. ASX Listing Rule 7.4 provides that an issue of equity securities made without Shareholder approval under Listing Rule 7.1 is treated as having been made with Shareholder approval for the purposes of Listing Rule 7.1 if the holders of ordinary securities subsequently approve it, and the issue did not breach Listing Rule 7.1. The Listing Rule 7.4 also notes that the issue made in accordance with Listing Rule 7.1A can be approved subsequently under Listing Rule 7.4. The issues of the shares described below did not breach any Listing Rules and shareholder ratification to those issues is now sought.

In order to restore the Company's capacity to issue shares, it is proposed that the Members ratify the issue of ordinary shares as detailed below. Ratification provides the Company with flexibility in capital management

and allows the Company to make further issues for working capital or other purposes as required.

On 8 March 2021, the Company issued 8,000,000 ordinary fully paid shares at \$0.50 per share raising approximately \$4 million (before costs) from completion of a Placement to institutional investors. The Placement was part of an offer structure of a fully underwritten placement and entitlement offer.

The Placement Shares were issued utilising the capacity under Listing Rule 7.1, and without a shareholder approval.

The fully paid ordinary shares were issued pari passu to existing securities.

The proceeds of the Placement were used to:

- reduce PAL's existing debt;
- improve the PAL's working capital position to allow it to take advantage of high margin growth opportunities in UK and Europe arising from the PAL's purchase of Marketing Authorisations; and
- cover the costs of conducting the Capital Raising.

## **Directors' Recommendation**

**The Board recommends that shareholders vote in favour of Resolution 4. The Chair of the Meeting intends to vote all available proxies in favour of Resolution 4.**

## **6 Glossary**

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**Annual Report** means the 2020 Annual Report, a copy of which may be obtained from the Company's website at <https://www.pallapharma.com/investors>.

**AGM** means the Annual General Meeting of the Company to be held at the offices of **Arnold Bloch Leibler, Level 21, 333 Collins Street** & virtually via the online platform at <https://agmlive.link/PALAGM21> on 26 May 2021 commencing at 3.00pm Melbourne Time.

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

**ASX** means ASX Limited ABN 98 008 624 691 or the market operated by it, as the context requires.

**Auditor's Report** means the report of the Auditor regarding its audit of the Company, and its controlled entities, which accompanies the Financial Report.



**Board** means the board of the Directors of the Company from time to time.

**Chair** means the person who chairs the AGM.

**Company** or **PAL** means Palla Pharma Limited ACN 107 872 453.

**Constitution** means the constitution of the Company.

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

**Director** means each of the directors of the Company, as appointed from time to time.

**Directors' Report** means the report of the Directors, which accompanies the Financial Report.

**Explanatory Memorandum** means this document.

**Financial Report** means the consolidated annual financial report of Palla Pharma Limited for the year ended on 31 December 2020 that accompanies the Notice.

**Group** means the Company and its controlled entities.

**Listing Rules** means the official rules of the ASX.

**Managing Director** means a Director appointed to that office under clause 25 of the Company's Constitution.

**Meeting** means the general meeting of shareholders to be held in accordance with the Notice.

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

**Placement** means the placement undertaken by the Company in March 2021.

**Proxy Forms** means the proxy form enclosed with this Explanatory Memorandum in relation to the Resolutions.

**Remuneration Report** means the remuneration report of the Company that forms part of the Directors' Report.

**Resolutions** means each of the resolutions set out in the Notice.

**Securities** has the meaning given to that term in Chapter 19 of the Listing Rules.

**Share** means a fully paid ordinary share in the Company.

**Shareholder** means a registered holder of a Share.



PALLA PHARMA

Palla Pharma Limited

ACN 107 872 453

## LODGE YOUR VOTE

**ONLINE**  
www.linkmarketservices.com.au

**BY MAIL**  
Palla Pharma Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

**BY FAX**  
+61 2 9287 0309

**BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138; or  
Level 12, 680 George Street, Sydney NSW 2000

**ALL ENQUIRIES TO**  
Telephone: +61 1300 306 089

## PROXY FORM

I/We being a member(s) of Palla Pharma Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chair of the Meeting, as my/our proxy to act 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 the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **3.00pm on Wednesday, 26 May 2021 at the offices of Arnold Bloch Leibler, Level 21, 333 Collins Street, Melbourne Victoria & virtually via <https://agmlive.link/PALAGM21>** (refer to details in the Notice of Meeting).

**All resolutions to be considered at the Meeting will be decided by a poll based on proxy votes received prior to the commencement of the Meeting and votes cast via a telephone keypad voting facility during the Meeting. Important for Resolution 1:** If the Chair of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chair of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chair of the Meeting intends to vote undirected proxies in favour of each item of business.

### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

#### Resolutions

For Against Abstain\*

1 Adoption of Remuneration Report

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|

2 Re-election of Stuart Alexander Black as a Director

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|

3 Election of Iain Gladstone Ross as a Director

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|

4 Ratification of issue of Ordinary Shares pursuant to ASX Listing Rule 7.4

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote 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)

|                      |
|----------------------|
| <input type="text"/> |
|----------------------|

|                      |
|----------------------|
| <input type="text"/> |
|----------------------|

|                      |
|----------------------|
| <input type="text"/> |
|----------------------|

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may 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).

PAL PRX2101N



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the 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. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

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

### DEFAULT TO CHAIR OF THE MEETING

Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

### 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 the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second 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
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach 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 also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be sent to Link Market Services prior to the commencement of the Meeting in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **3.00pm (Melbourne Time) on Monday, 24 May 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MAIL

Palla Pharma Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138  
or  
Level 12  
680 George Street  
Sydney NSW 2000

\* During business hours (Monday to Friday, 9:00am–5:00pm)

# Virtual Meeting Online Guide

## Before you begin

Ensure your browser is compatible.  
Check your current browser by going to the website: **[whatismybrowser.com](http://whatismybrowser.com)**

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Supported browsers are:

- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer 9 and up

**To attend and ask questions you must have your securityholder number and postcode.**

Appointed Proxy: Your proxy number will be provided by Link before the meeting.

**Please make sure you have this information before proceeding.**



## Step 1

Open your web browser and go to <https://agmlive.link/PALAGM21> and select the relevant meeting.

## Step 2

Log in to the portal using your full name, mobile number, email address, and company name (if applicable).

Please read and accept the terms and conditions before clicking on the blue **'Register and Watch Meeting'** button.

- On the left – a live video webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Ask a Question' and a list of company documents to download

**Note:** If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

## Contact us

### Australia

T 1300 554 474

E [info@linkmarketservices.com.au](mailto:info@linkmarketservices.com.au)

### New Zealand

T +64 9 375 5998

E [enquiries@linkmarketservices.co.nz](mailto:enquiries@linkmarketservices.co.nz)

## How to ask a question

**Note:** Only securityholders are eligible to ask questions.

You will be prompted to enter your securityholder number or proxy details before you can ask a question. To ask a question, click on the 'Ask a Question' button either at the top or bottom of the webpage.

The **'Ask a Question'** box will then pop up with two sections for completion.

In the **'Regarding'** section click on the drop down arrow and select the category/resolution for your question.

Click in the **'Question'** section and type your question and click on 'Submit'.

A **'View Questions'** box will appear where you can view your questions at any point. Only you can see the questions you have asked.

If your question has been answered and you would like to exercise your right of reply, you can submit another question.

Note that not all questions are guaranteed to be answered during the Meeting, but we will do our best to address your concerns.

## Downloads

View relevant documentation in the Downloads section.