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**CYNATA THERAPEUTICS LIMITED**

ACN 104 037 372

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**NOTICE OF ANNUAL GENERAL MEETING**

**The Annual General Meeting of the Company will be held at the Giorgios Restaurant Function Room, 1235 High Street, Armadale, Victoria 3143, on 16 November 2016 at 9.30 am (AEDT)**

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*This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

***Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 6377 8043.***

# CYNATA THERAPEUTICS LIMITED

ACN 104 037 372

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Cynata Therapeutics Limited (**Company**) will be held at the Giorgios Restaurant Function Room, 1235 High Street, Armadale, Victoria 3143 on 16 November 2016 at 9.30 am (AEDT) (**Meeting**).

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

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 as Shareholders on 14 November 2016 at 7.00 pm (AEDT).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 14.

## AGENDA

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### Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2016, which includes the Financial Report, the Directors' Report and the Auditor's Report.

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### 1. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, 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 be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."*

#### Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on this Resolution if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on this Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy;
- (c) does not specify the way the proxy is to vote on this Resolution; and
- (d) expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.

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## 2. Resolution 2 – Re-election of Mr Peter Webse as a Director

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

*"That, Mr Peter Webse, who retires in accordance with clause 13.2 of the Constitution, being eligible and offering himself for re-election, is re-elected as a Director."*

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## 3. Resolution 3 – Re-election of Dr Paul Wotton as a Director

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

*"That, for the purposes of clause 13.4 of the Constitution, Dr Paul Wotton, a director who was appointed as an additional Director, retires, and being eligible, is re-elected as a Director."*

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## 4. Resolution 4 – Ratification of prior issue of Employee Options

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

*"That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 750,000 Employee Options on the terms and conditions set out in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by a person who participated in the issue of the Employee Options and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) 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.

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## 5. Resolution 5 – Ratification of prior issue of Adviser Options

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

*"That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 600,000 Adviser Options on the terms and conditions set out in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by a person who participated in the issue of the Adviser Options and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) 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.

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## 6. Resolution 6 – Approval of 10% Placement Facility

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

*"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."*

### Voting Exclusion

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

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

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## 7. Resolution 7 – Adoption of Employee Option Acquisition Plan

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

*"That, for the purposes of Listing Rule 7.2 Exception 9(b), as an exception to Listing Rule 7.1, and for all other purposes, approval is given for the establishment of the "Cynata Therapeutics Limited Employee Option Acquisition Plan" (Option Plan) and the issue of securities there under, on the terms and conditions summarised in Schedule 3 and in the Explanatory Statement."*

### Voting Exclusion

The Company will disregard any votes cast on this Resolution by a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

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## 8. Resolution 8 – Authority to Grant Director Options to Dr Ross Macdonald

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

*"That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders authorise the grant of up to 200,000 Director Options to Dr Ross Macdonald (or his nominees) on the terms and conditions in the Explanatory Statement."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by a Dr Ross Macdonald and his nominees and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

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## **9. Resolution 9 – Authority to Grant Director Options to Dr John Chiplin**

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

*"That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders authorise the grant of up to 200,000 Director Options to Dr John Chiplin (or his nominees) on the terms and conditions in the Explanatory Statement."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by Dr John Chiplin and his nominees any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

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## **10. Resolution 10 – Authority to Grant Director Options to Dr Paul Wotton**

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

*"That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders authorise the grant of up to 200,000 Director Options to Dr Paul Wotton (or his nominees) on the terms and conditions in the Explanatory Statement."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by Dr Paul Wotton and his nominees and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

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## **11. Resolution 11 – Authority to Grant Director Options to Mr Peter Webse**

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

*"That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders authorise the grant of up to 200,000 Director Options to Mr Peter Webse (or his nominees) on the terms and conditions in the Explanatory Statement."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by Mr Peter Webse and his nominees and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

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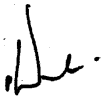
## **12. Resolution 12 – Section 195 Approval**

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

*"That, subject to and conditional on Resolutions 8 to 11 being passed, for the purposes of section 195(4) of the Corporations Act and for all other purposes, Shareholders approve and authorise the Directors to complete the transactions as contemplated in Resolutions 8 to 11."*

Dated 13 October 2016

**BY ORDER OF THE BOARD**



Mr Peter Webse  
Company Secretary

## **EXPLANATORY MEMORANDUM**

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### **1. Introduction**

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the Giorgios Restaurant Function Room, 1235 High Street, Armadale, Victoria 3143 on 16 November 2016 at 9.30 am (AEDT).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

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### **2. Action to be taken by Shareholders**

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

#### **2.1 Proxies**

A Proxy Form is enclosed with the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

#### **2.2 Voting Prohibition by Proxy Holders**

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; or

- (b) the person is the Chairman voting an undirected proxy which expressly authorises the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 1 and 7 to 11 if:

- (a) the person is either:
  - (i) a member of the Key Management Personnel of the Company; 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 Resolutions 1 and 7 to 11.

However, the prohibition does not apply if:

- (a) the proxy is the Chairman; and
- (b) the appointment expressly authorises the Chairman to exercise the proxy even if Resolutions 1 and 7 to 11 are connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

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### 3. Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. Copies of the report can be found on the Company's website <http://cynata.com> or by contacting the Company Secretary on +61 8 6377 8043.

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

Shareholders will be offered the following opportunities:

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

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

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

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### 4. Resolution 1 – Adoption of Remuneration Report

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

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

However, the Corporations Act has been amended by the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act (Director and Executive*



**Remuneration Act)** which received the Royal Assent on 27 June 2011 and came into effect on 1 July 2011.

The Director and Executive Remuneration Act introduced new sections 250U and 250Y, among others, into the Corporations Act, giving Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

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

At the Company's 2015 Annual General Meeting the remuneration report was approved by over 75% of shareholders.

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

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

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

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## **5. Resolution 2 – Re-election of Mr Peter Webse as a Director**

Clause 13.2 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

Mr Peter Webse, the Director longest in office since his last election, retires by rotation at this Meeting and, being eligible, seeks re-election.

Mr Webse B.Bus, FGIA, FCPA MAICD, joined the Board in May 2012 in a non-executive capacity and was also appointed as Company Secretary in April 2012. He has over 25 years' company secretarial experience and is managing director of Platinum Corporate Secretariat Pty Ltd, a company specialising in providing company secretarial, corporate governance and corporate advisory services. Mr Webse has had experience as a non-executive director for other ASX listed companies.

The Board unanimously supports the re-election of Mr Webse.

Resolution 2 is an ordinary resolution.

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## **6. Resolution 3 – Re-election of Dr Paul Wotton as a Director**

Clause 13.4 of the Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or 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 of seven.

Pursuant to clause 13.4 of the Constitution, any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Dr Paul Wotton, having been appointed as a Non-Executive Director on 8 June 2016 will retire from the Company's Board in accordance with clause 13.4 of the Constitution and being eligible, seeks re-election from Shareholders.

Dr Wotton has an outstanding track record of leading companies to clinical, financial and commercial success, most recently demonstrated in his stewardship of Ocata Therapeutics, Inc, a US-based stem cell therapy company, culminating in the recent acquisition of that company by Astellas Pharma, Inc., in a US\$379 million all cash transaction.

Dr Wotton has more than 30 years' experience in the pharmaceuticals and biotech industry. He served as CEO and President of Ocata Therapeutics from July 2014 until the completion of the Astellas acquisition in February of 2016. Prior to that he served for 6 years as CEO and President of Antares Pharma, Inc., a Nasdaq-listed specialty pharmaceutical company. Before leading Antares Pharma he held various senior executive roles in large- and mid-cap pharma and biotech companies in the USA and Europe. He is a member of the board of Vericel Corporation, a US company developing autologous cellular therapies. Dr Wotton is a pharmacist by training with both a Ph.D. from the University of Nottingham and an MBA from Kingston Business School in the U.K. In 2014 he was named New Jersey EY Entrepreneur of the Year in Life Sciences.

The Board unanimously supports the election of Dr Paul Wotton.

Resolution 3 is an ordinary resolution.

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## **7. Resolution 4 – Ratification of prior issue of Employee Options**

### **7.1 General**

On 16 December 2015, the Company issued 750,000 Employee Options, each exercisable at \$0.49 on or before 16 December 2018 (500,000 of which are subject to vesting conditions), to Dr Kilian Kelly, an employee of the Company.

The Employee Options were issued within the Company's 15% annual limit permitted by Listing Rule 7.1 without the need for Shareholder approval.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the issue of 750,000 Employee Options to Dr Kelly.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 during the next 12 months, without the requirement to obtain prior Shareholder approval.

Resolution 4 is an ordinary resolution.

## **7.2 Specific Information Required by Listing Rule 7.5**

For the purposes of Listing Rule 7.5 information regarding the issue of the Employee Options is provided as follows:

- (a) 750,000 Employee Options were issued on 16 December 2015.
- (b) The Employee Options were issued for nil consideration and accordingly no funds were raised from the issue of the Employee Options.
- (c) The Employee Options are each exercisable at \$0.49 and expire on 16 December 2018. Of the Employee Options issued to Dr Kelly:
  - (i) 250,000 vested immediately on issue;
  - (ii) 250,000 vest 12 months after the date of issue (subject to Dr Kelly remaining employed with the Company); and
  - (iii) 250,000 vest 24 months after the date of issue subject to Dr Kelly remaining employed with the Company).Further terms and conditions of the Employee Options are set out in Schedule 1.
- (d) The Employee Options were issued to Dr Kelly, an employee of the Company, who is not a related party of the Company.
- (e) A voting exclusion statement is included in the Notice.

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## **8. Resolution 5 – Ratification of prior issue of Adviser Options**

### **8.1 General**

On 22 February 2016, the Company issued 600,000 Adviser Options, each exercisable at \$0.53 on or before 22 February 2019, to Pegari Pty Limited and Shaw and Partners Limited in consideration for corporate advisory services provided by Shaw and Partners Limited to the Company.

The Adviser Options were issued within the Company's 15% annual limit permitted by Listing Rule 7.1 without the need for Shareholder approval.

A summary of Listing Rule 7.1 and Listing Rule 7.4 is provided in Section 7.1.

Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the issue of 600,000 Adviser Options to Pegari Pty Limited and Shaw and Partners Limited.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 during the next 12 months, without the requirement to obtain prior Shareholder approval.

Resolution 5 is an ordinary resolution.

### **8.2 Information Required by Listing Rule 7.5**

For the purposes of Listing Rule 7.5 information regarding the issue of the Advisor Options is provided as follows:

- (a) A total of 600,000 Adviser Options (300,000 Adviser Options to each of Pegari Pty Limited and Shaw and Partners Limited) were issued on 22 February 2016.
- (b) The Adviser Options were issued for nil cash consideration as they were issued in consideration of the satisfaction of the corporate advisory fee associated with services provided by Shaw and Partners Limited to the Company. Accordingly no funds were raised from the issue of the Adviser Options.
- (c) The Adviser Options are each exercisable at \$0.53 and expire on 22 February 2019. Further terms and conditions of the Advisor Options are set out in Schedule 2.
- (d) The Advisor Options were issued to Pegari Pty Limited Shaw and Partners Limited who are not related parties of the Company.

- (e) A voting exclusion statement is included in the Notice.

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## 9. Resolution 6 – Approval of 10% Placement Facility

### 9.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

While the Company has no current intention to use the 10% Placement Facility, the Company is now seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.2(c) below).

The Company intends to continue to expand and accelerate the Company's existing business activities (including expenses associated with further tests in relation to the Company's existing projects) and to pursue other acquisitions that have a strategic fit or will otherwise add value to Shareholders (including expenses associated with such acquisitions). The Company may use the 10% Placement Facility for these purposes and for general working capital.

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

### 9.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being the Shares (ASX Code: CYP).

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

Where:

A is the number of shares on issue 12 months before the date of issue or agreement:

(A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;

(B) plus the number of partly paid shares that became fully paid in the 12 months;

(C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This

does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;

(D) less the number of fully paid shares cancelled in the 12 months.

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

D is 10%

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

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.2(c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

(i) the date on which the price at which the Equity Securities are to be issued is agreed; or

(ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

(i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or

(ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

**(10% Placement Period).**

### **9.3 Listing Rule 7.1A**

The effect of Resolution 6 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### **9.4 Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

(a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

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

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

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

Variable 'A' in Listing Rule 7.1A2		Dilution		
		\$0.28 50% decrease in Issue Price	\$0.56 Issue Price	\$1.12 100% increase in Issue Price
Current Variable A 72,738,075 Shares	10% voting dilution	7,273,807	7,273,807	7,273,807
	Funds raised	\$2,036,665	\$4,073,331	\$8,146,663
50% increase in current Variable A 109,107,112 Shares	10% voting dilution	10,910,711	10,910,711	10,910,711
	Funds raised	\$3,054,998	\$6,109,998	\$12,219,996
100% increase in current Variable A	10% voting dilution	14,547,615	14,547,615	14,547,615

145,476,150 Shares	Funds raised	\$4,073,332	\$8,146,664	\$16,293,328
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The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  - (ii) No Options are exercised into Shares before the date of the issue of the Equity Securities.
  - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
  - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
  - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
  - (vii) At the date of this Notice, there are currently 72,738,075 Shares on issue.
  - (viii) The issue price is \$0.56, being the closing price of the Shares on 6 October 2016.
- (c) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 6 for the issue of Equity Securities pursuant to the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) as cash consideration, in which case the Company intends to use funds raised for expanding or accelerating the Company's existing business activities (including expenses associated with further tests in relation to the Company's existing projects), pursuing other acquisitions that have a strategic fit or will otherwise add value to Shareholders (including expenses associated with such acquisitions) and general working capital; or
  - (ii) as non-cash consideration for acquisition of new assets, technology and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

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

- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the recipients of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the purpose of the issue;
  - (ii) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
  - (iii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iv) the financial situation and solvency of the Company; and
  - (v) advice from corporate, financial and broking advisers (if applicable).

The recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets, technology or investments, it is likely that the recipients under the 10% Placement Facility will be the vendors of the new assets, technology or investments.

- (f) The Company previously obtained Shareholder approval under Listing Rule 7.1A at the Company's 2015 AGM held on 11 November 2015.
- (g) In the 12 months preceding the date of the Meeting the Company issued a total of 1,350,000 Equity Securities which represents 1.56% of the total number of Equity Securities on issue at 16 November 2015 (being, 86,438,080). The Equity Securities issued in the preceding 12 months were as follows:

<b>Date of Appendix 3B</b>	<b>Number of Equity Securities</b>	<b>Class of Equity Securities and summary of terms</b>	<b>Names of recipients or basis on which recipients determined</b>	<b>Issue price of Equity Securities and discount to Market Price<sup>1</sup> on the trading day prior to the issue</b>	<b>If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds  If issued for non-cash consideration – a description of the consideration and the current value of the consideration</b>
16/12/2015	750,000 Options	Note 2	Issued as an employee incentive	Nil issue price. \$0.49 exercise price being a 44.12% premium to the Market Price on 16/12/2015	Issued as an employee incentive. Valued at \$0.237 each totalling \$177,750 using a Black & Scholes option pricing model.
22/2/2016	600,000 Options	Note 3	Issued as consideration for services provided pursuant to a mandate agreement	Nil issue price. \$0.53 exercise price being a 37.66 % premium to the Market Price on 22/02/2016	Issued as consideration for services provided. Valued at \$0.2219 each totalling \$133,140 using a Black & Scholes pricing model.

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises).
  2. Unlisted Options issued to employee, exercisable at \$0.49, with an expiry date of 16 December 2018 and subject to vesting conditions.
  3. Unlisted Options issued pursuant to a mandate agreement, exercisable at \$0.53 and with an expiry date of 22 February 2019.
  4. The value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option.
- (h) The Company's cash balance on 16 November 2015 was approximately \$7,184,553. No cash was raised in the previous 12 months. The Company's cash balance at 6 October 2016 date of this Notice is approximately \$3,715,000. The remaining funds of \$3,715,000 are intended to be used for further development of the Company's stem cell technologies, in particular the conduct of a Phase 1 clinical trial and for general working capital purposes.
- (i) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.



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## **10. Resolution 7 – Adoption of Employee Option Acquisition Plan**

### **10.1 General**

Resolution 7 seeks Shareholder approval for the establishment of the Option Plan.

The Company wishes to exempt issues of securities under the Option Plan from contributing towards the rolling annual limit of 15% of issued Shares prescribed by Listing Rule 7.1. This limit otherwise applies to all new issues of equity securities made without Shareholder approval. Shareholder approval of the Option Plan is therefore sought under Listing Rule 7.2, Exception 9, whereby the Shareholders may approve in advance the issue of securities made under the Option Plan as an exception to the limit under Listing Rule 7.1.

Resolution 7 is an ordinary resolution.

The aim of this plan is to allow the Board to incentivise Eligible Employees, who in the Board's opinion, are dedicated and will provide outstanding and ongoing commitment and effort to the Company and to align their goals with Shareholders' interests. Eligible Employees are full-time or permanent part-time employees of the Company or a related body corporate (which includes Directors, the Company Secretary and officers), or such other persons as the Board determines.

This is the first approval sought under Listing Rule 7.2 Exception 9(b) with respect to the Option Plan. No Plan Options have previously been issued under the Option Plan and the Option Plan has not previously been approved by Shareholders.

Pursuant to the Listing Rules, Shareholders must re-approve the Option Plan and all unallocated Plan Options issuable pursuant to it every three years.

The key features of the Option Plan are as follows:

- (a) The Board will determine the number of Plan Options to be granted to Eligible employees (or their permitted nominees) and the vesting conditions, expiry date and the exercise price of the Plan Options in its sole discretion.
- (b) The Plan Options are not transferable unless vested and with the prior written approval of the Board and provided that the transfer complies with the Corporations Act.
- (c) Subject to the Corporations Act and the Listing Rules, the Board will have the power to amend the Option Plan as it sees fit.

A detailed overview of the terms of the Option Plan is attached in Schedule 3. A copy of the Option Plan can be obtained by contacting the Company.

### **10.2 Specific Information Required by Listing Rule 7.2**

In accordance with the requirements of Listing Rule 7.2 Exception 9(b) the following information is provided:

- (a) The material terms of the Option Plan are summarised above.
- (b) This is the first approval sought under Listing Rule 7.2 Exception 9 with respect to the Option Plan.
- (c) No securities have been issued under the Option Plan.
- (d) A voting exclusion statement has been included for the purposes of Resolution 7.

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## **11. Resolutions 8 - 11 – Authority to Grant Director Options to Related Parties**

### **11.1 Background**

The Company has agreed, subject to obtaining Shareholder approval, to grant a total of 800,000 Director Options to some of the Directors (or their nominees) as follows:

- (a) 200,000 Director Options to Dr Ross Macdonald:

- (b) 200,000 Director Options to Dr John Chiplin;
- (c) 200,000 Director Options to Dr Paul Wotton; and
- (d) 200,000 Director Options to Mr Peter Webse.

The Director Options will be granted for nil cash consideration. The Director Options will be exercisable at 145% of the 5 day VWAP at which Shares were traded on the ASX up to and including the date of grant of the Director Options, on or before the date that is 3 years from the date of the grant of the Director Options.

In the Company's present circumstances, the Board considers that the incentive to the recipient Directors that will be represented by the grant of these Director Options are a cost effective and efficient award for the Company to make to appropriately incentivise the continued performance of the recipient Directors, as opposed to alternative forms of incentive, such as payment of cash compensation, and are consistent with the strategic goals and targets of the Company.

The Board considers that the experience of the Directors will greatly assist the development of the Company. As such, the Board believes that the number of Director Options to be granted to some of the Directors is commensurate with their value to the Company and are consistent with remuneration and incentivisation standards in the industry and sector.

Given the speculative nature of the Company's activities and the small management team responsible for its operations, it is considered the performance of the Directors and the performance and value of the Company are closely related. As such, the Director Options granted will generally only be of benefit if the recipient Directors perform to a stellar level where the value of the Company increases sufficiently to warrant exercising the Director Options.

## **11.2 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 Director Options constitutes giving a financial benefit and Dr Ross Macdonald, Dr John Chiplin, Dr Paul Wotton and Mr Peter Webse are related parties of the Company by virtue of being Directors.

After a review of publicly available information relating to the remuneration structures of several of its ASX listed peer companies, the Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the Director Options to Dr Ross Macdonald, Dr John Chiplin, Dr Paul Wotton and Mr Peter Webse because the grant of these Director Options is considered reasonable remuneration in the circumstances.

## **11.3 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.

As the grant of the Director Options involves the issue of securities to related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Director Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of Director

Options will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

Resolutions 8 to 11 are ordinary resolutions.

#### **11.4 Specific information required under Listing Rule 10.13**

For the purposes of Listing Rule 10.13, information regarding the grant of Director Options is provided as follows:

- (a) The maximum number of Director Options the Company will grant to the Directors (or their nominees) pursuant to Resolutions 8 to 11 are:

<b>Name of Director</b>	<b>Number of Director Options</b>
Dr Ross Macdonald	200,000 Director Options
Dr John Chiplin	200,000 Director Options
Dr Paul Wotton	200,000 Director Options
Mr Peter Webse	200,000 Director Options

- (b) The Director Options will be granted no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (c) Dr Ross Macdonald, Dr John Chiplin, Dr Paul Wotton and Mr Peter Webse are related parties of the Company by virtue of being Directors.
- (d) Each Director Option is exercisable at 145% of the volume weighted average of the prices at which Shares were traded on the ASX during the one week period up to and including the date of grant of the Director Options and expire on or before the date that is three years from the date of grant. The terms and conditions of the Director Options are set out in Schedule 4. Shares issued on exercise of the Director Options will comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
- (e) The Director Options will be granted for nil consideration as they are being issued as incentive based remuneration. Accordingly, no funds will be raised from the issue of the Director Options.
- (f) A voting exclusion statement is included in the Notice.

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## **12. Resolution 12 – Section 195 Approval**

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered.

Some of the Directors may have a material personal interest in the outcome of Resolutions 8 to 11. In the absence of this Resolution 12, the Directors may not be able to form a quorum at directors meetings necessary to carry out the terms of Resolutions 8 to 11.

The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve upon.

Resolution 12 is an ordinary resolution and is subject to Resolutions 8 to 11 being passed.

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## 14. Definitions

**10% Placement Facility** has the meaning given in Section 9.1.

**10% Placement Period** has the meaning given in Section 9.2(f).

**Adviser Option** means an Option exercisable at \$0.53 on or before 22 February 2019 and otherwise with the terms and conditions in Schedule 2.

**AEDT** means Australian Eastern Daylight Time.

**Annual Report** means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2016.

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

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

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

**Board** means the board of Directors.

**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.

**Chairman** means the person appointed to chair the Meeting.

**Closely Related Party** has the meaning in section 9 of the Corporations Act.

**Company** or **Cynata** means Cynata Therapeutics Limited ACN 104 037 372.

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

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

**Director** means a director of the Company.

**Director Option** means an Option with an exercise price of 145% of the 5 day VWAP at which Shares were traded on the ASX up to and including the date of grant of the Director Options and expiring on the date that is 3 years from the date of grant and otherwise with the terms and conditions in Schedule 4.

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

**Employee Option** means an Option exercisable at \$0.49 on or before 16 December 2018 and otherwise with the terms and conditions in Schedule 1.

**Eligible Employee** means a full time or part time employee of the Company (including a Director) or any other person who is declared by the Board to be eligible to receive a grant of Plan Options under the Option Plan.

**Equity Securities** has the same meaning as in the Listing Rules.

**Explanatory Memorandum** means the explanatory memorandum attached to the Notice.

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

**Key Management Personnel** means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

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

**Market Price** means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises).

**Meeting** has the meaning in the introductory paragraph of the Notice.

**Notice** means this notice of meeting.

**Option** means an option which entitles the holder to subscribe for one Share.

**Option Plan** has the meaning in Resolution 7.

**Option Plan Rules** means the rules of the Option Plan.

**Participant** means a person who holds a Plan Option under the Option Plan.

**Plan Option** means an Option granted under the Option Plan.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution contained in this Notice.

**Schedule** means a schedule to this Notice.

**Section** means a section contained in this Explanatory Memorandum.

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

**Shareholder** means a shareholder of the Company.

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

**VWAP** means volume weighted average price.

In this Notice, words importing the singular include the plural and vice versa.

## Schedule 1 – Terms and Conditions of Employee Options

1. Entitlement  
Each Employee Option entitle the holder to subscribe for one Share upon the exercise of each Employee Option.
2. Exercise price  
The exercise price of each Employee Option is \$0.49.
3. Expiry date  
Each Employee Option expires at 5.00pm (WST) on the date that is three years after the grant of the Employee Option.
4. Exercise period and vesting dates  
The Employee Options issued to a holder vest as follows:
  - (a) 250,000 Employee Options will automatically vest on grant;
  - (b) 250,000 Employee Options will vest 12 months after grant (subject to the holder remaining employed by the Company continuously from the date of grant up until that date);
  - (c) 250,000 Options will vest 24 months after issue (subject to the holder remaining employed by the Company continuously from the date of grant up until that date); and
  - (d) if any takeover, merger, trade sale or change of control event occurs, any unvested Options will immediately vest (subject to the holder remaining employed by the Company continuously from the date of grant up until the relevant date),(each, a **Vesting Date**).  
  
The Employee Options are exercisable at any time after the relevant Vesting Date for an Employee Option and on or prior to the Expiry Date.
5. Notice of exercise  
The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.
6. Cashless Exercise Facility
  - (a) An Optionholder may, subject to paragraph (c) below, elect to pay the Exercise Price for an Employee Option by setting off the exercise price against the number of Shares which they are entitled to receive upon exercise (Cashless Exercise Facility). By using the Cashless Exercise Facility, the holder will receive Shares to the value of the surplus after the Exercise Price has been set off.
  - (b) If an Optionholder elects to use the Cashless Exercise Facility, the holder will only be issued that number of Shares (rounded down to the nearest whole number) as are equal in value to the difference between the total Exercise Price otherwise payable for the Employee Options on the Employee Options being exercised and the then market value of the Shares at the time of exercise (determined as the volume weighted average of the prices at which Shares were traded on the ASX during the one week period immediately preceding the exercise date) calculated in accordance with the following formula:  
$$S = \frac{O \times (MSP - EP)}{MSP}$$

*Where:*

*S = Number of Shares to be issued on exercise of the Employee Options*

*O = Number of Employee Options being exercised*

*MSP = Market value of the Shares (calculated using the volume weighted average of the prices at which Shares were traded on the ASX during the one week period immediately preceding the exercise date)*

*EP = Employee Option exercise price*
  - (c) If the difference between the total Exercise Price otherwise payable for the Employee Options on the Employee Options being exercised and the then market value of the Shares at the time of exercise (calculated in accordance with paragraph (b)) is zero or negative, then a holder will not be entitled to use the Cashless Exercise Facility.
7. Shares issued on exercise  
Shares issued on exercise of the Employee Options will rank equally with the then issued Shares of the Company.
8. Employee Options not quoted  
The Company will not apply to ASX for quotation of the Employee Options.
9. Quotation of Shares on exercise  
Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Employee Options within 10 Business Days after the date of issue of those Shares.

10. Timing of issue of Shares

Within 10 Business Days of receipt of the Notice of Exercise accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Employee Options specified in the Notice of Exercise.

11. Participation in new issues

There are no participation rights or entitlements inherent in the Employee Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will give the holders of Employee Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

12. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Employee Option will be increased by the number of Shares which the holder would have received if the holder had exercised the Employee Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

13. Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Employee Option will be reduced according to the following formula:

$$\text{New exercise price} = \frac{O - E[P - (S + D)]}{N + 1}$$

*O* = the old Exercise Price of the Employee Option.

*E* = the number of underlying Shares into which one Employee Option is exercisable.

*P* = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

*S* = the subscription price of a Share under the pro rata issue.

*D* = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

*N* = the number of Shares with rights or entitlements that must be held to receive a right to one Share.

14. Adjustments for reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the option holder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.

15. Options not transferable

The Options are not transferable, except with the prior written approval of the Board of directors of the Company and subject to compliance with the Corporations Act.

16. Lodgment instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.

## Schedule 2 – Terms and Conditions of Adviser Options

1. Entitlement  
The Options entitle the holder to subscribe for one Share upon the exercise of each Option.
2. Exercise price  
The exercise price of each Option is \$0.53.
3. Expiry date  
The expiry date of each Option is 22 February 2019.
4. Exercise period  
The Options are exercisable at any time prior to the Expiry Date.
5. Notice of exercise  
The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised within 7 days of such Notice of Exercise. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.
6. Shares issued on exercise  
Shares issued on exercise of the Options will rank equally with the then issued Shares of the Company.
7. Options not quoted  
The Company will not apply to ASX for quotation of the Options.
8. Quotation of Shares on exercise  
Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.
9. Timing of issue of Shares  
After an Option is validly exercised, the Company must as soon as possible following receipt of the Notice of Exercise and receipt of cleared funds equal to the sum payable on the exercise of the Option:
  - (a) issue the Share;
  - (b) 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 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
  - (c) do all such acts, matters and things to obtain the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Option.
10. Participation in new issues  
There are no participation rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
11. Adjustment for bonus issues of Shares  
If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
  - (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the option holder would have received if the option holder had exercised the Option before the record date for the bonus issue; and
  - (b) no change will be made to the Exercise Price.
12. Adjustment for rights issue  
If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Option.
13. Adjustments for reorganisation  
If there is any reorganisation of the issued share capital of the Company, the rights of the option holder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.
14. Options not transferable  
The Options are not transferable, except with the prior written approval of the Board of directors of the Company and subject to compliance with the Corporations Act.
15. Lodgment instructions  
Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.



### Schedule 3 – Summary of Cynata Therapeutics Limited Employee Option Acquisition Plan

Summary of the Option Plan and terms on which Invitations may be made:

1. The Directors, at their discretion, may issue Plan Options to Participants at any time, having regard to relevant considerations such as the Participant's past and potential contribution to the Company, and their period of employment with the Company.
2. Eligible Participants in the Option Plan are full-time or permanent part-time Employees of the Company or a related body corporate (which includes Directors) or such other persons as the Board determines is eligible to receive a grant of Plan Options under the Option Plan (Eligible Employees). The Company will seek Shareholder approval for Director and related party participation in accordance with Listing Rule 10.14.
3. The Option Plan is administered by the Directors of the Company, who have the power to:
  - (a) determine appropriate procedures for administration of the Option Plan consistent with its terms;
  - (b) resolve conclusively all questions of fact or interpretation in connection with the Option Plan;
  - (c) delegate the exercise of any of its powers or discretions arising under the Option Plan to any one or more persons for such period and on such conditions as the Board may determine; and
  - (d) suspend, amend or terminate the Option Plan.
4. Plan Options must be granted for nil consideration.
5. The exercise price of the Plan Options shall be determined by the Board (in its discretion), provided that in no event shall the exercise price be less than 80% of the volume weighted average of the prices at which Shares were traded on the ASX during the one week period immediately preceding the date of grant of the Plan Options.
6. The Board may determine (in its discretion) and specify in an Invitation that a Participant may, at their election, elect to pay the exercise price for a Plan Option by setting off the exercise price against the number of Shares which they are entitled to receive upon exercise (Cashless Exercise Facility). By using the Cashless Exercise Facility, the Participant will receive Shares to the value of the surplus after the exercise price has been set off. If a Participant elects to use the Cashless Exercise Facility, the Participant will only be issued that number of Shares (rounded down to the nearest whole number) as are equal in value to the difference between the total Exercise Price otherwise payable for the Options on the Options being exercised and the then market value of the Shares at the time of exercise (determined as the volume weighted average of the prices at which Shares were traded on the ASX during the one week period immediately preceding the exercise date) calculated in accordance with the following formula:

$$S = \frac{O \times (MSP - EP)}{MSP}$$

Where:

*S* = Number of Shares to be issued on exercise of the Options.

*O* = Number of Options.

*MSP* = Market value of the Shares.

*EP* = Option exercise price.

7. The Company must take reasonable steps to ensure that the number of Shares to be received on exercise of the Plan Options when aggregated with:
  - (a) the number of Shares in the same class issued during the previous 5 years under the Option Plan (or any other employee incentive plan extended only to Employees); and
  - (b) the number of Shares in the same class that would be issued if each outstanding offer for Shares (including options to acquire unissued Shares) under any employee incentive plan of the Company were to be exercised or accepted, does not exceed 5% of the total number of issued Shares at the time the invitation to acquire Plan Options is made (but disregarding any offer of Options that can be disregarded in accordance with the ASIC Class Order 03/184).
8. The Shares to be issued on exercise of the Plan Options will be issued on the same terms as the fully paid, ordinary shares of the Company and will rank equally with all of the Company's then existing Shares.
9. The Board may determine the time periods or performance hurdles after which the Plan Options will vest and the percentage of Plan Options issued which will vest at each particular time. The Option Plan provides for the release of vesting conditions at the Board's discretion in the event of a change of control of the Company.
10. A Plan Option must be exercised (if at all) not later than its expiry date and may only be exercised at any time after the Plan Option has vested. The Board may determine (in its absolute discretion) any further conditions of exercise consistent with the terms of the Option Plan.
11. Plan Options will not be listed for quotation. However, the Company will make application to ASX for official quotation of all Shares issued on exercise of the Plan Options as soon as practicable after their Issue Date.
12. The Plan Options are not transferable unless vested and with the prior written approval of the Board and provided that the transfer complies with the Corporations Act.

## Schedule 4 – Terms & Conditions of Director Options

1. Entitlement

Each Director Option entitles the holder to subscribe for one Share upon exercise of each Director Option.

2. Exercise price

The exercise of each Director Option is 145% of the 5 day VWAP at which Shares were traded on the ASX up to and including the date of grant of the Director Options.

3. Vesting date

Each Director Option will vest on the date that is 12 months from the date of grant.

4. Expiry date

Each Director Option expires at 5.00pm (WST) on the date that is three years after the grant of the Director Option (**Specified Expiry Date**).

The Director Options will expire on that date (**Expiry Date**) which is the earlier of:

- (a) the Specified Expiry Date; or
- (b) the making by the Board of a determination that the Employee has acted fraudulently, dishonestly or in breach of the Employee's obligations to the Company or any of its subsidiaries; or
- (c) as determined in accordance with item 5 below; or
- (d) as determined in accordance with item 6 below,

and thereafter no party has any claim against any other party arising under or in respect of the Director Options.

5. Ceasing to be an Employee

If at any time prior to the Expiry Date of any Director Options, an Employee ceases to be an Employee as a Good Leaver, the Employee, will be entitled to keep any Director Options for which the relevant Vesting Date has passed (**Vested Options**) and the Board, in its absolute discretion, shall determine the amount of any Director Options for which the relevant Vesting Date has not passed (**Unvested Options**) to vest.

If at any time prior to the Expiry Date of any Director Options, an Employee ceases to be an Employee as a Bad Leaver:

- (a) in respect of any Vested Options held, such Employee will have until the earlier of:
  - (i) three months from the date of ceasing to be an Employee; or
  - (ii) the Expiry Date of the Director Options,to exercise the Director Options, otherwise the Director Options will automatically lapse; and
- (b) any other Director Options will automatically lapse.

For the purposes of this item 3:

"Employee" means a person who is a full-time or permanent part-time employee or officer or director or company secretary of the Company or a related body corporate or such other persons as the Board determines.

"Good Leaver" means an Employee who ceases to be an Employee by reason of retirement, permanent disability, redundancy or death or anyone determined by the Board as a good leaver on a case by case basis and at its absolute discretion.

"Bad Leaver" means an Employee who ceases to be an Employee by any reason other than as a Good Leaver.

6. Change in Control

Upon the occurrence of a Change in Control Event the Board may determine (in its discretion):

- (a) that the Director Options may vest and be exercised at any time from the date of such determination, and in any number until the date determined by the Board acting bona fide so as to permit the holder to participate in any change of control arising from a Change in Control Event provided that the Board will forthwith advise in writing each holder of such determination. Thereafter, the Director Options shall lapse to the extent they have not been exercised; or
- (b) to use their reasonable endeavours to procure that an offer is made to holders of Director Options on like terms (having regard to the nature and value of the Director Options) to the terms proposed under the Change in Control Event in which case the Board shall determine an appropriate period during which the holder may elect to accept the offer and, if the holder has not so elected at the end of that period, the Director Options shall immediately vest and become exercisable and if not exercised within 10 days, shall lapse.

For the purposes of this Item 4 "Change in Control Event" means:

- (a) the occurrence of:
  - (i) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
  - (ii) that takeover bid has become unconditional (except any condition in relation to the cancellation or exercise of the Director Options); or
- (b) the announcement by the Company that:
  - (i) Shareholders have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
    - (A) cancelled; or
    - (B) transferred to a third party; and
  - (ii) the Court, by order, approves the proposed scheme of arrangement; or
- (c) the occurrence of the sale of all or a majority of the Company's main undertaking; or
- (d) at the absolute discretion of the Board, the occurrence of a sale of at least 50% of the Company's main undertaking.

7. Exercise Period

The Director Options are exercisable at any time after the Vesting Date and on or prior to the Expiry Date.

8. Notice of Exercise

The Director Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Director Option being exercised or, an election to use the Cashless Exercise Facility (as defined below) in respect of each Option being exercised. Any Notice of Exercise of a Director Option received by the Company will be deemed to be a notice of the exercise of that Director Option as at the date of receipt.

9. Cashless Exercise Facility

The holder of Director Options may, at their election, elect to pay the Exercise Price for an Option by setting off the exercise price against the number of Shares which they are entitled to receive upon exercise (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the holder will receive Shares to the value of the surplus after the Exercise Price has been set off.

If a holder elects to use the Cashless Exercise Facility, the holder will only be issued that number of Shares (rounded down to the nearest whole number) as are equal in value to the difference between the total Exercise Price otherwise payable for the Options on the Options being exercised and the then market value of the Shares at the time of exercise (determined as the volume weighted average of the prices at which Shares were traded on the ASX during the one week period prior to exercise) calculated in accordance with the following formula:

$$S = \frac{O \times (MSP - EP)}{MSP}$$

Where:

*S = Number of Shares to be issued on exercise of the Options.*

*O = Number of Options.*

*MSP = Market value of the Shares.*

*EP = Option exercise price.*

10. Shares issued on exercise

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

11. Quotation of Shares on exercise

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Director Options.

12. Timing of issue of Shares

After a Director Option is validly exercised, the Company must, as soon as possible following receipt of the Notice of Exercise and receipt of cleared funds equal to the sum payable on the exercise of the Director Option:

- (a) issue the Share;
- (b) 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 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
- (c) do all such acts matters and things to obtain the grant of official quotation of the Share on ASX no later than 5 Business Days after issuing the Share.

13. Participation in new issues

There are no participation rights or entitlements inherent in the Director Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options.

14. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of a Director Option will be increased by the number of Shares which the option holder would have received if the option holder had exercised the Director Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

15. Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of a Director Option.

16. Adjustments for reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the option holder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.

17. Quotation of Director Options

No application for quotation of the Director Options will be made by the Company.

18. Director Options not transferable

Director Options are not transferable unless they are Vested Options and only with the prior written approval of the Board of directors of the Company and subject to compliance with the Corporations Act.

19. Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Director Options with the appropriate remittance should be lodged at the Company's Registry.

[Name/Address 1]  
[Name/Address 2]  
[Name/Address 3]  
[Name/Address 4]  
[Name/Address 5]  
[Name/Address 6]

Holder Number: [HolderNumber]

## Appointment of Proxy

STEP 1: Please appoint a Proxy

### Appoint a proxy

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of the Company, to be held at **9.30am (AEDT) on Wednesday, 16 November 2016 at the Giorgios Restaurant Function Room, 1235 High Street, Armadale, Victoria 3143** hereby:

**Appoint the Chairman of the Meeting (Chair)** as my/our proxy. If you are not appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your 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 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.**

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

#### AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 and 7 to 11 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 7 to 11 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2: Voting Direction

Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Adoption of Employee Option Acquisition Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Peter Webse as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Authority to Grant Director Options to Dr Ross Macdonald	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Dr Paul Wotton as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Authority to Grant Director Options to Dr John Chiplin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of prior issue of Employee Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Authority to Grant Director Options to Dr Paul Wotton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of prior issue of Adviser Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Authority to Grant Director Options to Mr Peter Webse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Section 195 Approval	<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.

STEP 3

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1

Securityholder 2

Securityholder 3




Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Email Address \_\_\_\_\_

## HOW TO COMPLETE THIS PROXY VOTING FORM

### LOGGING YOUR PROXY VOTE


This Proxy Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by 9:30am (AEDT) on Monday, 14 November 2016, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting Forms received after that time will not be valid for the scheduled Meeting.

Proxy Voting Forms can be lodged:

 **BY MAIL**  
Cynata Therapeutics Limited  
PO Box 271  
West Perth WA 6872

 **BY HAND**  
Cynata Therapeutics Limited  
Suite 1, 1233 High Street  
Armadale VIC 3143

 **BY EMAIL**  
info@cynata.com

 **BY FACSIMILE**  
+61 (0)3 9822 7735

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are 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 marking 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 proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services on 1300 288 664 or you may copy this form.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all of the Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting 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.