



Notice of Annual General Meeting and Explanatory Statement

The Annual General Meeting of

PRESCIENT THERAPEUTICS LIMITED

ACN 56 006 569 106

*Will be held at
11.00am (AEDST) on Wednesday, 4 November 2015*

At

*Chartered Accountants Australia & New Zealand
Level 3, 600 Bourke Street, Melbourne, Victoria, 3000*

This Notice of Annual General Meeting and Explanatory Statement 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 advisor without delay

PRESCIENT THERAPEUTICS LIMITED

ACN 006 569 106

Registered office: Level 4, 100 Albert Road, South Melbourne Victoria 3205

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Members of Prescient Therapeutics Limited (the "Company") will be held at the offices of Chartered Accountants Australian & New Zealand, Level 3, 600 Bourke Street, Melbourne, Victoria, 3000 at 11.00am (AEDST) on Wednesday, 4 November 2015.

AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

ORDINARY BUSINESS

Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2015.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

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

"That for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2015 be adopted."

Resolution 2: Election of Mr Steven Engle as a Director of the Company

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

"That Mr Steven Engle, having been appointed to the Board during the year, retires as a Director in accordance with the Constitution and having consented and being eligible for election, be elected as a Director."

Resolution 3: Election of Mr Steven Yatomi-Clarke as a Director of the Company

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

"That Mr Steven Yatomi-Clarke, having been appointed to the Board during the year, retires as a Director in accordance with the Constitution and having consented and being eligible for election, be elected as a Director."

Resolution 4: Election of Dr James Campbell as a Director of the Company

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

"That Dr James Campbell, having been appointed to the Board during the year, retires as a Director in accordance with the Constitution and having consented and being eligible for election, be elected as a Director."

Resolution 5: Re-election of Mr Paul Hopper as a Director of the Company

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

"That Mr Paul Hopper, being a director who retires pursuant to the Constitution of the Company and being eligible for re-election offers himself for re-election, is hereby re-elected as a Director of the Company."

Resolution 6: Approval to Grant Options to Mr Steven Engle (or his nominee)

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

“That pursuant to and in accordance with the ASX Listing Rule 10.11 and all other purposes, approval be given to grant up to 300,000 Options (being a right to acquire up to 300,000 fully paid ordinary shares in the Company subject to satisfaction of relevant option conditions) for no consideration to Mr Steven Engle (a Non-Executive Director of the Company), or his nominee, as described in the Explanatory Statement accompanying this Notice of Meeting”

Resolution 7: Approval to Grant Options to Mr Steven Yatomi-Clarke (or his nominee)

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

“That pursuant to and in accordance with the ASX Listing Rule 10.11 and all other purposes, approval be given to grant up to 200,000 Options (being a right to acquire up to 200,000 fully paid ordinary shares in the Company subject to satisfaction of relevant option conditions) for no consideration to Mr Steven Yatomi-Clarke (a Non-Executive Director of the Company), or his nominee, as described in the Explanatory Statement accompanying this Notice of Meeting”

Resolution 8: Approval to Grant Options to Dr James Campbell (or his nominee)

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

“That pursuant to and in accordance with the ASX Listing Rule 10.11 and all other purposes, approval be given to grant up to 200,000 Options (being a right to acquire up to 200,000 fully paid ordinary shares in the Company subject to satisfaction of relevant option conditions) for no consideration to Dr James Campbell (a Non-executive Director of the Company), or his nominee, as described in the Explanatory Statement accompanying this Notice of Meeting”

Resolution 9: Approval to Issue Fully Paid Ordinary Shares

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

“That, for the purposes of ASX Listing Rule 7.1, and for all other purposes, the shareholders approve the issue of up to 25,000,000 fully paid ordinary shares of the Company for the purposes and on the terms and conditions set out in the Explanatory Statement and such fully paid ordinary shares may be issued at any time(s) and on such terms as the Board decides is appropriate but no later than three (3) months after the date of this General Meeting.”

SPECIAL BUSINESS

Resolution 10: Approval of 10% Placement Facility

To consider and, if thought fit, pass 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”

DATED this 30th day of September 2015 at Melbourne.

By order of the Board



Melanie Leydin
Company Secretary

Notes

1. **Entire Notice:** The details of the resolution contained in the Explanatory Notes accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Voting:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7pm on 2 November 2015 will be taken, for the purposes of the Meeting, to be held by the persons who held them at that time. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Voting Exclusion Statement:**

Resolution 1

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote cast as proxy for a person entitled to vote in accordance with a direction on the proxy form.

Any undirected proxies held by Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 (excluding the Chairman) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the proxy form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 6, 7 and 8

The Company will disregard any votes cast on this resolution 6 by a person who is to receive the options (being Mr Steven Engle) and any associate of that person.

The Company will disregard any votes cast on this resolution 7 by a person who is to receive the options (being Mr Steven Yatomi-Clarke) and an associate of that person.

The Company will disregard any votes cast on this resolution 8 by a person who is to receive the options (being Dr James Campbell) and an associate of that person.

Further, a member of the Key Management Personnel and their closely related parties who are appointed proxy will not vote on this resolution unless:

- (a) The appointment specifies the way the proxy is to vote on the resolution; or
- (b) The proxy is the Chairman and the appointment expressly authorises the Chairman to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 9

The Company will disregard any votes cast on Resolution 9 by any person who may participate in the proposed issue or any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, and any associate of such person.

Resolution 10

The Company will disregard any votes cast on Resolution 10 by any person who may participate in the proposed issue or any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, and any associate of such person.

EXPLANATORY STATEMENT

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2015 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report) and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively you may access the annual report at the Company's website: www.prescienttherapeutics.com or via the Company's announcement platform on ASX. Except for as set out in Resolution 1, no resolution is required on these reports.

Resolution 1: Adoption of Remuneration Report

Section 250R(3) of the Corporations Act requires that a resolution to adopt the remuneration report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2015 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act 2001, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the remuneration report at the Annual General Meeting.

The Corporations Act requires the Company to put a resolution to Shareholders that the In accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company's last Annual General Meeting, the votes cast against the remuneration report represented less than twenty five (25%) per cent of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

A voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. Key Management Personnel and their closely related parties may not vote on this Resolution and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairman and expressly authorises the Chairman to exercise the proxy.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Directors Recommendation

The Company encourages all eligible Shareholders to cast their votes in favour of Resolution 1 (Remuneration Report).

Voting Exclusions

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote cast as proxy for a person entitled to vote in accordance with a direction on the proxy form.

Any undirected proxies held by Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 (excluding the Chairman) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the proxy form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 2: Election of Mr Steven Engle

Mr Steven Engle was appointed as a director on 2 June 2014 as a casual vacancy and is eligible for election.

Mr Engle brings deep experience in US capital markets, a record of achievement with big pharma partnering and established links with the US FDA. As a former CEO of NASDAQ-listed companies Xoma and La Jolla Pharmaceuticals, he brings wide networks in the US and European biotech industries. He is a current CEO of Averigon Consulting, a leading advisory firm to the US life sciences industry.

At XOMA LLC Mr Engle served as Chairman, CEO and President, repositioning the business from servicing other companies' products to developing and commercialising proprietary products. He led a team of 240 staff and oversaw annual budgets of \$US 60-100 million. Among other achievements, he championed development of a multiple indication, anti-inflammatory drug candidate now in Phase 3 trial for non-infectious uveitis and in Phase 2 for osteoarthritis and acne vulgaris. He was instrumental in arranging finance for Phase 3 development, executing a major deal with Servier.

At La Jolla Pharmaceutical Company, where he was Chairman and CEO from 1997 – 2006, Mr Engle led the company's programs developing drugs for antibody-induced diseases including lupus and antibody-mediated stroke. This involved balancing cutting edge science, first-time clinical studies, a new regulatory pathway and manufacturing processes.

Directors Recommendation

The Board (with Mr Engle abstaining), recommends that shareholders vote in favour of the re-election of Mr Engle. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Engle's election.

Resolution 3: Election of Mr Steven Yatomi-Clarke

Mr Steven Yatomi-Clarke was appointed as a director on 17 November 2014 as a casual vacancy and is eligible for election.

Mr Yatomi-Clarke is currently Director of Corporate Finance at Paterson's Securities, one of Australia's largest full service stockbroking firms, and is highly regarded as one of Australia's most experienced capital markets operatives.

He has a strong track record of financing multiple private and public biotechnology companies, bringing more than 15 years' experience in investment banking with a particular focus on the life sciences/biotechnology sector.

Mr Yatomi-Clarke has consistently been one of the country's most prolific bankers, involved in primary and secondary offerings, corporate advisory and M&A assignments for medical device and pharmaceutical companies.

He is also a clinical trials collaborator in Australia and the US in the field of cancer immunotherapy. He holds a Bachelor of Science with an Honours Degree in Biochemistry and Molecular Biology, as well as a Bachelor of Commerce majoring in economics

Directors Recommendation

The Board (with Mr Yatomi-Clarke abstaining), recommends that shareholders vote in favour of the election of Mr Yatomi-Clarke. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Yatomi-Clarke's election.

Resolution 4: Election of Dr James Campbell

Dr James Campbell was appointed as a director on 28 November 2014 as a casual vacancy and is eligible for election.

Dr Campbell brings to Prescient a solid track record as a scientist and commercial executive. He was previously the Chief Financial Officer and Chief Operating Officer of Chemgenex, which was acquired by Cephalon for \$230 million in 2011.

His responsibilities ranged from IP management to licensing and business development and as a member of the executive team, he helped steer and transform the company from a \$10 million research based entity to a company with completed clinical trials and regulatory dossiers submitted to the FDA and EMA before its \$230 million sale.

More recently he guided the creation of Invion Limited (ASX: IVX) as a non-executive director and retains this role.

Dr Campbell also has experience advising private biotechnology companies in the US and New Zealand with capital raisings and partnering negotiations.

Directors Recommendation

The Board (with Dr Campbell abstaining), recommends that shareholders vote in favour of the election of Dr Campbell. The Chairman of the meeting intends to vote undirected proxies in favour of Dr Campbell's election.

Resolution 5: Re-election of Mr Paul Hopper as a Director of the Company

The Constitution of the Company requires that at every annual general meeting, at least one Director shall retire from office and provides that such Directors are eligible for re-election at the meeting. Mr Paul Hopper being eligible, offers himself for re-election.

Mr Hopper has more than 20 years' experience in international public company markets, with a focus on start-up and rapid growth companies where he has served as either Chairman, Non-Executive Director or CEO. His focus has been primarily in the life-sciences sector, steering around fourteen public companies in the US, Australia, and Asia.

Mr Hopper is an advisor at the Los Angeles-based Cappello Group where he is Head of the Life Sciences and Biotechnology Group responsible for mergers and acquisitions and capital raisings focusing on the biotechnology and life sciences sectors.

Mr Hopper is an Executive Chairman of Imugene Ltd, Chairman of Viralytics Ltd and founder of Pathway Oncology.

Directors Recommendation

The Board (with Mr Hopper abstaining), recommends that shareholders vote in favour of the re-election of Mr Hopper. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Hopper's re-election.

Resolutions 6, 7 and 8: Approval to Grant Options to Mr Steven Engle (or his nominee), Mr Steven Yatomi-Clarke (or his nominee) and Dr James Campbell (or his nominee)

Background

Resolutions 6, 7 and 8 of this Notice provide for a total of 700,000 Options to be granted to Mr Steven Engle (or his nominee), Mr Steven Yatomi-Clarke (or his nominee) and Dr James Campbell (or his nominee) on the terms described below.

Options are proposed to be granted to each of the Company's Directors to align their interests with the interests of Shareholders. The grant of the Options (and the subsequent issue of Shares if certain vesting conditions are met) to the Directors is a cost effective form of remuneration when compared to the payment of cash consideration.

It should also be noted that the rights will only be granted upon a significant improvement in the market capitalisation of the Company, which will clearly align the interests of all shareholders.

The establishment of an effective performance management system is critical for the Company at this time to ensure that the Company complies with all of its obligations whilst maintaining a focus on future growth opportunities. A key role of the benefactors of this program is to ensure that this objective is achieved. It should be recognised that the achievement of these objectives will be to the benefit of all shareholders, and the conversion of the options can only occur if these benefits are realised.

Consistent with the desire to minimise cash expenditures, the Board believes that having regard to the Company's current cash position and in order to compensate the Directors in line with current market practices, Options provide an appropriate and meaningful remuneration component to Directors that is aligned with Shareholder interests.

Terms of Options

Mr Steven Engle

Resolution 6 of this Notice provide for a total of 300,000 Options to be granted to Mr Steven Engle (or his nominee), on the following basis:

- Tranche 1 – 150,000 Options vesting the day following this Annual General Meeting of Shareholders of the Company (**Grant Date**).
- Tranche 2 – 75,000 Options vesting on the 12 month anniversary of the Grant Date.
- Tranche 3 – 75,000 Options issued on the 24 month anniversary of the Grant Date.

The exercise price of these options is 8.5 cents and expires 3 years from grant date.

The full terms of the Options are set out in Annexure A of this Explanatory Statement.

Mr Steven Yatomi-Clarke and Dr James Campbell

Resolution 7 and 8 of this Notice provides for 200,000 Options to be granted to each of Mr Steven Yatomi-Clarke (or his nominee) and Dr James Campbell (or his nominee) on the following basis:

- Tranche 1 – 100,000 Options vesting the day following this Annual General Meeting of Shareholders of the Company (**Grant Date**).
- Tranche 2 – 50,000 Options vesting on the 12 month anniversary of the Grant Date.
- Tranche 3 – 50,000 Options issued on the 24 month anniversary of the Grant Date.

The exercise price of these options is 8.5 cents and expires 3 years from grant date.

The full terms of the Options are set out in Annexure A of this Explanatory Statement.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the Company.

If Resolutions 6, 7 and 8 are passed, Options will be granted to the Directors of the Company, who are related parties of the Company. Accordingly, approval for the grant of these performance rights is required pursuant to ASX Listing Rule 10.11.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to grant the Performance rights to the named Directors as approval is being obtained under ASX Listing Rule 10.11. Accordingly, Shareholders should note that the grant of securities to the Directors will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. For the purposes of ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 6, 7 and 8:

- (a) the related parties are Mr Steven Engle, Mr Steve Yatomi-Clarke and Dr James Campbell and they are related parties by virtue of being Directors of the Company;
- (b) the maximum number of Options to be granted by the Company is 700,000 Options;
- (c) the Options will be granted not later than one month after the date of the Annual General Meeting and it is anticipated that the grant will occur on one date;
- (d) The Options will be unquoted
- (e) the Options will be granted for nil cash consideration, accordingly no funds will be raised from the grant of the Options.
- (f) voting exclusion statements in relation to Resolutions 6, 7 and 8 are set out in the Notice; and
- (g) the Options will be granted on and subject to the terms described above.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless either:

- the giving of the financial benefit falls within one of the exceptions to the provisions; or
- prior Shareholder approval is obtained to the giving of the financial benefit.

A “related party” for the purposes of the Corporations Act is defined widely and includes a director of the public company.

A “financial benefit” for the purposes of the Corporations Act also has a very wide meaning. It includes the public company paying money or issuing securities to a related party.

Mr Steven Engle, Mr Steve Yatomi-Clarke and Dr James Campbell are related parties of the Company due to the fact that they are Director of the Company. The issue of Options to Mr Steven Engle, Mr Steve Yatomi-Clarke and Dr James Campbell constitutes a “financial benefit” as described in the Corporations Act. Accordingly, the proposed issue of Options pursuant to Resolutions 6, 7 and 8 will constitute the provision of a financial benefit to a related party of the Company.

It is the view of Directors that the proposed issue of Options pursuant to Resolutions 6, 7 and 8 fall within the exception under section 211 of the Corporations Act (reasonable remuneration) given the circumstances of the Company and the position held by the Directors. Accordingly, the Directors are not seeking shareholder approval under section 208 of the Corporations Act, although shareholder approval must be obtained pursuant to ASX Listing Rule 10.11.

Director’s Recommendations

The Directors (each abstaining on their own resolution) unanimously recommend that Shareholders vote in favour of Resolutions 6, 7 and 8.

Other than the information specified in this Explanatory Memorandum, the Directors are not aware of any other information that would be reasonably required by the Shareholders in order to decide whether it is in the best interests of the Company to pass Resolutions 6, 7 and 8.

The Chairman of the meeting will vote undirected proxies in favour of Resolutions 6, 7 and 8.

Voting Exclusions

The Company will disregard any votes cast on this resolution 6 by a person who is to receive the options (being Mr Steven Engle) and any associate of that person.

The Company will disregard any votes cast on this resolution 7 by a person who is to receive the options (being Mr Steve Yatomi-Clarke) and an associate of that person.

The Company will disregard any votes cast on this resolution 8 by a person who is to receive the options (being Dr James Campbell) and an associate of that person.

Further, a member of the Key Management Personnel and their closely related parties who are appointed proxy will not vote on this resolution unless:

- (a) The appointment specifies the way the proxy is to vote on the resolution; or
- (b) The proxy is the Chairman and the appointment expressly authorises the Chairman to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 9: Approval to Issue Fully Paid Ordinary Shares

The Board believes it desirable that the Company has the ability to issue up to a further 25,000,000 fully paid ordinary shares of the Company for opportunities as they arise and to fund the Company’s operations.

ASX Listing Rule 7.1 imposes a limit on the number of equity securities which the Company can issue without shareholders' approval. In general terms this limit in any 12 month period is no more than 15% of the number of fully paid ordinary shares on issue 12 months before the issue plus the number of fully paid ordinary shares issued in that 12 month period under an exception contained in ASX Listing Rule 7.2 or with shareholders' approval. Other than to state there is no voting exclusion with respect to this resolution, the information for shareholders required by the ASX Listing Rules is:

- (a) the total number of securities which may be issued under Resolution 9 is a maximum of 25,000,000;
- (b) the recipients are not known at this point however will be determined at the Board's discretion and be professional and/or sophisticated investors;
- (c) no securities pursuant to Resolution 9 will be issued to Directors of the Company or their associates;
- (d) the securities will be allotted and/or issued progressively no later than three (3) months after the date of this Annual General Meeting;
- (e) the terms of the securities will be at the Board's discretion but will be issued at not less than 80% of the average market price for securities of that class on the last five (5) days on which sales in the securities were recorded immediately prior to the date of issue;
- (f) the securities will rank *pari passu* with all securities of that class; and
- (g) the funds raised will augment the Company's working capital and its present clinical trials.

Resolution 10: Approval of 10% Placement Facility

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.

The Company is now seeking shareholder approval by way of a special resolution to have the ability 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 (see below).

The Company continues actively seeking to increase work on its current exploration assets and reviewing new potential projects and investments. Should the Company utilise the 10% Placement Facility, it intends to use the funds to acquire new resource assets or investments, to conduct further work on its current projects or to meet additional working capital requirements.

Directors Recommendations

The Directors of the Company believe that Resolution 10 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Voting Exclusions

The Company will disregard any votes cast on Resolution 10 by any person who may participate in the proposed issue or any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, and any associate of such person.

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. This means it 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).

(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 two classes of Equity Securities, Shares and unlisted Options.

(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:

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

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 Rules 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 is 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.

At the date of this Notice, the Company has on issue 57,248,221 Shares and therefore has a capacity to issue:

- (i) 8,587,233 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being obtained under Resolution 10, 5,724,822 Equity Securities under Listing Rule 7.1A.

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

(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 5 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).

Listing Rule 7.1A

The effect of Resolution 10 will be to allow the Directors to issue the 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 10 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).

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 5 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 10 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 (in the case of Listed Options, only if the Listed Options are exercised). Shareholders may be exposed to economic risk and voting dilution, including the following:
 - (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 Annual General 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 below table 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:

- 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
- 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 7.1A.2		Dilution		
		\$0.035 50% decrease in Issue Price	\$0.069 Issue Price	\$0.138 100% increase in Issue Price
Current Variable A 57,248,221 Shares	10% Voting Dilution	5,724,822 Shares	5,724,822 Shares	5,724,822 Shares
	Funds raised	\$208,956	\$417,912	\$835,824
50% increase in current Variable A 85,872,332 Shares	10% Voting Dilution	8,587,233 Shares	8,587,233 Shares	8,587,233 Shares
	Funds raised	\$313,434	\$626,868	\$1,253,736

100% increase in current Variable A 114,496,442 Shares	10% Voting Dilution	11,449,644 Shares	11,449,644 Shares	11,449,644 Shares
	Funds raised	\$417,912	\$835,824	\$1,671,648

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - No Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
 - 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%.
 - 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 Annual General Meeting.
 - 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.
 - The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - The issue price is **\$0.069**, being the closing price of the Shares on ASX on **16 September 2015**.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 10 for the issue of the Equity Securities 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) non-cash consideration for the acquisition of the new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

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 allottees 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 methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees 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 resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

Information under Listing Rule 7.3A.6(a):

The table below shows the total number of equity securities issued in the past 12 months preceding the date of the AGM and the percentages those issues represent of the total number of equity securities on issue at the commencement of the 12 month period.

Equity securities issued in the prior 12 month period	13,500,005
Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period	29%

Information under Listing Rule 7.3A.6(b):

The tables below set out specific details for each issue of equity securities that have taken place in the 12 month period preceding the date of the Annual General Meeting.

Date of issue	<i>11 December 2014</i>
Number issued	<i>6,700,005</i>
Class and type of equity security	<i>Ordinary Shares</i>
Parties who received securities or basis on which those parties were determined	<i>Issued to Vendors of AKTivate Therapeutics in accordance with their respective shareholdings</i>
Price at date of issue	<i>13 cents</i>
Discount to market price (if any)	<i>Not applicable</i>
For cash issues	
Total cash consideration received	<i>\$Nil</i>
Amount of cash consideration spent	<i>\$Nil</i>
Use of cash consideration	<i>Not applicable</i>
Intended use for remaining amount of cash (if any)	<i>Not applicable</i>
For non-cash issues	
Non-cash consideration paid	<i>\$871,000 based on market price of shares at 11 December 2014.</i>
Current value of that non-cash consideration	<i>\$469,000 based on market price of shares at 30 September 2015.</i>

Date of issue	<i>11 December 2014</i>
Number issued	<i>2,000,000</i>
Class and type of equity security	<i>Unlisted Options exercisable at \$0.14 on or before 11 December 2018</i>
Parties who received securities or basis on which those parties were determined	<i>Mr Robert Crombie</i>
Price	<i>Nil</i>
Discount to market price (if any)	<i>Nil</i>
For cash issues	
Total cash consideration received	<i>Nil</i>
Amount of cash consideration spent	<i>Nil</i>
Use of cash consideration	<i>Not applicable</i>
Intended use for remaining amount of cash (if any)	<i>Not applicable</i>
For non-cash issues	
Non-cash consideration paid	<i>Not applicable</i>

Current value of that non-cash consideration	<i>\$210,400 based on binomial valuation</i>
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Date of issue	<i>27 May 2015</i>
Number issued	<i>300,000</i>
Class and type of equity security	<i>Unlisted Options exercisable at \$0.092 per options on or before 6 May 2018</i>
Parties who received securities or basis on which those parties were determined	<i>Mr Said Sebti</i>
Price	<i>Nil</i>
Discount to market price (if any)	<i>Nil</i>
For cash issues	
Total cash consideration received	<i>Nil</i>
Amount of cash consideration spent	<i>Nil</i>
Use of cash consideration	<i>Not applicable</i>
Intended use for remaining amount of cash (if any)	<i>Not applicable</i>
For non-cash issues	
Non-cash consideration paid	<i>Not applicable</i>
Current value of that non-cash consideration	<i>\$19,245 based on binomial valuation</i>

Date of issue	<i>23 June 2015</i>
Number issued	<i>4,500,000</i>
Class and type of equity security	<i>Fully Paid Ordinary Shares</i>
Parties who received securities or basis on which those parties were determined	<i>Issued to Vendors of Pathway Oncology Pty Ltd in accordance with their respective shareholdings at the time of sale</i>
Price at date of issue	<i>6.7 cents</i>
Discount to market price (if any)	<i>Nil</i>
For cash issues	
Total cash consideration received	<i>Not applicable</i>
Amount of cash consideration spent	<i>Not applicable</i>
Use of cash consideration	<i>Not applicable</i>
Intended use for remaining amount of cash (if any)	<i>Not applicable</i>
For non-cash issues	
Non-cash consideration paid	<i>\$301,500 based on market price of shares at 23 June 2015.</i>
Current value of that non-cash consideration	<i>\$315,000 based on market price of shares at 30 September 2015.</i>

- (f) A voting exclusion statement is included in the Notice. At the date of this 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.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**10% Placement Facility**” has the meaning as defined in the Explanatory Statement for Resolution 10;

“**10% Placement Period Facility**” has the meaning as defined in the Explanatory Statement for Resolution 10;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2015;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**ASX Settlement Operating Rules**” means the rules of ASX Settlement Pty Ltd which apply while the Company is an issuer of CHESSE approved securities;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEDST**” means Australian Eastern Daylight Standard Time.

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**CHESSE**” has the meaning in Section 2 of the ASX Settlement Operating Rules;

“**Closely Related Party**” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

“**Company**” means Prescient Therapeutics Limited ABN 56 006 569 106;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Convertible Security**” means a security of the Company which is convertible into shares;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Memorandum**” means the explanatory memorandum which forms part of the Notice;

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

“**Key Management Personnel**” means persons 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 the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Statement;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of Prescient Therapeutics Limited for the financial year ended 30 June 2015 and which is set out in the 2015 Annual Report.

“**Resolution**” means a resolution referred to in the Notice;

“**Schedule**” means schedule to the Notice;

“**Section**” means a section of the Explanatory Memorandum;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Shareholder**” means 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.

PROXY AND VOTING INSTRUCTIONS

1. For the purposes of the Corporations Act, the Company has determined that all securities of the Company recorded on the Company's register as at 7pm on 2 November 2015 will be taken, for the purposes of the Meeting, to be held by the persons who held them at that time.
2. The details of the Resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and forms part of this Notice of Meeting.
3. A shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
4. If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting on that resolution as they think fit.
5. If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
6. Shareholders who return their proxy forms with a direction on how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf.
7. If a proxy form is returned but the nominated proxy does not attend the meeting, or does not vote on the resolution, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions.
8. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction on how to vote will be used where possible to support each of the resolutions proposed in this Notice.
9. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person excluded from voting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form, or where it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.
10. Key Management Personnel and their closely related parties will not be able to vote your proxy on Resolution 1 unless you direct them how to vote. If you intend to appoint a member of the Key Management Personnel as your proxy, please ensure that you direct them how to vote on Resolution 1. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by either marking the box for Resolution 1 or by expressly authorising the chair to exercise your proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP for the relevant entity.
11. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office or Atomic Pty Ltd in accordance with the instructions set out in the proxy form by no later than 11.00am (AEDST) on Monday, 2 November 2015.

ANNEXURE A

TERMS AND CONDITIONS OF OPTIONS

The terms and conditions of the options to be granted pursuant to resolution 6, 7 and 8 are as follows:

Terms of Options

(a) Entitlement

- (v) Each Option entitles the Option holder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.
- (vi) Shares issued on the exercise of Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

(b) Exercise of Option

- (i) The Options are exercisable at any time from the date of issue.
- (ii) The final date and time for exercise of the Options is 5pm (AEDT) on the day 36 months from grant. If such date falls on a day that is not a Business Day, the final date will be the next Business Day.
- (iii) Each Option is exercisable by the Option holder signing and delivering a notice of exercise of Option together with the exercise price in full for each Share to be issued upon exercise of each Option to the Company's Share Registry.
- (iv) Remittances must be made payable to 'Prescient Therapeutics Limited' and cheques should be crossed 'Not Negotiable'.
- (v) All Options will lapse on the earlier of the
 - (A) receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the Option; and
 - (B) expiry of the final date and time for exercise of the Option.
- (vi) In the event of liquidation of the Company, all unexercised Options will lapse.

(c) Quotation

- (i) The Company will not apply to the ASX for Official Quotation of the Options.
- (ii) If the Shares of the Company are quoted on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any Options within 10 Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

(d) Participation in Securities Issues

Subject to paragraph (e) below, the holder is not entitled to participate in new issues of securities without exercising the Options.

(e) Participation in a Reorganisation of Capital

- (i) In the event of any reconstruction or reorganisation (including consolidation, sub-division, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the Listing Rules of the ASX applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the Options do not result in any benefit being conferred on the Option holder which is not conferred on Shareholders of the Company.
- (ii) In any reorganisation as referred to in paragraph (e)(i), Options will be treated in the following manner:
 - (A) in the event of a consolidation of the share capital of the Company, the number of Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (B) in the event of a subdivision of the share capital of the Company, the number of Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;

- (C) in the event of a return of the share capital of the Company, the number of Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
- (D) in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled the number of Options and the exercise price of each Option will remain unaltered;
- (E) in the event of a pro-rata cancellation of shares in the Company, the number of Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each Option will be amended in inverse proportion to that ratio; and
- (F) in the event of any other reorganisation of the issued capital of the Company, the number of Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on shareholders.

(f) Adjustments to Options and Exercise Price

- (i) Adjustments to the number of Shares over which Options exist and/or the exercise price may be made as described in paragraph (f)(ii) to take account of changes to the capital structure of the Company by way of pro-rata bonus and cash issues.
- (ii) The method of adjustment for the purpose of paragraph (f)(i) shall be in accordance with the Listing Rules of the ASX from time to time, which, under Listing Rules 6.22.2 and 6.22.3, currently provide:

(A) Pro Rata Cash Issues

Where a pro-rata issue is made (except a bonus issue) to the holders of underlying securities, the exercise price of an Option may be reduced according to the following formula:

$$O' = O - \frac{E[P-(S+D)]}{N + 1}$$

where:

- O' = the new exercise price of the Option.
- O = the old exercise price of the Option.
- E = the number of underlying securities into which one Option is Exercisable.
- P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex rights date or ex entitlements date.
- S = the subscription price for a security under the pro-rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro-rata issue).
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

(B) Pro-Rata Bonus Issues

If there is a bonus issue to the holders of the underlying securities, on the exercise of any Options, the number of Shares received will include the number of bonus Shares that would have been issued if the Options had been exercised prior to the record date for bonus issues. The exercise price will not change.

Holder Number

Security Holder Appointment of Proxy – Annual General Meeting

I/We being a Shareholder entitled to attend and vote at the Meeting, hereby appoint

(Name of Proxy)

OR

The Chair as my/our proxy

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 11.00am (AEDST) on Wednesday, 4 November 2015 at Chartered Accountants Australia & New Zealand, Level 3, 600 Bourke Street, Melbourne, Victoria, 3000 and at any adjournment thereof.

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, 6, 7 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 6, 7 and 8 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

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.

VOTING ON BUSINESS OF THE MEETING

Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval to Grant Options to Mr Steven Engle (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mr Steven Engle as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval to Grant Options to Mr Steven Yatomi-Clarke (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Mr Steven Yatomi-Clarke as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Approval to Grant Options to Dr James Campbell (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Dr James Campbell as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval to Issue Fully Paid Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Re-election of Mr Paul Hopper as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval of 10% Placement Facility	<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.

SIGNATURE OF SHAREHOLDER(S):

Individual or Shareholder 1

Sole Director / Company Secretary

Shareholder 2

Director

Shareholder 3

Director / Company Secretary

INSTRUCTIONS FOR COMPLETING 'APPOINTMENT OF PROXY' FORM

APPOINTING A PROXY

A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. The appointed proxy may be an individual or body corporate.

If a Body Corporate is appointed to act as your proxy then a representative of that Body Corporate must be appointed to act as its representative. When attending the meeting, the representative must bring a formal notice of appointment as per section 250D of the Corporations Act. Such notice must be signed as required by section 127 of the Corporations Act or the Body Corporate's Constitution.

If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll.

The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.

Note: If you wish to appoint a second proxy, you may copy this form but you must return both forms together.

VOTING ON BUSINESS OF MEETING

A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the number of votes that the proxy may exercise by writing the number of Shares next to the box marked for the relevant item of business.

Where a box is not marked the proxy may vote as they choose subject to the relevant laws.

Where more than one box is marked on an item the vote will be invalid on that item.

SIGNING INSTRUCTIONS

- **Individual:** Where the holding is in one name, the Shareholder must sign.
- **Joint holding:** Where the holding is in more than one name, all of the Shareholders should sign.
- **Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
- **Companies:** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.

ATTENDING THE MEETING

Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

LODGEMENT OF VOTES

To be effective, a validly appointed proxy must be received by the Company **not less than 48 hours** prior to commencement of the Meeting.

Proxy appointments can be lodged by:

- a) **Hand Delivery** – Automic Registry Services Suite 1a, Level 1 7 Ventnor Avenue West Perth WA 6005; or
- b) **Post** - to Automic Registry Services, PO Box 223, West Perth WA 6872.

Proxy Forms received later than this time will be invalid