



**PRESCIENT THERAPEUTICS LIMITED**  
**ACN 006 569 106**

# **Notice of Annual General Meeting**

## **Explanatory Statement and Proxy Form**

Date of Meeting:  
**Tuesday, 20 November 2018**

Time of Meeting:  
**10.00am (AEDT)**

Place of Meeting:  
**Chartered Accountants Australia and New Zealand  
Level 18, Bourke Place  
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 hereby given that the Annual General Meeting of Members of Prescient Therapeutics Limited (the "Company") will be held at the offices of Chartered Accountants Australia and New Zealand, Level 18, 600 Bourke Street, Melbourne, VIC, 3000 at 10.00am (AEDT) on Tuesday, 20 November 2018 ("Annual General Meeting" or "Meeting").

### AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, includes defined terms and 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 2018.

*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 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2018 be adopted."*

##### Resolution 2: 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, who retires by rotation pursuant to the Constitution of the Company and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

##### Resolution 3: Ratification of Prior Issue of Shares

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

*"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve, ratify and confirm the allotment and issue of 246,478 fully paid ordinary shares in the Company at a deemed issue price of \$0.071 (7.1 cents) per Share on 14 March 2018 as described in the Explanatory Statement."*

##### Resolution 4: 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 for the purposes of Listing Rule 10.14 and for all other purposes, approval be given to grant up to 2,000,000 options (being a right to acquire up to 2,000,000 fully paid ordinary shares in the Company subject to satisfaction of relevant vesting conditions) for no consideration to Mr Steven Yatomi-Clarke (Managing Director and CEO of the Company), or his nominee, as described in the Explanatory Statement."*

## **SPECIAL BUSINESS**

### **Resolution 5: 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 Statement.”*

Dated 17 October 2018

By order of the Board

A handwritten signature in black ink, appearing to read 'Melanie Leydin', written over a horizontal line.

**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. **Record Date:** 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 7.00pm on the date 48 hours before the date of the Annual General Meeting. 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. **Proxies**
  - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
  - b. Each shareholder has a right to appoint one or two proxies.
  - c. A proxy need not be a shareholder of the Company.
  - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
  - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
  - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
  - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
  - h. To be effective, proxy forms must be received by the Company's share registry (Automatic Registry Services) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 10.00am (AEDT) on Sunday, 18 November 2018. Any proxy received after that time will not be valid for the scheduled meeting.

#### 4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

#### 5. 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:

- (a) in accordance with a direction on the Proxy Form; or
- (b) by the Chairman of the meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

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.

##### Resolution 2

There are no voting exclusions on Resolution 2.

##### Resolution 3

The Company will disregard any votes cast in favour of Resolution 3 by a person who participated in the issue any any associates of those persons.

However, the Company need not disregard a vote on this Resolution if:

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

##### Resolution 4

The Company will disregard any votes cast in favour of Resolution 4 by a Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the entity) and any of their associates.

However, the Company need not disregard a vote on this Resolution if:

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

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, you will be expressly authorising the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a Key Management Personnel for the Company.

##### Resolution 5

The Company will disregard any votes cast in favour of Resolution 5 by any person who may participate in the proposed issue or any person who might obtain a material benefit, except a benefit solely in the capacity of a holder of ordinary shares, and any associate of such person.

However, the Company need not disregard a vote on this Resolution if:

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

#### 6. Enquiries

Shareholders are invited to contact the Company Secretary, Melanie Leydin on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

## **EXPLANATORY STATEMENT**

### **Receipt and Consideration of Accounts & Reports**

A copy of the Annual Report for the financial year ending 30 June 2018 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report and the Auditors Report)) 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.ptxtherapeutics.com](http://www.ptxtherapeutics.com) or via the Company's announcement platform on ASX. Except as set out in Resolution 1, no resolution is required on these reports.

### **Resolution 1: Adoption of Remuneration Report**

Section 250R(2) 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 2018 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 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.

#### ***Board Recommendation***

The Board unanimously recommends that Shareholders vote in favour of Resolution 1. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 1.

### **Resolution 2: Re-election of Mr Paul Hopper as a Director of the Company**

#### ***Background***

The Constitution of the Company requires that at every Annual General Meeting, one third of the Directors 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 international & ASX biotech capital markets experience, particularly in oncology. He is the former Chairman of Viralytics (acquired in June 2018 by Merck for \$500m), Founder & Director of Prescient, Founder of Imugene & Polynoma LLC, former Director pSivida, Somnomed & Fibrocell Science.

Mr Hopper left his role of Executive Director and became a Non-Executive Director of the Company on 30 June 2017.

#### ***Board Recommendation***

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

### **Resolution 3: Ratification of Prior Share Issue**

The Company is seeking Shareholder approval to ratify the issue of 246,478 fully paid ordinary shares to a Consultant of the Company in satisfaction of fees owing as per the Appendix 3B announced on 14 March 2018.

Listing Rule 7.4 provides that a company may reinstate its capacity to issue up to 15% of the ordinary securities on issue in a 12 month period if shareholders ratify the previous issue of securities and the issue did not breach Listing Rule 7.1.

Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued is 246,478;
- (b) the Shares were issued at a deemed issue price of \$0.071 (7.1 cents) per Share;
- (c) the Shares allotted and issued rank equally with the existing Shares on issue;
- (d) the Shares were allotted and issued to a Consultant of the Company, Stock Digital;
- (e) no funds were raised from the issue; and
- (f) a voting exclusion statement is included in the Notice.

### ***Board Recommendation***

The Board unanimously recommends that Shareholders vote in favour of Resolution 3. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 3.

### **Resolution 4: Approval to Grant Options to Mr Steven Yatomi-Clarke (or his nominee)**

#### ***Background***

The Company is seeking Shareholder approval for the grant of up to 2,000,000 unlisted options (**Options**) in the Company to Mr Steven Yatomi-Clarke (or his nominee) (being a right to acquire up to 2,000,000 fully paid ordinary shares in the Company subject to satisfaction of relevant vesting conditions) on the terms as described below and in accordance with the Company's Employee Option Plan (**EOP**).

#### **Terms of Options**

Each Option will have an exercise price of 145% of the 5 day VWAP up to and including the date of grant (**Grant Date**), expire four (4) years from the Grant Date and will, upon exercise, entitle the holder to one fully paid ordinary share in the Company.

The Options will vest in two equal tranches of 1,000,000 Options on the date of grant and 1,000,000 Options 12 months following the date of grant.

The Options shall be issued under and subject to the terms of the EOP.

A summary of the terms of this Option issue are set out in Annexure A of this Explanatory Statement.

#### **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 a public company.

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

Mr Yatomi-Clarke is a related party of the Company due to the fact that he is a Director of the Company. The issue of Options to Mr Yatomi-Clarke constitutes a "financial benefit" as described in the Corporations Act. Accordingly, the proposed issue of Options pursuant to this Resolution will constitute the provision of a financial benefit to a related party of the Company.

The Board has formed the view that the proposed issue of Options to Mr Yatomi-Clarke (or his nominee) does not require Shareholder approval under section 208 of the Corporations Act as the issue constitutes "reasonable

remuneration" in accordance with section 211 of the Corporations Act. In reaching this view, the Board considers the proposed issue of Options to Director Mr Yatomi-Clarke is aligned with Shareholder interests. Accordingly, the Board is not seeking Shareholder approval under section 208 of the Corporations Act, although Shareholder approval must be obtained pursuant to ASX Listing Rule 10.11.

### **ASX Listing Rule 10.11**

ASX Listing Rule 10.11 requires approval of shareholders before securities can be issued to a related party. If approval is given under ASX Listing Rule 10.11 approval is not required under ASX Listing Rule 7.1. Accordingly, shareholders should note that the issue of securities to Mr Yatomi-Clarke will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

The following information is given under ASX Listing Rule 10.13 on the Options that are proposed to be issued to Mr Yatomi-Clarke:

- (a) the related party is Mr Steven Yatomi-Clarke (or his nominee) and he is related by virtue of being a Director of the Company;
- (b) the maximum number of Options to be issued in total is 2,000,000;
- (c) each Option will have an exercise price of 145% of the 5 day VWAP up to and including the Grant Date, expire four (4) years from the Grant Date and will, upon exercise, entitle the holder to one fully paid ordinary share in the Company;
- (d) full terms of the Options are set out in the Employee Option Plan Rules (a copy of which is available to Shareholders on request);
- (e) Options will be issued no later than one month after the date of the Meeting;
- (f) the Options will be issued for nil consideration, as such no cash will be raised from the issue of the Options. Funds raised upon exercise of the Options will be applied to the working capital requirements of the Company at the time of exercise; and
- (g) a voting exclusion statement is included in the Notice.

### **Board Recommendation**

The Board (with Mr Yatomi-Clarke abstaining), recommends that Shareholders vote in favour of Resolution 4. The Chairman will vote undirected proxies in favour of Resolution 4.

### **Resolution 5: 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 permitted 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 assets and reviewing new potential opportunities and investments. Should the Company utilise the 10% Placement Facility, it intends to use the funds to acquire new assets or investments, to conduct further work on its current projects or to meet additional working capital requirements.

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

## 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 three 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 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

### (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 5 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 5 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 5 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.

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 market price of Shares as at 16 October 2018 (**Current Share Price**) 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                                  |                        |  |
|--|------------------------------------|---|------------------------|--|
|  |                                    | \$0.036<br>50% decrease in<br>Issue Price | \$0.072<br>Issue Price | \$0.144<br>100% increase in<br>Issue Price |
| <b>Current Variable A</b><br>211,883,062 Shares                      | <b>10%<br/>Voting<br/>Dilution</b> | 21,188,306<br>Shares                      | 21,188,306<br>Shares   | 21,188,306<br>Shares                       |
|  | <b>Funds<br/>raised</b>            | \$762,779                                 | \$1,525,558            | \$3,051,116                                |
| <b>50% increase in current<br/>Variable A</b><br>317,824,593 Shares  | <b>10%<br/>Voting<br/>Dilution</b> | 31,782,459<br>Shares                      | 31,782,459<br>Shares   | 31,782,459<br>Shares                       |
|  | <b>Funds<br/>raised</b>            | \$1,144,169                               | \$2,288,337            | \$4,576,674                                |
| <b>100% increase in current<br/>Variable A</b><br>423,766,124 Shares | <b>10%<br/>Voting<br/>Dilution</b> | 42,376,612<br>Shares                      | 42,376,612<br>Shares   | 42,376,612<br>Shares                       |
|  | <b>Funds<br/>raised</b>            | \$1,525,558                               | \$3,051,116            | \$6,102,232                                |

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 Options (including any 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 Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  - The Current Share Price is **\$0.072** (7.2 cents), being the closing price of the Shares on ASX on **16 October 2018**.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 5 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 research and development 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 assets or investments, it is likely that the allottees under the 10% Placement Facility may include the vendors of the new assets or investments.

- (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 this Notice.

**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 on issue 12 months preceding the date of the meeting  | <i>278,550,463</i> |
| Equity securities issued in the prior 12 month period   | <i>2,832,955</i>   |
| Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period | <i>1.02%</i>       |

See Annexure B details of issues of all equity securities made in the previous 12 months.

***Board Recommendation***

The Board unanimously recommends that Shareholders vote in favour of Resolution 5. The Chairman will vote undirected proxies in favour of Resolution 5.

## 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 5;

“**10% Placement Period Facility**” has the meaning as defined in the Explanatory Statement for Resolution 5;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2018;

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

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

“**AEDT**” means Australian Eastern Daylight 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;

“**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 ACN 006 569 106;

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

“**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;

“**EOP**” means Employee Option plan as approved at the Company’s 2016 Annual General Meeting of Shareholders;

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

“**Explanatory Statement**” means the explanatory statement 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 2018 and which is set out in the 2018 Annual Report.

“**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; and

“**VWAP**” means volume weighted average price.

## Annexure A – Summary of Employee Option Plan Rules

|                                  |  |
|----------------------------------|--|
| <b>Eligibility</b>               | Any director, employee or consultant who is decided by the Board to be an eligible participant for the purposes of the EOP.  |
| <b>Grant of options</b>          | The Board may offer any number of options to eligible participants on the terms the Board decides, subject to the EOP rules, any applicable laws or the Listing Rules. The offer must be in writing and specify, amongst other things, the number of options for which the eligible employee may apply, the period within which the options may be exercised, any conditions to be satisfied before exercise, the option expiry date (as determined by the Board) and the exercise price of the options.   |
| <b>Exercise</b>                  | The options may be exercised, subject to any exercise conditions, by the participant giving a signed notice to the Company and paying the exercise price in full. The Company will apply for official quotation of any Shares issued on exercise of any options.   |
| <b>Lapse</b>                     | The options shall lapse in accordance with specific offer terms or events contained in the EOP rules, which may include termination of employment or resignation, redundancy, death or disablement (subject to the Board's discretion to extend the term of exercise in restricted cases) as well as the expiry of time periods.   |
| <b>Rights of Participants</b>    | <p>Once Shares are allotted upon exercise of the options the participant will hold the Shares free of restrictions. The Shares will rank for dividends declared on or after the date of issue but will carry no right to receive any dividend before the date of issue.</p> <p>Should the Company undergo a reorganisation or reconstruction of capital or any other such change, the terms of the options (including number or exercise price or both) will be correspondingly changed to the extent necessary to comply with the Listing Rules. With this exception, the terms for the exercise of each option remains unchanged.</p> <p>In the event of a change of control, the Board shall have discretion to deal with the options, including allowing accelerated vesting or the issue of options in the substituted corporation.</p> <p>A holder of options is not entitled to participate in dividends, a new issue of Shares or other securities made by the Company to Shareholders merely because he or she holds options.</p> <p>However, if a pro rata bonus or cash issue of securities is awarded by the Company, the Company in its absolute discretion may adjust the number of Shares over which an option exists and the exercise price in the manner specified in Listing Rule 6.22, in which case written notice will be given to the option holder.</p> |
| <b>Assignment</b>                | The options are not transferable or assignable without the prior written approval of the Board.  |
| <b>Administration</b>            | The EOP will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to the Listing Rules) in addition to those set out in the EOP.   |
| <b>Termination and amendment</b> | The EOP may be terminated or suspended at any time by the Board. The EOP may be amended at any time by the Board except where the amendment reduces the rights of the holders of options, including a change to reduce the exercise price, increase the number of Shares to which an eligible employee is entitled or change the exercise period, unless required by the Corporations Act or the Listing Rules.  |

## Annexure B

### CASH ISSUES

| Date         | Number of Securities | Security Type | Terms | Description                  | Party or Basis                           | Price   | Discount | Total Consideration | Use of Consideration          |
|--------------|----------------------|---------------|-------|------------------------------|--|---------|----------|---------------------|-------------------------------|
| 06-04-2018   | 11,789               | FPO           | FPO   | Conversion of Options        | Conversion of Options                    | \$0.18  | Nil      | \$2,122.02          | On-going capital requirements |
| 11-05-2018   | 300,000              | FPO           | FPO   | Conversion of Options        | Conversion of Options                    | \$0.088 | Nil      | \$26,400.00         | On-going capital requirements |
| 22-06-2018   | 56,147               | FPO           | FPO   | Conversion of Listed Options | Professional and sophisticated investors | \$0.18  | Nil      | \$10,106.46         | On-going capital requirements |
| 05-07-2018   | 18,541               | FPO           | FPO   | Conversion of Listed Options | Professional and sophisticated investors | \$0.18  | Nil      | \$3,337.38          | On-going capital requirements |
| <b>Total</b> |                      |               |       |                              |  |         |          | \$41,965.86         |                               |

### NON-CASH ISSUES

| Date       | Number of Securities | Security Type | Terms  | Description      | Party or Basis | Price                         | Discount | Total Consideration | Reason for issue  |
|------------|----------------------|---------------|--------|------------------|----------------|-------------------------------|----------|---------------------|---|
| 14-03-2018 | 246,478              | EFPO          | Note 1 | Escrowed Shares  | Stock Digital  | Deemed Issue Price of \$0.071 | Nil      | Nil                 | Issue of Shares in satisfaction of fees owing to Consultant of the Company  |
| 11-05-2018 | 2,200,000            | UO            | Note 2 | Unlisted Options | Employees      | Nil                           | Nil      | Nil                 | Issue of Unlisted Options in accordance with the terms of the Executive Option Plan as approved by shareholders at the Company's 2016 Annual General Meeting held on 30 November 2016 |

### Glossary

|             |  |
|-------------|--|
| <i>EFPO</i> | <i>Escrowed Fully Paid Ordinary Shares</i> |
| <i>FPO</i>  | <i>Fully Paid Ordinary Shares</i>          |
| <i>UO</i>   | <i>Unlisted Options</i>                    |

### Notes

|        |  |
|--------|--|
| Note 1 | <i>Fully Paid Ordinary Shares subject to 6 months escrow period from the date of issue</i> |
| Note 2 | <i>Exercisable at \$0.1367 (13.67 cents) expiring on 10 May 2022</i>                       |

If you are attending the meeting  
in person, please bring this with you  
for Securityholder registration.

# SAMPLE ONLY

Holder Number:

## Vote by Proxy: PTX

Your proxy voting instruction must be received by **10.00am (AEDT) on Sunday, 18 November 2018**, being not later than **48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

### SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>



Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.

### SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

#### YOUR NAME AND ADDRESS

The name and address shown above is 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.

#### 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.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

#### 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 individual 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.

#### POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.



