



PRESCIENT THERAPEUTICS LIMITED
ACN 006 569 106

Notice of General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Friday, 26 April 2019

Time of Meeting:
10.00am (AEST)

Place of Meeting:
**Chartered Accountants Australia and New Zealand
Level 18, Bourke Place
600 Bourke Street
Melbourne Victoria 3000**

This Notice of 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 GENERAL MEETING

Notice is hereby given that the 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 (AEST) on Friday, 26 April 2019 ("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.

Resolution 1: 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 ratify the issue of 35,313,842 fully paid ordinary shares at an issue price of \$0.05 (5 cents) per share to professional and sophisticated investors as described in the Explanatory Statement which accompanies and forms part of this Notice."

Resolution 2: Ratification of Prior Issue of Options

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the issue of 17,656,921 options in the Company, with each option having an exercise price of \$0.0625 (6.25 cents), expiry date of 31 March 2023 and, upon exercise, entitling the holder to one fully paid ordinary share in the Company, to professional and sophisticated investors as described in the Explanatory Statement which accompanies and forms part of this Notice."

Resolution 3: Approval to issue Fully Paid Ordinary Shares

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

"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the issue of up to 104,686,158 fully paid ordinary shares with an issue price of \$0.05 (5 cents) per share on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice."

Resolution 4: Approval to issue Options

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

"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the issue of up to 52,343,079 options in the Company with an exercise price of \$0.0625 (6.25 cents), expiring on 31 March 2023 and which, upon exercise, entitles the holder to one fully paid ordinary share in the Company, to professional and sophisticated investors as described in the Explanatory Statement which accompanies and forms part of this Notice."

Resolution 5: 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 3,500,000 options (being a right to acquire up to 3,500,000 fully paid ordinary shares in the Company subject to satisfaction of relevant vesting conditions) to Mr Steven Yatomi-Clarke (Managing Director and CEO of the Company), or his nominee, as described in the Explanatory Statement."

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 for the purposes of Listing Rule 10.14 and for all other purposes, approval be given to grant up to 670,000 options (being a right to acquire up to 670,000 fully paid ordinary shares in the Company subject to satisfaction of relevant vesting conditions) to Mr Steven Engle (Non-Executive Chairman of the Company), or his nominee, as described in the Explanatory Statement.”

Resolution 7: Approval to Grant Options to Mr Paul Hopper (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 415,000 options (being a right to acquire up to 415,000 fully paid ordinary shares in the Company subject to satisfaction of relevant vesting conditions) to Mr Paul Hopper (Non-Executive Director of the Company), or his nominee, as described in the Explanatory Statement.”

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 for the purposes of Listing Rule 10.14 and for all other purposes, approval be given to grant up to 415,000 options (being a right to acquire up to 415,000 fully paid ordinary shares in the Company subject to satisfaction of relevant vesting conditions) to Dr James Campbell (Non-Executive Director of the Company), or his nominee, as described in the Explanatory Statement.”

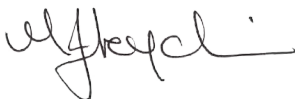
Resolution 9: Approval to issue Options

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the issue of up to 4,200,000 options in the Company with an exercise price of \$0.0625 (6.25 cents), expiring on 31 March 2023 and which, upon exercise, entitles the holder to one fully paid ordinary share in the Company, to Patersons Securities Limited (or its nominees) as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Dated 26 March 2019

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. **Record Date:** The Company has determined that for the purposes of the 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 General Meeting. Only those persons will be entitled to vote at the General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the General Meeting.

3. Proxies

- a. Votes at the 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 (Automic Registry Services) no later than 48 hours before the commencement of the General Meeting, this is no later than 10.00am (AEST) on Wednesday, 24 April 2019. 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. How the Chairman will vote Undirected Proxies

The Chairman will vote undirected proxies in favour of all of the proposed resolutions.

6. Voting Exclusion Statement:

Resolutions 1 and 2

The Company will disregard any votes cast in favour on Resolutions 1 and 2 by or on behalf of any person who participated in the relevant issue and any associates of those persons.

However, the Company need not disregard a vote if 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
- 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.

Resolutions 3, 4 and 9

The Company will disregard any votes cast in favour of Resolutions 3, 4 and 9 by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary shares in the Company) and any associates of that person.

However, the Company need not disregard a vote if 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
- 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 5, 6, 7 and 8

The Company will disregard any votes cast in favour of Resolutions 5, 6, 7 and 8 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.

7. 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

Resolution 1: Ratification of Prior Issue of Shares

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 35,313,842 fully paid ordinary shares to professional and sophisticated at an issue price of \$0.05 (5 cents) per share (“**Placement**”).

Of the 35,313,842 fully paid ordinary shares sought to be ratified under this Resolution 1, 14,125,538 Shares were issued under the Company’s 15% placement capacity pursuant to ASX Listing Rule 7.1 and 21,188,304 Shares were issued under the Company’s additional 10% placement capacity pursuant to ASX Listing Rule 7.1A.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.1A provides that, subject to receipt of required shareholder approval, in addition to its 15% placement capacity under ASX Listing Rule 7.1 a company is entitled to issue additional securities up to 10% of the issued share capital through placements over a 12-month period after the company’s Annual General Meeting, without prior shareholder approval. The Company obtained the required shareholder approval for the additional placement capacity under ASX Listing Rule 7.1A at its 2018 Annual General Meeting on 20 November 2018.

ASX Listing Rule 7.4 provides that where a company’s shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or ASX Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rules 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The Company seeks approval under ASX Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under ASX Listing Rules 7.1 and 7.1A.

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

- (a) the total number of fully paid ordinary shares in the Company that were issued was 35,313,842;
- (b) the shares were issued at an issue price of \$0.05 (5 cents) per share;
- (c) the shares allotted and issued are fully paid ordinary shares which have the same terms and rights as, and ranking equally with, the Company’s existing shares;
- (d) the shares were allotted and issued to professional and sophisticated investors, who were identified by the Joint Lead Managers to the Placement (Bell Potter Securities Limited and Aurenda Partners Pty Ltd);
- (e) the funds raised have been, or will be, used to progress the Company’s clinical programs, including additional drug manufacture and clinical trial management, payment for costs of the offer and for ongoing working capital requirements;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 1.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 2: Ratification of Prior Issue of Options

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 17,656,921 Options (each with an exercise price of \$0.0625 (6.25 cents) and expiry date of 31 March 2023) to professional and sophisticated investors.

The 17,656,921 Options were issued under the Company’s 15% placement capacity pursuant to ASX Listing Rule 7.1. ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such

as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rules 7.1 those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1. The Company seeks approval under ASX Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under ASX Listing Rules 7.1.

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

- (a) the total number of options in the Company that were issued was 17,656,921;
- (b) there was no cash issue price for the issue of Options. the Options were issued to recipients of a Placement on a basis of one free attaching option for each two shares subscribed for under the Placement
- (c) each option has an exercise price of \$0.0625 (6.25 cents), expiring on 31 March 2023 and, upon exercise, entitle the holder to one ordinary fully paid share in the Company;
- (d) the recipients of the options will be a mix of new and existing sophisticated and professional investors, none of whom are related parties of the Company, who were identified by the Joint Lead Managers to the Placement (Bell Potter Securities Limited and Aureka Partners Pty Ltd);
- (e) the full terms of the options are detail in Annexure A of this Explanatory Statement;
- (f) There were no funds raised from the issue of options, but upon conversion to fully paid ordinary shares, the funds raised will be used to progress the Company's clinical programs, including additional drug manufacture and clinical trial management, payment for costs of the offer and for ongoing working capital requirements;
- (g) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 2.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 3: Approval to Issue Fully paid ordinary shares

Resolution 3 seeks shareholder approval pursuant to Listing Rule 7.1 for the issue of 104,686,158 fully paid ordinary shares to professional and sophisticated investors at an issue price of \$0.05 (5 cents) per share to raise \$5,234,307.90 before costs of the issue.

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.

ASX Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- (a) the total number of securities which may be issued under Resolution 3 is a maximum of 104,686,158 fully paid ordinary shares;
- (b) the Shares will be issued at an issue price of \$0.05 (5 cents) per share to raise \$5,234,307.90 before costs of the issue;
- (c) the recipients of the Shares will be a mix of new and existing sophisticated and professional investors, none of whom are related parties of the Company, who were identified by the Joint Lead Managers to the Placement (Bell Potter Securities Limited and Aureka Partners Pty Ltd);

- (d) the securities will be allotted and/or issued progressively but in any event no later than three (3) months after the date of the Meeting;
- (e) the Shares will rank pari passu with the Company's existing shares;
- (f) the funds raised from the issue of Shares will be used for ongoing working capital; and
- (g) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that the shareholders vote in favour of Resolution 3.

Resolution 4: Approval to Issue Options

The Company is seeking Shareholder approval to issue 52,343,079 options to professional and sophisticated investors. Each option will be exercisable at \$0.0625 (6.25 cents), expire on 31 March 2023 and will, upon exercise, entitle the holder to one fully paid ordinary share in the Company.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve-month period any equity securities, or other securities with rights of conversion to equity (such as options) if the number of those securities exceeds 15% of the share capital on issue at the commencement of that twelve-month period. One circumstance where an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders in a general meeting.

ASX Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- (a) the total number of options to be issued is 52,343,079;
- (b) the recipients of the options will be a mix of new and existing sophisticated and professional investors, none of whom are related parties of the Company, who were identified by the Joint Lead Managers to the Placement (Bell Potter Securities Limited and Aurenda Partners Pty Ltd);
- (c) each option will be exercisable at \$0.0625 (6.25 cents), expire on 31 March 2023 and will, upon exercise, entitle the holder to one fully paid ordinary share in the Company;
- (d) the options will be allotted progressively but in any event no later than three months after the date of this Meeting;
- (e) the full terms of the options are detail in Annexure A of this Explanatory Statement;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 4.

Voting Exclusion

Refer to Note 6 for voting exclusions.

Resolutions 5, 6, 7 and 8: Approval to Grant Options to Directors (or his nominee)

Background

The Company is seeking Shareholder approval for the grant of up to 5,000,000 unlisted options in the Company to Directors of the Company (or their nominees) (being a right to acquire up to 5,000,000 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

Res.	Director	Options to be Issued	Exercise Price	Vesting Conditions	Expiry date
5	Mr Steven Yatomi-Clarke (or his nominee)	3,500,000	145% of 5 day VWAP up to and including the issue date	1/3 on the date of issue 1/3 12 months from the date of issue 1/3 24 months from the date of issue	4 years from the date of issue
6	Mr Steven Engle (or his nominee)	670,000	145% of 5 day VWAP up to and including the issue date	1/3 on the date of issue 1/3 12 months from the date of issue 1/3 24 months from the date of issue	4 years from the date of issue
7	Mr Paul Hopper (or his nominee)	415,000	145% of 5 day VWAP up to and including the issue date	1/3 on the date of issue 1/3 12 months from the date of issue 1/3 24 months from the date of issue	4 years from the date of issue
8	Dr James Campbell (or his nominee)	415,000	145% of 5 day VWAP up to and including the issue date	1/3 on the date of issue 1/3 12 months from the date of issue 1/3 24 months from the date of issue	4 years from the date of issue

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 B 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.

All Directors are related parties of the Company due to the fact that they are Officers of the Company. The issue of Options to the Directors constitutes a “financial benefit” as described in the Corporations Act. Accordingly, the proposed issue of Options pursuant to Resolutions 5, 6, 7 and 8 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 Directors (or their nominees) 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 Directors aligns them 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 10.14.

ASX Listing Rule 10.14

ASX Listing Rule 10.14 provides that the Company must not permit a Director or an associate of such a Director to acquire securities under an employee incentive scheme without approval. Accordingly, approval is sought pursuant to ASX Listing Rule 10.14 for the grant of up to 5,000,000 options to Directors of the Company as noted below.

The following information is given under ASX Listing Rule 10.15A on the Options that are proposed to be issued to the Directors of the Company:

- (a) the related parties are listed below. They are related by virtue of being a Director of the Company:
 - Mr Steven Yatomi-Clarke
 - Mr Steven Engle
 - Mr Paul Hopper
 - Dr James Campbell
- (b) the maximum number of Options to be issued in total is 5,000,000;
- (c) each Option will have an exercise price equivalent to 145% of the 5 day VWAP up to and including the issue Date, expire four (4) years from the issue Date and will, upon exercise, entitle the holder to one fully paid ordinary share in the Company;
- (d) No loan will be made by the Company in relation to the grant of options to Directors;
- (e) full terms of the Options are set out in the Employee Option Plan Rules (a copy of which is available to Shareholders on request), a summary of which is included in Annexure B of this notice of meeting;
- (f) Since the adoption of the Company's Employee Option Plan, Mr Steven Yatomi-Clarke has been granted 2,000,000 options for no consideration;
- (g) All Directors are eligible to participate in the Company's Employee Option Plan;
- (h) Options will be issued no later than three years after the date of the Meeting;
- (i) Details of any securities issued under the employee incentive scheme will be published in each annual report of the entity relating to a period in which securities have been issued, and that approval for the issue of securities was obtained under ASX Listing Rule 10.14;
- (j) Any additional persons who become entitled to participate in the employee incentive scheme after the resolution was approved and who was not named in the notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14;
- (k) the Options do not have an issue price, 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
- (l) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board (with each Director abstaining from their respective resolutions), recommends that Shareholders vote in favour of Resolutions 5, 6, 7 and 8. The Chairman will vote undirected proxies in favour of Resolutions 5, 6, 7 and 8.

Resolution 9: Approval to Issue Options

The Company is seeking Shareholder approval to issue 4,200,000 options to Patersons Securities Limited (or its nominees). Each option will be exercisable at \$0.0625 (6.25 cents), expire on 31 March 2023 and will, upon exercise, entitle the holder to one fully paid ordinary share in the Company.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve-month period any equity securities, or other securities with rights of conversion to equity (such as options) if the number of those securities exceeds 15% of the share capital on issue at the commencement of that twelve-month period. One circumstance where an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders in a general meeting.

ASX Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- (a) the total number of options to be issued is 4,200,000;

- (b) the recipients of the options will be Patersons Securities Limited (or its nominees) with the options being issued in accordance with a sub-underwriting of the Company's Rights issue;
- (c) each options will be exercisable at \$0.0625 (6.25 cents), expire on 31 March 2023 and will, upon exercise, entitle the holder to one fully paid ordinary share in the Company;
- (d) the options will be allotted progressively but in any event no later than three months after the date of this Meeting;
- (e) the full terms of the options are detail in Annexure A of this Explanatory Statement;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 9.

Voting Exclusion

Refer to Note 6 for voting exclusions.

GLOSSARY

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

“\$” means Australian Dollars;

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

“**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;

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

“**Explanatory Statement**” means the explanatory statement which forms part of the Notice;

“**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;

“**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 – Placement and Sub-underwriter Option Terms

Eligibility	New Options to be issued to Eligible Shareholders who take up New Shares under this Prospectus.
Grant of New Options	To be issued on the basis of one New Option for every two New Shares issued under this Prospectus.
Exercise of New Options	Each New Option is exercisable immediately on issue. The New Options may be exercised at any time before their expiry date, wholly or in part, by delivering a duly completed form of notice of exercise together with a cheque for the exercise price. Prescient will issue one Share for each New Option exercised.
Terms of Shares issued	Any Shares issued as a result of exercising a New Option will be issued on the same terms and rank in all respects on equal terms, with existing Shares.
Quotation of Shares issued	Application for official quotation of Shares allotted and issued as a result of the exercise of the New Options will be made within three Business Days from the date of issue of the Shares.
Quotation of New Options	Application for official quotation of New Options will be sought. Depending on the level of participation in the Equity Raising, the conditions for the quotation of the New Options may not be satisfied. In which case, the New Options will be issued but will remain unquoted.
Expiration of New Options	Each New Option will have an expiration date that is 31 March 2023.
Issue price of New Options	No issue price is payable for the New Options as they are issued together with any application by an Eligible Shareholder for New Shares.
Exercise price of New Options	\$0.0625 upon exercise to acquire each Share.
Option register	New Options will be registered in the name of a Shareholder in an option register maintained by the share registry. The share registry will issue holding statements that evidence the number of New Options held by the Shareholder. No option certificates will be issued.
Reconstruction of capital	If there is a reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of Prescient: (a) the number of New Options or the exercise price of the New Options or both will be adjusted as specified in Listing Rule 7.22 as it applies at the time of the reorganisation; and (b) in all other respects the terms for the exercise of the New Options will remain unchanged.
Adjustment where pro rata issue of Shares, bonus shares or stock dividends	If there is a pro rata issue of Shares, the exercise price of the New Options will be adjusted as specified in Listing Rule 6.22.2. If there is a bonus or cash issue of Shares, the number of Shares issued upon exercise of the New Options will be adjusted as specified in Listing Rule 6.22.3.
New issues of Shares	The New Options do not confer a right to participate in new issues of Shares unless the New Options have been exercised on or before the record date for determining entitlements to the issue.
Notice of adjustments	Prescient will give written notice to the New Option holder of any adjustment of the exercise price of the New Options and any increase or decrease in the number of New Options.
Dividend rights	While they remain unexercised, the New Options will not give a holder an entitlement to receive any dividends declared and paid by Prescient for Shares.
Applicable law	Each New Option is issued subject to: (a) the Corporations Act; (b) the Listing Rules; and (c) the Company's constitution.
US restrictions	The New Options may not be exercised by or on behalf of a person in the United States unless the New Options and the underlying Shares have been registered under the United State Securities Act of 1933, as amended, and applicable state securities laws or exemptions from such registration requirements are available.

Annexure B – Summary of Employee Option Plan (EOP) Terms

Eligibility	Any director, employee or consultant who is decided by the Board to be an eligible participant for the purposes of the EOP.
Grant of options	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.
Exercise	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.
Lapse	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.
Rights of Participants	<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>
Assignment	The options are not transferable or assignable without the prior written approval of the Board.
Administration	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.
Termination and amendment	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.

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

Holder Number:

Vote by Proxy: PTX

Your proxy voting instruction must be received by **10.00am (AEST) on Wednesday, 24 April 2019**, 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.



