

29 April 2016

Dear Shareholder

I am pleased to invite you to attend Neuren Pharmaceuticals Limited's Annual Shareholders' Meeting in Melbourne, for which the following documents are enclosed:

- Notice of the meeting, including explanatory memorandum;
- a personalised proxy form;
- regarding our Annual Report for 2015, an electronic copy of which is available for download from our website:
  - a notice under section 209 of the New Zealand Companies Act 1993; or
  - a printed copy of the Annual Report if you have previously elected to receive a mailed copy;
- a form to elect to receive shareholder communications electronically; and
- a return envelope.

The Annual Shareholders' Meeting will be held at Chartered Accountants Australia and New Zealand, Level 3, Bourke Place, 600 Bourke Street, Melbourne, VIC 3000 at 11.00 am (AEST) on Tuesday, 31 May 2016. If you are able to attend, I look forward to welcoming you and ask you please to bring the personalised proxy form with you to assist with registration and admission to the meeting.

If you are unable to attend but wish to appoint a proxy to attend and vote in your place, please either lodge your proxy form online, following the instructions on the proxy form, or complete the proxy form and return it to the share registry as instructed on the form in either case by no later than 11.00 am (AEST) on Sunday, 29 May 2016.

I encourage you also to consider electing to receive Neuren communications electronically, which can be done via the share registry website ([www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)), or by completing the enclosed election form and returning it to Link Market Services at the address on the election form.

Yours sincerely



Dr Richard Treagus  
Chairman

## NOTICE OF ANNUAL SHAREHOLDERS' MEETING

Notice is given that the Annual Shareholders' Meeting of Neuren Pharmaceuticals Limited (**Company** or **Neuren**) will be held at Chartered Accountants Australia and New Zealand, Level 3, Bourke Place, 600 Bourke Street, Melbourne, VIC 3000, on Tuesday 31 May 2016 commencing at 11.00 am (AEST). In accordance with the Constitution, the Board has fixed 27 April 2016 as the date of shareholder entitlement to receive notice of the Annual Shareholders' Meeting.

### BUSINESS

**A** Executive Chairman's address

**B** Annual Report

To receive and consider the annual report of the Company.

**C** Resolutions

1. To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:  
"That Richard Treagus be re-elected as a director of the Company."
2. To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:  
"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval is given to the prior issue of 70,555,555 shares at an issue price of \$0.09 per share on 17 November 2015."

The Company will disregard any votes cast in relation to Resolution 2 by any shareholder who participated in the issue of shares and by any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form.

3. To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:  
"That PricewaterhouseCoopers be re-appointed as auditor to audit the financial statements for the year ending 31 December 2016 and that the board of directors is authorised to fix the auditor's remuneration."
4. To consider and, if thought fit, to pass the following resolution as an **special resolution**:  
"That approval is given for amendments to the Company's Constitution, in the form and manner described in the Explanatory Memorandum which forms part of this Notice of Annual Shareholders' Meeting."

### Notes:

Resolutions 1, 2 and 3 are to be considered as ordinary resolutions and, to be passed, require the approval of a majority of the valid votes cast on the resolution by the shareholders entitled to vote and voting on the resolution. Resolution 4 is to be considered as a special resolution and, to be passed, requires the approval of 75% or more of the valid votes cast on the resolution by the shareholders entitled to vote and voting on the resolution.

Each of these Resolutions is described in the attached Explanatory Memorandum which forms part of this Notice of Annual Shareholders' Meeting.

By order of the Board



Jon Pilcher  
CFO & Company Secretary  
Neuren Pharmaceuticals Limited  
29 April 2016

# EXPLANATORY MEMORANDUM

## INTRODUCTION

The purpose of this Explanatory Memorandum, which forms part of the Notice of Annual Shareholders' Meeting dated 29 April 2016, is to provide shareholders with an explanation of the Resolutions to be proposed and considered at the Annual Shareholders' Meeting on Tuesday, 31 May 2016 ("Meeting") and to allow shareholders to determine how they wish to vote on these Resolutions.

## ANNUAL REPORT

The Company's Annual Report for the year ended 31 December 2015 was lodged with the ASX on 18 April 2016 and is available for viewing and download from the Company's website [www.neurenpharma.com](http://www.neurenpharma.com). Shareholders should note that they will be able to ask questions or discuss matters arising from the financial statements at the Meeting however it is not the purpose of the Meeting that the Annual Report be accepted, rejected or modified in any way.

## RESOLUTIONS

### 1. ELECTION OF DIRECTORS (ORDINARY RESOLUTION 1)

The ASX Listing Rules require that a director of an entity must not hold office without re-election past the third annual general meeting following the director's appointment, or 3 years, whichever is longer. Accordingly Richard Treagus offers himself for re-election.

Dr Richard Treagus joined the Neuren Board as Executive Chairman in January 2013. He is a physician, with more than 20 years' experience in all aspects of the international biopharmaceutical industry. He has held senior executive roles with pharmaceutical organisations in South Africa and Australia and has successfully established numerous pharmaceutical business partnerships in the US, Europe and Asia. Dr Treagus served as Chief Executive of the ASX-listed company Acrux Limited from 2006 to 2012. Under his leadership Acrux gained FDA approval for three drug products, concluded a product licensing transaction with Eli Lilly worth US\$335m plus royalties and became profitable. In 2010 Dr Treagus was awarded the Ernst and Young Entrepreneur-of-the-Year (Southern Region) in the Listed Company Category and in subsequent years has served on the judging panel. Dr Treagus is Chairman of Biotech Capital Limited and a non-executive director of QRx Pharma Limited, both Australian listed companies.

Dr Treagus is Neuren's principal executive and his attributes and skills provide a large contribution to the skills matrix set out in the Board's Corporate Governance Statement.

The Board recommends that Richard Treagus be re-elected.

### 2. SUBSEQUENT APPROVAL OF AN ISSUE OF SECURITIES IN ACCORDANCE WITH ASX LISTING RULE 7.4 (ORDINARY RESOLUTION 2)

#### 2.1. Background

This resolution seeks shareholder approval for the prior issue of 70,555,555 Shares on 17 November 2015 at an issue price of \$0.09 per Share by way of a placement.

ASX Listing Rule 7.1 provides that a company must not, subject to the specified exceptions under Listing Rule 7.2, issue or agree to issue securities during any 12 month period in excess of 15% of the number of ordinary shares on issue at the commencement of that 12 month period, without

shareholder approval. Listing Rule 7.4 sets out an exception to Listing Rule 7.1, by permitting the ratification of a previous issue of securities which was not made under a prescribed exception under ASX Listing Rule 7.2 or with prior shareholder approval, provided that the issue did not breach the 15% threshold set out by Listing Rule 7.1. If shareholders of a company approve the ratification of a previous issue of securities, those securities will be deemed to have been issued with shareholder approval for the purposes of Listing Rule 7.1. The effect of ratification in accordance with Listing Rule 7.4 is the reinstatement of the maximum capacity to issue further securities up to 15% of the shares, if required, in the next 12 months without requiring shareholder approval. The directors believe that it is in the best interests of the Company that the Company maintain its ability to issue up to 15% of the issued capital of the Company. The Board therefore recommends that this resolution be passed.

## **2.2. Details of the shares issued**

In accordance with Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of Listing Rule 7.4, the following information is provided:

- (a) 70,555,555 shares were issued;
- (b) the issue price per Share was \$0.09;
- (c) the shares issued rank equally with all other shares currently on issue;
- (d) the shares were issued to sophisticated investors, including Auckland Trust Company Limited and Walker Group Holdings Pty Ltd;
- (e) the funds of \$6,350,000 were raised to strengthen the cash reserves from which Neuren is funding the development of trofinetide for Rett syndrome.

## **3. APPOINTMENT OF AUDITOR (ORDINARY RESOLUTION 3)**

The New Zealand Companies Act 1993 provides that at each Annual Shareholders' Meeting the Company must appoint an auditor and fix the auditor's remuneration. PricewaterhouseCoopers has consented to continuing as auditor.

## **4. AMENDMENT OF CONSTITUTION (SPECIAL RESOLUTION 4)**

This resolution seeks shareholder approval for the following amendment to the Companies' Constitution, relating to the lodging of proxies:

Clause 15.2.8 of the Company's Constitution currently states:

"Notice of Proxy to be Lodged in Particular Manner 48 Hours Before Meeting: A copy of the written notice appointing a Proxy and a copy of the power of attorney or other authority, if any, under which it is signed or, if required by the Board, a notarially certified copy of that power or authority shall be deposited at the Office or at such other place within New Zealand as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the Person named in the notice proposes to vote."

The requirement to lodge written proxies at a place in New Zealand is unnecessary and inefficient given the location of the Company's administration in Australia. The Board wishes to delete "within New Zealand" from clause 15.2.8, so that written proxies can be lodged in the most efficient and cost effective manner for future meetings.

Amendments to the Constitution must be approved by Special Resolution, which means that this resolution must be approved by a majority of at least 75% of the valid votes cast on the resolution by shareholders entitled to vote and voting on the resolution.

## 5. HOW TO VOTE

### Persons entitled to attend and vote

The persons who will be entitled to attend and vote at the Meeting are those persons (or their proxies or representatives) registered as holding Ordinary Shares on Neuren's share register at 7.00 pm (AEST) on Friday, 27 May 2016.

To vote on the Resolutions to be put to the Meeting follow these steps:

1. Attend the Meeting. Please bring the enclosed Proxy Form with you to assist registration at the Meeting.

OR

Complete the enclosed Proxy Form and return it to Neuren's share registry, Link Market Services Limited, by facsimile or mail as directed on the Proxy Form, or lodge it on-line at the registry's website ([www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)) in accordance with the instructions given there (you will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website)

**Documents received or lodged later than 11.00 am (AEST) on Sunday, 29 May 2016 will not be valid for the Meeting.**

### Proxies and Corporate Representatives

Shareholders entitled to attend and vote at the Meeting may appoint a proxy or representative (in the case of a corporate shareholder) to attend the meeting and vote on their behalf by completing the enclosed Proxy Form. A proxy or representative need not be a shareholder of Neuren. Proxy Forms must be received by Neuren's share registry, Link Market Services Limited, at the address on the enclosed Proxy Form, or be lodged on-line at the registry's website, by 11.00 am (AEST) on Sunday, 29 May 2016. A representative should bring to the Meeting evidence of his or her appointment by the shareholder.



pharmaceuticals

Neuren Pharmaceuticals Limited  
ARBN 111 496 130

### LODGE YOUR VOTE

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

**BY MAIL**  
Neuren Pharmaceuticals Limited  
C/- Link Market Services Limited  
PO Box 91976  
Victoria Street West  
Auckland 1142 New Zealand

**BY FAX**  
+64 9 375 5990

**BY HAND**  
Link Market Services Limited  
Level 11, Deloitte Centre, 80 Queen Street, Auckland

**ALL ENQUIRIES TO**  
Telephone: +61 1300 554 474



X99999999999

## PROXY FORM

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

### APPOINT A PROXY

**the Chairman of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (AEST) on Tuesday, 31 May 2016 at Chartered Accountants of Australia and New Zealand, Level 3, Bourke Place, 600 Bourke Street, Melbourne, VIC 3000 (the Meeting)** and at any postponement or adjournment of the Meeting.

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

### VOTING DIRECTIONS

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .**

#### Resolutions

	For	Against	Abstain*
1 Re-elect Richard Treagus as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval is given to the prior issue of 70,555,555 shares at an issue price of \$0.09 per share on 17 November 2015	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-appointment of PriceWaterhouseCoopers as the auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 That the Company's Constitution be amended	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth) or the *Companies Act 1993* (NZ).

STEP 3

NEU PRX1601A



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. 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 in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO 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 those 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 Form.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

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

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

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

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

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

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (AEST) on Sunday, 29 May 2016**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



#### ONLINE

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

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



#### BY MAIL

Neuren Pharmaceuticals Limited  
C/- Link Market Services Limited  
PO Box 91976  
Victoria Street West  
Auckland 1142 New Zealand



#### BY FAX

+64 9 375 5990



#### BY HAND

delivering it to Link Market Services Limited\*  
Level 11, Deloitte Centre  
80 Queen Street  
Auckland

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

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

