
ACTINOGEN MEDICAL LIMITED

ACN 086 778 476

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at the boardroom of PKF, Level 8, 1 O'Connell Street, Sydney, New South Wales on Wednesday, 30 November 2016 at 11.00 am (AEDT).

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

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (02) 8964 7401.

ACTINOGEN MEDICAL LIMITED

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Actinogen Medical Limited (**Company**) will be held at the boardroom of PKF, Level 8, 1 O'Connell Street, Sydney, New South Wales, on Wednesday, 30 November 2016 at 11.00 am (AEDT) (**Meeting**).

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

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Monday, 28 November 2016 at 7.00 pm (AEDT).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 8.

AGENDA

Annual Report

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

1. Resolution 1 – Adoption of Remuneration Report

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

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

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

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

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on this Resolution; or
 - (b) the person is the Chairman and the appointment of the Chairman as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.
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2. Resolution 2 – Approval of 10% Placement Facility

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

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of

the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

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

However, the Company will not disregard a vote if:

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

3. Resolution 3 – Re-election of Director – Dr Jason Loveridge

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

"That, Dr Jason Loveridge, who retires in accordance with Clause 13.2 of the Constitution, being eligible and offering himself for re-election, be re-elected as a Director."

4. Resolution 4 – Renewal of proportional takeover provisions in Constitution

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

"That, for the purposes of Clause 35.6 of the Constitution and section 648G of the Corporations Act, and for all other purposes, the Company renew the proportional takeover provisions contained in Clause 35 of the Constitution with effect from the date of this Meeting for a period of three years."

5. Resolution 5 – Extension of time to repay loan owed to the Company by Mr Martin Rogers

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

"That, for the purposes of section 208 of the Corporations Act and all other purposes, the Directors be and are hereby authorised to extend the time for repayment of the Loan owed to the Company by Mr Martin Rogers for a period of 2 years from the date of Mr Rogers' resignation as a Director and otherwise on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

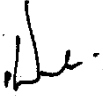
The Company will disregard any votes cast on this Resolution by Mr Martin Rogers and any of his associates.

However, the Company need not disregard a vote 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 Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated 7 October 2016

BY ORDER OF THE BOARD



Mr Peter Webse
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the boardroom of PKF, Level 8, 1 O'Connell Street, Sydney, New South Wales on Wednesday, 30 November 2016 at 11.00 am (AEDT).

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

2. Action to be taken by Shareholders

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

2.1 Proxies

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

Please note that:

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

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

2.2 Voting Prohibition by Proxy Holders

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

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

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

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; or
- (b) the person is the Chairman voting an undirected proxy which expressly authorises the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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

- (a) the person is either:
 - (i) a member of the Key Management Personnel of the Company; or
 - (ii) a Closely Related Party of such a member, and
- (b) the appointment does not specify the way the proxy is to vote on Resolution 1.

However, the prohibition does not apply if:

- (c) the proxy is the Chairman; and
- (d) the appointment expressly authorises the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

3. Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. Copies of the report can be found on the Company's website www.actinogen.com.au or by contacting the Company on (02) 8964 7401.

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

Shareholders will be offered the following opportunities:

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

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

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

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

4. Resolution 1 – Adoption of Remuneration Report

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

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

However, the Corporations Act has been amended by the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act (Director and Executive Remuneration Act)* which received the Royal Assent on 27 June 2011 and came into effect on 1 July 2011.

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

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

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

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

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

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

5. Resolution 2 – Approval of 10% Placement Facility

5.1 General

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

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

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

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 5.2(c) below).

The Company intends to continue to expand and accelerate its existing business activities (including expenses associated with further tests in relation to the Company's existing projects). The Company may use the 10% Placement Facility for these purposes and for general working capital.

The Directors of the Company believe that Resolution 2 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

5.2 Description of Listing Rule 7.1A

(a) Shareholder approval

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

(b) Equity Securities

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

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

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month

period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

Where:

- A is the number of shares on issue 12 months before the date of issue or agreement:
- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (B) plus the number of partly paid shares that became fully paid in the 12 months;
 - (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
 - (D) less the number of fully paid shares cancelled in the 12 months.

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

D is 10%

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

(d) Listing Rule 7.1 and Listing Rule 7.1A

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

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 5.2(c) above).

(e) Minimum Issue Price

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

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

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

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

5.3 Listing Rule 7.1A

The effect of Resolution 2 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company’s 15% placement capacity under Listing Rule 7.1.

Resolution 2 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).

5.4 Specific information required by Listing Rule 7.3A

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

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company’s Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 2 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders’ voting power in the Company will be diluted as shown in the below table. There is a risk that:
 - (i) the market price for the Company’s Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company’s Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

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

The table also shows:

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

Table A

Variable ‘A’ in Listing Rule 7.1A2	Dilution		
		\$0.0235	\$0.047
	50% decrease in Issue Price	Issue Price (Current)	100% increase in Issue Price

Current Variable A 606,693,558 Shares	10% voting dilution	60,669,355	60,669,355	60,669,355
	Funds raised	\$1,425,729	\$2,851,459	\$5,702,919
50% increase in current Variable A 910,040,337 Shares	10% voting dilution	91,004,033	91,004,033	91,004,033
	Funds raised	\$2,138,594	\$4,277,189	\$8,554,379
100% increase in current Variable A 1,213,387,116 Shares	10% voting dilution	121,338,711	121,338,711	121,338,711
	Funds raised	\$2,851,459	\$5,702,919	\$11,405,838

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No Options are exercised into Shares before the date of the issue of the Equity Securities.
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
 - (vii) At the date of this Notice, there are currently 606,693,558 Shares on issue.
 - (viii) The issue price is \$0.047, being the closing price of the Shares on ASX on 6 October 2016.
- (c) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 2 for the issue of Equity Securities pursuant to the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) as non-cash consideration in relation to the acquisition of new assets, technology and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration, in which case, the Company intends to use funds raised for expanding or accelerating the Company's existing business activities (including

expenses associated with further tests in relation to the Company's existing projects), pursuing other acquisitions that have a strategic fit or will otherwise add value to shareholders (including expenses associated with such acquisitions) and general working capital.

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

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

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

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

- (f) The Company previously obtained Shareholder approval under Listing Rule 7.1A at the Company's 2015 AGM held on 12 November 2015.
- (g) In the 12 months preceding the date of the Meeting the Company issued a total of 2,235,000 Equity Securities which represents 0.34% of the total number of Equity Securities on issue at 30 November 2015. The Equity Securities issued in the preceding 12 months were as follows:

Date of Appendix 3B	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to Market Price¹ on the trading day prior to the issue	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds If issued for non-cash consideration – a description of the consideration and the current value of the consideration
06/05/2016	535,000 Shares	Note 2	Issued to third party service providers.	\$0.07 deemed issue price being a 25.32% discount to the Market Price on 06/05/2016 of \$0.095.	Issued to third party service providers as part consideration for services provided. The current value of the consideration is \$25,145 based on a closing price of \$0.047 of the Shares on the ASX on 6 October 2016.

07/07/2016	1,700,000 Employee Options	Note 3	Employee Options issued pursuant to employee option plan	Nil issue price. Options exercisable at \$0.103 and expiring on 7 July 2020 being a 45.07% premium to the Market price on 7 July 2016 of \$0.071.	Issued to employees pursuant to the employee option plan. Valued at \$0.04772 each totalling \$81,124 using a Black & Scholes pricing model.
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Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises).
 2. Fully paid ordinary shares in the capital of the Company, ASX Code: ACW (terms are set out in the Constitution).
 3. 1,700,000 unlisted Employee Options exercisable at \$0.103 on or before 7 July 2020 and subject to vesting conditions.
 4. The value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option.
- (h) The Company's cash balance on 30 November 2015 was approximately \$8,235,816. There was no cash raised from issues in the previous 12 months. The Company's cash balance as at 6 October 2016 is approximately \$6,573,599 (which includes available for sale listed investments of \$3,036,290). The remaining funds of \$6,573,599 (which includes available for sale listed investments of \$3,036,290) are intended to be applied to support IND filing with the US FDA, the planned Phase 2 study of Xanamem™ and general working capital.
- (i) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

6. Resolution 3 – Re-election of Director – Dr Jason Loveridge

Clause 13.2 of the Constitution provides that at the Company's annual general every year, one-third of the Directors for the time being, or if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director except a Managing Director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election. The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots. A retiring Director is eligible for re-election. An election of Directors shall take place each year.

In determining the number of Directors to retire, no account is to be taken of:

- (a) a Director who only holds office until the next annual general meeting pursuant to clause 13.4 of the Constitution; and/ or
 - (b) a Managing Director,
- each of whom are exempt from retirement by rotation.

Dr Jason Loveridge, retires by rotation at this Meeting and, being eligible, seeks re-election.

Dr Loveridge, BSc, PhD, FRSM, has worked in the biotech and medtech industries for over 25 years and brings extensive experience in the commercialisation of medical research to the Board of Actinogen Medical. As a venture investor with JAFCO Nomura, Dr Loveridge invested in over 28 companies in Europe, the US and Israel and has been directly involved in the management of a number of innovative companies in the medical arena. He is also a non-executive director of Resonance Health Limited (ASX: RHT).

The Board unanimously supports the re-election of Dr Jason Loveridge.

Resolution 3 is an ordinary resolution.

7. Resolution 4 – Renewal of proportional takeover provisions in Constitution

The Corporations Act permits a company's constitution to include a provision that enables it to refuse to register the transfer of shares acquired under a proportional takeover bid, unless shareholders approve the bid. Clause 35 of the Constitution was approved by Shareholders when the Constitution was adopted on 29 November 2013, but that approval (and therefore the rule) will cease to have effect on 29 November 2016. The Directors consider it in the interests of Shareholders to continue to have proportional takeover provisions in the Constitution and, accordingly, Shareholders are requested to renew the proportional takeover provisions contained in Clause 35 of the Constitution with effect from the date of this meeting for a further period of three years.

7.1 Proportional takeover bid

A proportional takeover bid is a takeover bid where the offer made to each Shareholder is only for a proportion of that Shareholder's Shares (i.e. less than 100 per cent).

7.2 Effect of proportional takeover bid provisions

If a proportional takeover bid is made, the Directors must ensure that a general meeting to approve the bid is held more than 14 days before the last day of the bid period, at which Shareholders will consider a resolution to approve the takeover bid. Each Shareholder will have one vote for each fully paid Share held, with the vote to be decided on a simple majority. The bidder and its associates are not allowed to vote.

If the resolution is not passed at that meeting, no transfer of Shares will be registered and the offer will be taken to have been withdrawn. If the resolution is not voted on, the bid will be taken to have been approved. If the bid is approved (or taken to have been approved), all valid transfers must be registered.

The proportional takeover approval provisions do not apply to full takeover bids and, if renewed, will only apply for three years after the date of the renewal.

7.3 Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. The proportional takeover provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

7.4 Knowledge of any acquisition proposals

As at the date of this Notice, no Director is aware of any proposal to acquire or to increase the extent of a substantial interest in the Company.

7.5 Potential advantages and disadvantages

The Directors consider that during the period in which the proportional takeover provisions have been in effect, the proportional takeover provisions have had no potential particular advantages or disadvantages for them or for Shareholders. During the time that the existing proportional takeover provisions have been in effect, there have been no takeover bids for the Company. The Directors are not aware of any potential bid that was discouraged by Clause 35 of the Constitution.

The Directors consider that the proportional takeover approval provisions proposed to be renewed have no potential advantages for the Directors, but do have some for Shareholders including:

- (a) Shareholders will be given the right to decide by majority vote whether to accept a proportional takeover bid;
- (b) the provisions may help Shareholders avoid being locked in as a minority and may prevent a bidder acquiring control of the Company without paying an adequate control premium (i.e. paying for all of their Shares);
- (c) the provisions may increase Shareholders' bargaining power and may help ensure that any bid is adequately priced; and
- (d) knowing the view of the majority of Shareholders may help each individual Shareholder to decide whether to accept or reject the proportional offer.

The Directors consider that the proportional takeover approval provisions proposed to be renewed have no potential disadvantages for the Directors, but do have some for Shareholders including:

- (a) they may discourage proportional takeover bids being made for Shares in the Company;
- (b) Shareholders may lose an opportunity to sell some of their shares at a premium; and
- (c) the likelihood of a proportional takeover succeeding may be reduced.

The Directors do not believe the potential disadvantages outweigh the potential advantages of renewing the proportional takeover provisions and as a result consider that the renewal of the proportional takeover provision is in the interest of Shareholders. The Directors consider that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The Board unanimously recommends the renewal of the proportional takeover provisions.

Resolution 4 is a special resolution.

8. Resolution 5 – Extension of time to repay loan owed to the Company by Mr Martin Rogers

8.1 Background

In December 2014, the Company issued 25,000,000 Shares (**Loan Shares**) to Mr Rogers under the Company's Employee Share Plan as a long term incentive in connection with his appointment as a Director.

The Loan Shares were issued at an issue price of \$0.02 per Loan Share. In accordance with the Plan, the Company provided an interest free loan for the entire issue price of the Loan Shares (**Loan**).

5,000,000 of the Loan Shares remain unvested subject to the Company completing recruitment of the phase 2a proof of concept study (**Unvested Loan Shares**).

As announced to the market on 5 October 2016, Mr Rogers intends to retire from the Board with effect from the date of the Meeting (subject to Shareholders approving Resolution 5 at the Meeting). Mr Rogers will be paid directors' fees in the ordinary course up until the effective date of his resignation.

Under the existing terms of the Loan, the Loan is repayable within 1 month of Mr Rogers resigning as a Director.

The Company has agreed with Mr Rogers that:

- (a) the Unvested Shares will be transferred to the Company in repayment of \$100,000 of the Loan (being the amount of the subscription price for the Unvested Shares – 5,000,000 Shares at \$0.02 per Share);
- (b) the time for repayment of the balance of the Loan (being \$400,000) will be extended to the date which is 2 years from the effective date of Mr Roger's resignation (being 30 November 2018, being 2 years from the date of the Meeting); and

- (c) all other terms of Mr Rogers' participation in the Plan remain the same as documented in the various documents that currently make up the terms and conditions of such participation.

8.2 Related Party Transactions Generally

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

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- (b) shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, Mr Rogers is a related party of the Company by virtue of being a director of the Company.

The Directors consider that by agreeing to extend the repayment date under the Loan, the Company would be giving a financial benefit to Mr Rogers.

Accordingly, Resolution 5 seeks Shareholder approval for the extension of the repayment date under the Loan.

8.3 Information required by section 219 of the Corporations Act and ASIC Regulatory Guide 76

For the purposes of section 219 of the Corporations Act and ASIC policy as set out in ASIC Regulatory Guide 76, the following information is provided.

The related party to whom the proposed resolutions would permit the financial benefit to be given

Pursuant to Resolution 5 and subject to Shareholder approval, the Company proposes to give the financial benefit (being the extension of the time for repayment of the Loan) to existing Director Mr Martin Rogers.

The nature of the financial benefit

The proposed financial benefit to be given is the extension of the time by which Mr Rogers must repay the Loan owed by him to the Company.

If the Loan is not extended as proposed, Mr Rogers would be required to repay the balance of the Loan within 1 month of his resignation as a Director. In order to fund such repayment, Mr Rogers would potentially need to:

- (a) re-finance the balance of the Loan with a commercial lender; or
- (b) sell all or part of the Loan Shares (other than the Unvested Shares, which are to be transferred to the Company to repay \$100,000 of the outstanding amount of the Loan).

The Directors (other than Mr Rogers), consider that the most appropriate way to value the financial benefit to Mr Rogers is to consider the financing costs for Mr Rogers to re-finance the balance of the Loan with a commercial lender over a 2 year term. These costs will vary, depending on the rate of interest Mr Rogers is able to obtain from a commercial lender.

The following table shows the estimated financing costs for Mr Rogers to re-finance the balance of the Loan (being \$400,000, following repayment of \$100,000 by the transfer to the Company of the Unvested Loan Shares) over a 2 year term applying different rates of interest:

Interest rate	Estimated financing costs over a 2 year term (approx.)
3.5%	\$14,750
7.5%	\$32,000
15%	\$65,475

The Directors (other than Mr Rogers) consider that it is in the best interests of the Company to extend the time by which the outstanding amount of the Loan must be repaid because:

- (c) it will give Mr Rogers sufficient time to repay the outstanding amount of the Loan in an orderly fashion; and
- (d) extending the Loan means that there won't be any need for Mr Rogers to sell down a significant amount of his Shares in the near term to fund the repayment of the Loan.

Directors' recommendation and interest in the outcome

The Directors (other than Mr Martin Rogers), each of whom does not have a personal interest in the outcome of the Resolution, recommend that Shareholders vote in favour of Resolution 5 for the reasons given above.

Mr Martin Rogers declines to make a recommendation about Resolution 5 as he has a personal interest in the outcome of that particular Resolution as it relates to the extension of the time by which he must repay the Loan owed by him to the Company.

Current Holdings and Remuneration

Set out below are details of Mr Rogers' relevant interest in Shares as at the date of this Notice:

- (e) 25,000,000 Loan Shares held directly;
- (f) 7,350,000 Shares held through Rogers SF Management Pty Ltd <Rogers Superfund> (director and beneficiary); and
- (g) 4,057,894 Shares held through Structure Investments Pty Ltd <Rogers Family Trust> (director and beneficiary).

For the current financial year, the Relevant Director is entitled to directors' fees of \$136,875 per annum (inclusive of superannuation). If Shareholders approve Resolution 5, so that Mr Rogers' resignation is effective from the date of the Meeting, Mr Rogers will only receive directors' fees of \$45,834 (inclusive of superannuation) for the current financial year up until the date of the Meeting.

Mr Rogers received directors' fees and consulting fees of \$108,136 (inclusive of superannuation) for the financial year ended 30 June 2016 and \$127,754 (inclusive of superannuation) for the financial year ended 30 June 2015.

Other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors.

Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by the proposed Resolution 5.

9. Definitions

\$ means Australian Dollars.

10% Placement Facility has the meaning in Section 5.1.

10% Placement Period has the meaning in Section 5.2(f).

AEDT means Australian Eastern Daylight Time.

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

Associate has the meaning given in section 318 of the Income Tax Assessment Act 1936.

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

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

Board means the board of Directors.

Chairman means the chairman of this Meeting.

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

Company or **Actinogen Medical** means Actinogen Medical Limited ACN 086 778 476.

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.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the A&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Employee Share Plan or **Plan** is the Employee Share Plan of the Company approved by Shareholders at the Company's 2014 Annual General Meeting.

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

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

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

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

Listing Rules means the listing rules of ASX.

Loan has the meaning in Section 8.1.

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

Notice means this notice of meeting.

Option means an option to acquire a Share.

Proxy Form means the proxy form enclosed with this Notice.

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

Resolution means a resolution contained in this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

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

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



LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Actinogen Medical Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Actinogen Medical 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

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 on Wednesday, 30 November 2016 at PKF Boardroom, Level 8, 1 O'Connell Street, Sydney NSW 2000** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1 and 5: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 and 5, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

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*		For	Against	Abstain*
1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Extension of time to repay loan owed to the Company by Mr Martin Rogers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Re-election of Director – Dr Jason Loveridge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Renewal of proportional takeover provisions in Constitution	<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).



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, 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 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.

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 on Monday, 28 November 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

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 MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Actinogen Medical Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

* During 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.**