

# RESPIRI LIMITED

## Notice of Annual General Meeting and Explanatory Memorandum

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<b>RESPIRI Limited:</b>	<b>ACN 009 234 173</b>
Date of Meeting:	Tuesday 22 <sup>nd</sup> November 2016
Time of Meeting:	4:30pm (Melbourne time) Registration from 4:15pm
Place of Meeting:	Giorgios Restaurant Function Room, 1235 High Street, Armadale Victoria, 3143

This is an important document. It should be read in its entirety.  
If you are in doubt as to the course you should follow, consult your financial or other professional adviser.

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**RESPIRI LIMITED**

ACN 009 234 173

Notice is given that the 2016 Annual General Meeting of RESPIRI Limited ("the **Company**" or "**Respiri**") will be held at Giorgios Restaurant Function Room, 1235 High Street, Armadale Victoria, 3143 on Tuesday 22<sup>nd</sup> November 2016 at 4:30pm (Melbourne, Victorian, daylight saving time), for the purposes of considering and, if thought fit, passing each of the resolutions referred to in this Notice of Annual General Meeting.

Further details in respect of each of the resolutions proposed in this Notice of Annual General Meeting are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting. The details of the resolutions contained in the Explanatory Memorandum should be read together with, and form part of, this Notice of Annual General Meeting.

Please read this Notice of Annual General Meeting carefully and consider directing your proxy on how to vote on each resolution by marking the appropriate box on the proxy form included with this Notice of Annual General Meeting. Shareholders who intend to appoint the Chairman as proxy (including appointment by default) should have regard to Proxy and Voting Instructions on page 6 of this Notice of Annual General Meeting.

**ORDINARY BUSINESS****2016 Annual Financial Statements**

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2016 together with the declaration of the Directors' and the reports of the Directors and Auditors.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the Company's annual financial statements and reports.

A representative of Company's Auditor, Deloitte Touche Tohmatsu Auditors, will be present at the Meeting and Shareholders will have an opportunity to ask the Auditor questions in relation to the conduct of the audit, the Auditor's report, the Company's accounting policies, and the independence of the Auditor.

The Respiri Limited 2016 Annual Report can be viewed online at the Company's website [www.respiri.com](http://www.respiri.com) on the "Quarterly and Annual Reports" page under "Investors" tab.

**Resolution 1: Election of Directors**

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

*"THAT, for the purposes of ASX Listing Rule 14.4, clause 13.3 of the Constitution and for all other purposes, Mr. John Ribot-de-Bresac, a Non-Executive Director of the Company retires and, being eligible, be elected as a Director of the Company."*

Further details in respect of the Board composition and Resolution 1 are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

**Resolution 2a: Issue of Unlisted Options to Mr. Leon L'Huillier**

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

*"THAT, for the purposes of ASX Listing Rule 10.11, shareholders approve the issue of 4,000,000 Unlisted Options in the Company to Mr. Leon L'Huillier, a director of the Company, and/or his nominee, on the basis as set out in the Explanatory Memorandum which accompanies and forms part of the Notice of Annual General Meeting."*

**Voting Exclusion and Restriction Statement:**

The Company will, for the purposes of the ASX Listing Rule 14.11, disregard any votes cast on Resolution 2a by:

- persons who are to receive securities in relation to the Company; or
- an associate of those persons.

However, for the purposes of the ASX Listing Rules, the Company need not disregard a vote on Resolution 2a 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; or
- it is cast by the Chairman of 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.

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 any of Resolution 2a if:

- the proxy is either a member of the Company's KMP or a closely related party of a KMP; and
- the appointment does not specify the way the proxy is to vote on the resolutions.

However, for the purposes of Section 250BD of the Corporations Act, the above prohibition does not apply if:

- the proxy is the Chairman of the meeting; and
- the appointment expressly authorises the Chairman to exercise the proxy even if each of the resolutions is connected directly or indirectly with the remuneration of a KMP for the Company or if the Company is part of a consolidated entity, for the entity.

Shareholders who intend to appoint the Chairman as proxy (including an appointment by default) should refer to the Proxy and Voting Instructions on page 6 of this Notice of Annual General Meeting.

Further details in respect of Resolution 2a are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

### **Resolution 2b: Issue of Unlisted Options to Mr John Ribot-de-Bresac**

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

*"THAT, for the purposes of ASX Listing Rule 10.11, shareholders approve the issue of 2,000,000 Unlisted Options in the Company to Mr John Ribot-de-Bresac, a director of the Company, and/or his nominee, on the basis as set out in the Explanatory Memorandum which accompanies and forms part of the Notice of Annual General Meeting."*

**Voting Exclusion and Restriction Statement:**

The Company will, for the purposes of the ASX Listing Rule 14.11, disregard any votes cast on Resolution 2b by:

- persons who are to receive securities in relation to the Company; or
- an associate of those persons.

However, for the purposes of the ASX Listing Rules, the Company need not disregard a vote on Resolution 2b 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; or
- it is cast by the Chairman of 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.

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 any of Resolution 2b if:

- the proxy is either a member of the Company's KMP or a closely related party of a KMP; and
- the appointment does not specify the way the proxy is to vote on the resolutions.

However, for the purposes of Section 250BD of the Corporations Act, the above prohibition does not apply if:

- the proxy is the Chairman of the meeting; and
- the appointment expressly authorises the Chairman to exercise the proxy even if each of the resolutions is connected directly or indirectly with the remuneration of a KMP for the Company or if the Company is part of a consolidated entity, for the entity.

Shareholders who intend to appoint the Chairman as proxy (including an appointment by default) should refer to the Proxy and Voting Instructions on page 6 of this Notice of Annual General Meeting.

Further details in respect of Resolution 2b are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

**Resolution 2c: Issue of Unlisted Options to Dr Timothy Oldham**

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

*"THAT, for the purposes of ASX Listing Rule 10.11, shareholders approve the issue of 2,000,000 Unlisted Options in the Company to Dr Timothy Oldham, a director of the Company, and/or his nominee, on the basis as set out in the Explanatory Memorandum which accompanies and forms part of the Notice of Annual General Meeting."*

**Voting Exclusion and Restriction Statement:**

The Company will, for the purposes of the ASX Listing Rule 14.11, disregard any votes cast on Resolution 2c by:

- persons who are to receive securities in relation to the Company; or
- an associate of those persons.

However, for the purposes of the ASX Listing Rules, the Company need not disregard a vote on Resolution 2c 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; or
- it is cast by the Chairman of 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.

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 any of Resolution 2c if:

- the proxy is either a member of the Company's KMP or a closely related party of a KMP; and
- the appointment does not specify the way the proxy is to vote on the resolutions.

However, for the purposes of Section 250BD of the Corporations Act, the above prohibition does not apply if:

- the proxy is the Chairman of the meeting; and
- the appointment expressly authorises the Chairman to exercise the proxy even if each of the resolutions is connected directly or indirectly with the remuneration of a KMP for the Company or if the Company is part of a consolidated entity, for the entity.

Shareholders who intend to appoint the Chairman as proxy (including an appointment by default) should refer to the Proxy and Voting Instructions on page 6 of this Notice of Annual General Meeting.

Further details in respect of Resolution 2c are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

**Resolution 2d: Issue of Unlisted Options to the Wall Partnership P/L**

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

*"THAT, for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 2,000,000 Unlisted Options in the Company to The Wall Partnership P/L (ABN: 73 469 719 989), and/or their nominee, on the basis as set out in the Explanatory Memorandum which accompanies and forms part of the Notice of Annual General Meeting."*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on this resolution by The Wall Partnership P/L any of its associates. However, the Company need 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; or
- it is cast by the Chairman of 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.

Shareholders who intend to appoint the Chairman as proxy (including an appointment by default) should refer to the Proxy and Voting Instructions on page 6 of this Notice of Annual General Meeting.

Further details in respect of Resolution 2d are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

### Resolution 3: Approve the previous issue of Shares for Consulting Fees

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

*"THAT, for the purposes of ASX Listing Rule 7.4 and all other purposes, shareholders approve the previous issue of 6,666,667 Shares in the Company to The CFO Solution, on the basis as set out in the Explanatory Memorandum which accompanies and forms part of the Notice of Annual General Meeting."*

**Voting Exclusion and Restriction Statement:**

The Company will, for the purposes of the ASX Listing Rule 14.11, disregard any votes cast on Resolution 3 by:

- any person who participated in the issue or received a benefit; or
- an associate of those persons.

However, for the purposes of the ASX Listing Rules, the Company need not disregard a vote on Resolution 3 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; or
- it is cast by the Chairman of 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.

Shareholders who intend to appoint the Chairman as proxy (including an appointment by default) should refer to the Proxy and Voting Instructions on page 6 of this Notice of Annual General Meeting.

Further details in respect of Resolution 3 are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

### Resolution 4: Adoption of Remuneration Report

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

*"THAT, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2016 included in the Directors' Report, which is attached to the Company's Annual Financial Report as required under section 300A of the Corporations Act, be adopted by the Company."*

**Voting Exclusion and Restriction Statement:**

The Company will disregard all votes cast on Resolution 4 by, or on behalf of:

- a member of the key management personnel (KMP), details of whose remuneration are included in the Remuneration Report for the year ended 30 June 2016; or
- a closely related party of a KMP, whether the votes are cast as a shareholder, proxy or in any other capacity.

However, the Company will not disregard a vote cast on Resolution 4 by a KMP or a closely related party of a KMP if it is cast as a proxy and it is not cast on behalf of a KMP or a closely related party of a KMP and either:

- the proxy is appointed by writing that specifies how the proxy is to vote on the resolution proposed in Resolution 4; or
- the proxy is the Chairman of the meeting and the appointment of the Chairman as proxy specifies the way the proxy is to vote on Resolution 4 and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a KMP for the Company or if the Company is part of a consolidated entity, for the entity.

**If you are a KMP or a closely related party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.**

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly. Members of KMP include its directors and certain senior executives.

A closely related party of a member of the KMP means any of the following:

- a spouse, child or dependent of the member;
- a child or dependent of the member's spouse;
- anyone else who is one of the member's family and may be expected to influence, or be influenced by, the member in the member's dealings with the Company;
- a company the member controls; or
- a person prescribed by regulations (as at the date of this notice of meeting, no additional persons have been prescribed by regulation).

Shareholders who intend to appoint the Chairman as proxy (including an appointment by default) should refer to the Proxy and Voting Instructions on page 6 of this Notice of Annual General Meeting.

Further details in respect of Resolution 4 are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

## SPECIAL BUSINESS

### Resolution 5: Approval of 10% Placement Issue

To consider and, if thought fit, pass the following as a special resolution:

*"THAT, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Memorandum to this Notice of Meeting, be and is hereby approved."*

**Voting Exclusion and Restriction Statement:**

*The Company will, in accordance with ASX Listing Rule 14.11, disregard any votes cast in respect of Resolution 5 by a person who may participate in the 10% placement issue 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.*

*As at the date of this Notice of Meeting the Company has no specific plans to issue equity securities under the 10% placement issue and therefore it is not known who (if any) may participate in a potential (if any) issue of equity securities under the 10% placement issue.*

*However, the Company need not disregard a vote cast on the resolution 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; or*
- it is cast by the Chairman of 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.*

Shareholders who intend to appoint the Chairman as proxy (including an appointment by default) should refer to the Proxy and Voting Instructions on page 6 of this Notice of Annual General Meeting.

Further details in respect of Resolution 5 are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

## OTHER BUSINESS

To consider any other business that may be brought before the Meeting in accordance with the Constitution of the Company and the Corporations Act.

By the order of the Board;



Mr Peter Vaughan  
Company Secretary

Dated: Friday, 21<sup>st</sup> October 2016

*The accompanying Explanatory Memorandum, Proxy Form  
and Voting Instructions form part of this Notice of Meeting.*

**PROXY AND VOTING INSTRUCTIONS****Proxy Instructions**

A Shareholder who is entitled to attend and vote at this meeting may appoint:

- (a) one proxy if the Shareholder is only entitled to one vote; and
- (b) one or two proxies if the Shareholder is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the Shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes, in which case any fraction of votes will be disregarded.

The proxy may, but need not, be a member of the Company.

Where a Shareholder appoints two proxies, on a show of hands, neither proxy may vote if more than one proxy attends and on a poll each proxy may only exercise votes in respect of those shares or voting rights the proxy represents.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged at the registered office of the Company or sent by facsimile transmission to the office of the Company's Company Secretaries on +61 (0)3 9822 7735 not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the Shareholder (or in the case of a joint holding, by each joint holder) or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

If you sign the proxy form and do not appoint a proxy, you will have appointed the Chairman of the meeting as your proxy.

The appointment of one or more duly appointed proxies will not preclude a Shareholder from attending this meeting and voting personally. If the Shareholder votes on a resolution, the proxy must not vote as the Shareholder's proxy on that resolution.

A proxy form is attached to this Notice.

**How the Chairman will vote undirected proxies**

The Chairman of the meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions (this includes Resolutions 3a to 3e and 4).

**Proxies that are undirected on Resolutions**

If you appoint the Chairman of the meeting as your proxy (or if he may be appointed by default), but you do not direct the Chairman how to vote in respect of Resolutions 3a to 3e and 4 your election to appoint the Chairman as your proxy will be deemed to constitute an express authorisation by you directing the Chairman to vote your proxy in favour of all of Resolution 4 (unless you have exercised your right to direct the Chairman otherwise in respect of a particular Resolution by marking the 'against' or 'abstain' column in respect of any of the relevant resolutions).

This express authorisation acknowledges that the Chairman may vote your proxy even if he or she has an interest in the outcome of Resolutions 3a to 3e and 4, even if the Resolutions are connected directly or indirectly with remuneration of a member of the KMP of the Company (or if the Company is part of a consolidated entity, for the entity) and accordingly your votes will be counted in calculating the required majority if a poll is called.

**Corporate Representatives**

Any corporation which is a Shareholder of the Company may appoint a proxy, as set out above, or authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the Chairperson of the meeting) a natural person to act as its representative at any general meeting.

Corporate representatives are requested to bring appropriate evidence of appointment as a representative in accordance with the constitution of the Company. Attorneys are requested to bring the original or a certified copy of the power of attorney pursuant to which they were appointed. Proof of identity will also be required for corporate representatives and attorneys.

**Voting Entitlement**

For the purposes of section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the Corporations Regulations, the Board has determined that Shareholders entered on the Company's Register of Members as 20<sup>th</sup> November 2016 at 4.30pm (Melbourne, Victorian, daylight saving time) are entitled to attend and vote at the meeting. Transactions registered after that time will be disregarded in determining the Shareholders entitled to attend and vote at the meeting.

On a poll, Shareholders have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

In the case of joint holders of shares, if more than one holder votes at any meeting, only the vote of the first named of the joint holders in the share register of the Company will be counted.



**RESPIRI LIMITED**

ACN 009 234 173  
("the Company")

**2016 ANNUAL GENERAL MEETING – EXPLANATORY MEMORANDUM****PURPOSE OF INFORMATION**

This Explanatory Memorandum ("this **Memorandum**") accompanies and forms part of the Company's Notice of the 2016 Annual General Meeting ("**AGM**") to be held at Giorgios Restaurant Function Room, 1235 High Street, Armadale Victoria, 3143 on Tuesday 22<sup>nd</sup> November 2016 at 4:30pm (Melbourne, Victorian, daylight saving time).

The Notice of the 2016 Annual General Meeting incorporates, and should be read together with, this Memorandum.

**ORDINARY BUSINESS****2016 Annual Financial Statements**

The 2016 Annual Financial Statements, comprising the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2016 will be laid before the meeting. Shareholders will have the opportunity to ask questions about or make comments on the 2016 Annual Financial Statements and the management of the Company. A representative of the auditor will be invited to attend to answer questions about the audit of the Company's 2016 Annual Financial Statements.

The Company's 2016 Annual Financial Statements are set out in the Company's 2016 Annual Report which can be obtained from the Company's website, [www.respiri.com](http://www.respiri.com) or upon request to the Company Secretary at Suite 1, 1233 High Street, Armadale, Victoria, 3143, Australia (telephone +61 (0)3 9824 5254).

There is no requirement for these reports to be formally approved by Shareholders. No resolution is required to be moved in respect of this item.

**Resolution 1: Election of Directors**

The composition of the Board has been reviewed to ensure its size, mix of skills, and experience is appropriate for the stage of the company development. This change is also in readiness for a potential partnership or alliance that may involve a Board appointment.

Accordingly, Mr David Ashmore and Mr Ross Blair-Holt will retire from the Board as at the date of this notice of meeting.

Pursuant to the Constitution of the Company, one-third of the Directors (excluding the Managing Director) or, if their number is not a multiple of three, the number nearest to one-third, not exceeding one third, are required to retire by rotation at each Annual General Meeting. The Company has three directors. Accordingly, one director is required to retire by rotation at the 2016 Annual General Meeting

Accordingly, Mr John Ribot-de-Bresac retires by rotation in accordance with clause 13.3 of the Constitution and ASX Listing Rule 14.4 and being eligible offers himself for election.

*Appointed to the Board* 4<sup>th</sup> February 2014

*Last elected by Shareholders* 28<sup>th</sup> November 2014

*Experience* Mr John Ribot-de-Bresac has extensive experience and a strong record of achievement as an entrepreneur and executive director, particularly in regard to the start-up and subsequent development of major Australian sporting organisations including the Brisbane Broncos, Melbourne Storm and the Brisbane Roar. In these roles he negotiated and developed successful partnerships with global and local corporations including News Corporation.

John serves as Director of Trustee of Melbourne Olympic Park Trust, Executive Chairman of Queensland Clubs Management (QCM), and owns hospitality venues throughout Queensland. Mr Ribot-de-Bresac previously served as Director of Victorian Major Events Committee. He received the Australian Sports Medal following a distinguished sports career.

<i>Interest in shares and options</i>	7,983,614 Ordinary Shares and 2,000,000 Unlisted Options
<i>Committees</i>	Member of the Remuneration & Nomination Committee Member of the Audit, Risk and Compliance Committee
<i>Directorships held in other listed entities</i>	No other Public Company Directorships in the past three years

The Directors (with Mr John Ribot-de-Bresac abstaining) recommend that you vote in favour of this Ordinary Resolution.

### **Resolution 2a: Issue of Unlisted Options to Mr Leon L'Huillier**

ASX Listing Rule 10.11 requires a company to obtain approval of shareholders to issue shares to a related party of the Company. A related party includes a director of the Company. Resolution 2a is proposed to obtain shareholder approval for the total issue of 4,000,000 Unlisted Options, exercisable at \$0.285 per option on or before 30<sup>th</sup> November 2019, to Mr Leon L'Huillier, and/or his nominees.

At the Annual General Meeting held on 28<sup>th</sup> November 2014, shareholders approved an issue of 4,000,000 Unlisted Options to Mr Leon L'Huillier. These options are exercisable at \$0.285 per option and will expire this financial year. The exercise price is equal to the Respiri ordinary share price at the time the current board was formed in February 2014.

These Options are to be issued to Mr Leon L'Huillier, and/or his nominees, as remuneration in recognition of the additional special exertion services performed since being appointed, which were far over and above those services deemed usual for a director of a company with Respiri's positioning, together with additional services that will be required to be exerted over the coming 3 years. These options are to be issued in lieu of additional cash remuneration.

The following information is provided in accordance with the requirements of ASX Listing Rule 10.13:

- (a) total number of securities to be issued is 4,000,000 Unlisted Options, at exercise price of \$0.285 per option, exercisable on or before 30 November 2019, and should Mr Leon L'Huillier resign prior to this date any unexercised options may be cancelled by Respiri in proportion to the length of service of the director;
- (b) the options will be issued to Mr Leon L'Huillier and/or his nominee;
- (c) the options will be issued no later than one (1) month after the date of the meeting; and
- (d) no funds will be raised by the issue of the options the subject of Resolution 2a.

ASX Listing Rule 7.1 requires the prior approval of shareholders in General Meeting to issue securities if the number of those securities exceeds 15% of the number of the same class of securities at the commencement of the relevant 12 month period. This rule does not apply in respect of an issue made with the approval of holders of ordinary securities under ASX Listing Rule 10.11. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

As the securities form part of the directors' remuneration, it is not necessary to seek approval under Chapter 2E of the *Corporations Act* to issue the shares in Resolution 2a.

The Directors (with Mr Leon L'Huillier abstaining) recommend that you vote in favour of this Ordinary Resolution.

### **Resolution 2b: Issue of Unlisted Options to Mr John Ribot-de-Bresac**

ASX Listing Rule 10.11 requires a company to obtain approval of shareholders to issue shares to a related party of the Company. A related party includes a director of the Company. Resolution 2b is proposed to obtain shareholder approval

for the total issue of 2,000,000 Unlisted Options, exercisable at \$0.285 per option on or before 30<sup>th</sup> November 2019, to Mr John Ribot-de-Bresac, and/or his nominees.

At the Annual General Meeting held on 28<sup>th</sup> November 2014, shareholders approved an issue of 2,000,000 Unlisted Options to Mr John Ribot-de-Bresac. These options are exercisable at \$0.285 per option and will expire this financial year. The exercise price is equal to the Respire ordinary share price at the time the current board was formed in February 2014.

These Options are to be issued to Mr John Ribot-de-Bresac, and/or his nominees, as remuneration in recognition of the additional special exertion services performed since being appointed, which were far over and above those services deemed usual for a director of a company with Respire's positioning, together with additional services that will be required to be exerted over the coming 3 years. These options are to be issued in lieu of additional cash remuneration. The exercise price is equal to the Respire ordinary share price at the time the majority of the current board was formed.

The following information is provided in accordance with the requirements of ASX Listing Rule 10.13:

- (a) total number of securities to be issued is 2,000,000 Unlisted Options, at exercise price of \$0.285 per option, exercisable on or before 30 November 2019, and should Mr John Ribot-de-Bresac resign prior to this date any unexercised options may be cancelled by Respire in proportion to the length of service of the director;
- (b) the options will be issued to Mr John Ribot-de-Bresac and/or his nominee;
- (c) the options will be issued no later than one (1) month after the date of the meeting; and
- (d) no funds will be raised by the issue of the options the subject of Resolution 2b.

ASX Listing Rule 7.1 requires the prior approval of shareholders in General Meeting to issue securities if the number of those securities exceeds 15% of the number of the same class of securities at the commencement of the relevant 12 month period. This rule does not apply in respect of an issue made with the approval of holders of ordinary securities under ASX Listing Rule 10.11. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

As the securities form part of the directors' remuneration, it is not necessary to seek approval under Chapter 2E of the *Corporations Act* to issue the shares in Resolution 2b.

The Directors (with Mr John Ribot-de-Bresac abstaining) recommend that you vote in favour of this Ordinary Resolution.

### **Resolution 2c: Issue of Unlisted Options to Dr Timothy Oldham**

ASX Listing Rule 10.11 requires a company to obtain approval of shareholders to issue shares to a related party of the Company. A related party includes a director of the Company. Resolution 3c is proposed to obtain shareholder approval for the total issue of 2,000,000 Unlisted Options, exercisable at \$0.285 per option on or before 30<sup>th</sup> November 2019, to Dr Timothy Oldham and/or his nominees.

At the Annual General Meeting held on 28<sup>th</sup> November 2014, shareholders approved an issue of 2,000,000 Unlisted Options to Mr Timothy Oldham. These options are exercisable at \$0.285 per option and will expire this financial year. The exercise price is equal to the Respire ordinary share price at the time the current board was formed in February 2014.

These Options are to be issued to Dr Timothy Oldham, and/or his nominees, as remuneration in recognition of the additional special exertion services performed since being appointed, which were far over and above those services deemed usual for a director of a company with Respire's positioning, together with additional services that will be required to be exerted over the coming 3 years. These options are to be issued in lieu of additional cash remuneration. The exercise price is equal to the Respire ordinary share price at the time the majority of the current board was formed.

The following information is provided in accordance with the requirements of ASX Listing Rule 10.13:

- (a) total number of securities to be issued is 2,000,000 Unlisted Options, at exercise price of \$0.285 per option, exercisable on or before 30 November 2019, and should Dr Timothy Oldham resign prior to this date any unexercised options may be cancelled by Respire in proportion to the length of service of the director;

- (b) the options will be issued to Dr Timothy Oldham and/or his nominee;
- (c) the options will be issued no later than one (1) month after the date of the meeting; and
- (d) no funds will be raised by the issue of the options the subject of Resolution 2c.

ASX Listing Rule 7.1 requires the prior approval of shareholders in General Meeting to issue securities if the number of those securities exceeds 15% of the number of the same class of securities at the commencement of the relevant 12 month period. This rule does not apply in respect of an issue made with the approval of holders of ordinary securities under ASX Listing Rule 10.11. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

As the securities form part of the directors' remuneration, it is not necessary to seek approval under Chapter 2E of the *Corporations Act* to issue the shares in Resolution 2c.

The Directors (with Dr Timothy Oldham abstaining) recommend that you vote in favour of this Ordinary Resolution.

### **Resolution 2d: Issue of Unlisted Options to The Wall Partnership P/L**

Resolution 2d is proposed to obtain shareholder approval to issue of 2,000,000 Unlisted Options in the Company to The Wall Partnership P/L (ABN: 73 469 719 989), and/or their nominee. The Wall Partnership P/L has continued to play a key project management role since the new Board was appointed in February 2014. They have supported the Chairman in the build of Respiro's new technology platform, clinical trial development and in the project management of all outsourced partners.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.3:

- (a) total number of securities to be issued is 2,000,000 Unlisted Options, at exercise price of \$0.285 per option, exercisable on or before 30 November 2019;
- (b) the options will be issued to The Wall Partnership P/L and/or their nominee;
- (c) the options will be issued no later than three (3) months after the date of the meeting; and
- (d) no funds will be raised by the issue of the options the subject of Resolution 2d.

ASX Listing Rule 7.1 provides that a listed company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12-month period without the approval of shareholders.

Resolution 2d seeks approval for the issue of 2,000,000 Options as detailed above for the propose of ASX Listing Rule 7.1 and all other purposes.

The Directors recommend that you vote in favour of this Ordinary Resolution.

### **Resolution 3: Approve the previous issue of Shares for Consulting Fees**

In May 2015, the Company issued 6,666,667 Shares in lieu of cash payment for accounting and company secretarial services rendered by The CFO Solution to the value of \$200,000.

The 6,666,667 Shares were issued without prior shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

#### **ASX Listing Rules 7.1, 7.4 & 7.5**

ASX Listing Rule 7.1 provides that a listed company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12-month period without the approval of shareholders.

ASX Listing Rule 7.4 provides that an issue of shares made without approval under Listing Rule 7.1 is treated as been made with approval if each of the following applies:

- the issue did not breach Listing Rule 7.1 or 7.1A, and
- the shareholders of ordinary securities subsequently approve the issue.

The issue of 6,666,667 Shares did not breach ASX Listing Rule 7.1 and the Company seeks subsequent Shareholder approval for these issues of Shares for the purposes of ASX Listing Rule 7.4 and all other purposes.

The following information is provided to Shareholders in accordance with ASX Listing Rule 7.5:

Information required	Details
The number of securities issued	6,666,667 Shares
The price at which the securities were issued	Shares: \$0.03 per Share
The terms of the securities	Ordinary Shares which rank equally in all respects with existing Shares.
The names of persons to whom the entity issued the securities	The Shares were issued to The CFO Solution
The use of the funds raised	As Shares were issued as consideration for fees payable no funds were directly raised from the issue of Shares.

The Directors recommend that you vote in favour of this Ordinary Resolution.

#### Resolution 4: Adoption of Remuneration Report

The Company is required, pursuant to the Corporations Act 2001, to propose at each annual general meeting a non-binding resolution that the Remuneration Report (which forms part of the Director's Report in the Annual Financial Statements) be adopted.

The purpose of Resolution 4 is to lay before the Shareholders the Company's Remuneration Report for the year ended 30 June 2016 so that Shareholders attending the 2016 Annual General Meeting of the Company will have an opportunity to discuss and put questions in respect of the Remuneration Report and the management of the Company, and vote on an advisory and non-binding resolution to adopt the Remuneration Report.

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

The vote on the resolution for the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company. However, under the Corporations Act, if at least 25% of the votes cast on the resolution at the 2016 Annual General Meeting are voted against the adoption of the Remuneration Report, then:

- if comments are made on the Remuneration Report at the Annual General Meeting, the Company's remuneration report for the financial year ending 30 June 2016 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this; and
- A 'first strike' will occur if this Remuneration Report resolution receives a 'no' vote of 25% or more. If this occurs, the Company's subsequent remuneration report will contain an explanation of the Board's proposed action in response to the 'no' vote or an explanation of why no action has been taken by the Board.
- A 'second strike' will occur if the resolution to adopt the Remuneration Report at the 2016 Company Annual General Meeting also receives a 'no' vote of 25% or more. If this occurs, shareholders will vote at that Annual General Meeting to determine whether the Directors will need to stand for re-election at a separate, subsequent meeting (the 'spill resolution'). If the spill resolution passes with 50% or more of eligible votes cast, the spill meeting must take place within 90 days.

The Remuneration Report forms part of the Directors' Report which has been unanimously been adopted by resolution of the Board. The Directors have resolved in favour of the Remuneration Report and commend it to Shareholders for adoption. The Company encourages all Shareholders to cast their votes on Resolution 4.

If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on this Resolution by marking either "For", "Against" or "Abstain" on the proxy form for this Resolution. If you appoint the Chairman of the meeting as your proxy (or if he may be appointed by default) and do not direct him how to vote on this Resolution 4, he will vote your proxy in favour of that item of business.

## SPECIAL BUSINESS

### Resolution 5: Approval of 10% placement issue

#### ASX Listing Rule 7.1A

In 2012, the ASX introduced ASX Listing Rule 7.1A which enables certain 'eligible entities' to issue equity securities of up to 10% of their issued share capital through placements over the 12 month period commencing after the annual general meeting at which the additional approval is obtained (Additional Placement Capacity). ASX Listing Rules require that Shareholders approve the Additional Placement Capacity by special resolution, at an annual general meeting before any equity securities are issued under the Additional Placement Capacity.

For the purposes of ASX Listing Rule 7.1A an 'eligible entity' 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' for the purpose of ASX Listing Rule 7.1A. The Additional Placement Capacity is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. Therefore, if the Additional Placement Capacity is approved, the Directors will be allowed to issue equity securities of up to 10% of the Company's issued share capital pursuant to ASX Listing Rule 7.1A and up to 15% pursuant to ASX Listing Rule 7.1. If the Additional Placement Capacity is not approved, the Directors will still be allowed to issue equity securities of up to 15% of the Company's issued capital pursuant to ASX Listing Rule 7.1.

The Company seeks Shareholder approval by way of a special resolution to have the ability to issue equity securities under the Additional Placement Capacity should the need arise.

#### Formula for calculating 10% Placement Facility

ASX 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:

$$\frac{(A \times D) - E}{100}$$

**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 ASX 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 ASX 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.
- e) Note that A is has the same meaning in ASX 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 ASX 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 ASX Listing Rule 7.1 or 7.4.

### **ASX Listing Rule 7.3A**

In accordance with ASX Listing Rule 7.3A the Company provides the following information.

Any securities issued under the Additional Placement Capacity will be in the same class as existing quoted securities of the Company. The Company has the following classes of quoted equity securities as at the date of this Notice of Meeting;

- Ordinary fully paid shares ASX code RSH

The issue price for each security issued under the Additional Placement Capacity will not be less than 75% of the volume weighted average price for securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within 5 trading days of the date above, the date on which the securities are issued.

The issue of equity securities under the Additional Placement Capacity may result in voting dilution of existing ordinary shareholders (as shown in Table 1). There is also the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Meeting; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

Equity securities under the Additional Placement Capacity may be issued until the earlier of:

- 1 year following the date of the Meeting; and
- the date of approval by ordinary shareholders of a significant change to the Company's activities under ASX Listing Rule 11.1.2 or the date of approval by ordinary shareholders of a disposal of a major asset under ASX Listing Rule 11.2 or such longer period if allowed by the ASX.

Any approval of the Additional Placement Capacity at this Meeting will cease to be valid if and from the date that ordinary shareholders approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

The Company may issue equity securities under the Additional Placement Capacity for the following purposes:

- non-cash consideration: for the acquisition of new assets or the settlement of obligations (in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rules); or
- cash consideration: to raise funds for working capital, to fund product research, development and commercialisation programs or for the acquisition of new assets.

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

The Company's allocation policy for issues under the Additional Placement Capacity is dependent on prevailing market conditions at the time of any proposed issue.

The identity of the allottees of the equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including rights issues or other issues in which existing shareholders may participate;
- the effect of the issue of the equity securities on the control of the Company;

- the financial position of the Company; and
- advice from the Company's advisors.

The Directors have not decided if they will issue any securities under the Additional Placement Capacity and so allottees under the Additional Placement Capacity have not yet been determined. If Directors decide to issue securities under the Additional Placement Capacity, allottees may include existing Shareholders, existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Table 1 shows the dilution of 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 ASX Listing Rule 7.1A(2).

The table also shows:

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

Variable "A" in ASX Listing Rule 7.1A.2		Dilution		
		\$0.032 50% decrease in Deemed Price	\$0.064 Deemed Price (current price)	\$0.128 100% Increase in Deemed Price
Current Variable A 432,383,224 Shares	10% Voting Dilution	43,238,322 Shares	43,238,322 Shares	43,238,322 Shares
	Funds raised	\$1,383,626	\$2,767,253	\$5,534,505
50% increase in current Variable A 648,574,836 Shares	10% Voting Dilution	64,857,484 Shares	64,857,484 Shares	64,857,484 Shares
	Funds raised	\$2,075,439	\$4,150,879	\$8,301,758
100% increase in current Variable A 864,766,448 Shares	10% Voting Dilution	86,476,645 Shares	86,476,645 Shares	86,476,645 Shares
	Funds raised	\$2,767,253	\$5,534,505	\$11,069,011

\* Please note that the balances shown above are true and correct at time of printing.

Table 1 above has been prepared based on the following assumptions:

- Variable A is based on the number of Shares on issue as at Monday 3<sup>rd</sup> October 2016.
- The Company issues the maximum number of equity securities available under the Additional Placement Capacity.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table shows only the issue of equity securities under the Additional Placement Capacity and not under ASX Listing Rule 7.1.
- The issue of equity securities under the additional placement capacity includes only shares.
- The issue price of \$0.064 was the closing price of Shares as traded on ASX on Monday 3<sup>rd</sup> October 2016. This price may fluctuate between the time of preparing this Notice and the date of the Meeting.

The Company has previously obtained approval for the Additional Placement Capacity at its 2015 Annual General Meeting.



**Information under ASX Listing Rule 7.3A.6(a)**

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

<b>Equity securities on issue at the commencement of the 12 month period</b>	<b>293,381,876*</b>
<b>Equity securities issued in the 12 month period</b>	<b>154,794,408</b>
<b>Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period</b>	54.97%

\* Comprising an aggregate of 281,588,816 shares and 11,793,060 options.

**Information under ASX Listing Rule 7.3A.6(b)**

The table below sets out specific details for each issue of equity securities that has taken place in the 12-month period before the date of the AGM.

<b>Date of issue, class and type of equity security and number issued</b>	A. 4,000,000 options on 8 Dec 2015. B. 6,666,667 shares on 19 May 2016. C. 144,127,741 shares on 23 June 2016
<b>Summary of terms</b>	A. Options with and exercise price of \$0.285 and an expiry date of 3 February 2017. B. Ordinary Shares C. Ordinary Shares
<b>Names of persons who received securities or basis on which those persons were determined</b>	A. Issued to Company directors as approved by shareholders. B. CFO Solution. C. Pro Rata Rights Issue to shareholders.
<b>Issue price and discount to market price (if any)</b>	A. Nil. B. \$0.03 per share which represents a 6.25% discount to the closing price of shares as traded on ASX on the issue date. C. \$0.03 per share which represents a 18.92% discount to the closing price of shares as traded on ASX on the issue date.

<b>For cash issues</b>	
<b>Total cash consideration received</b>	A. Nil B. Nil C. \$4.32 million
<b>Approximate amount of cash consideration spent</b> <i>(Cash consideration spent is for the period 1 July 2016 to 30 September 2016)</i>	A. N/A B. N/A C. Approximately \$0.85 million
<b>Use of cash consideration</b>	A. N/A B. N/A C. working capital for commercialisation activities.
<b>Intended use for remaining amount of cash (if any)</b>	A. N/A B. N/A C. working capital for commercialisation activities.
<b>For non-cash issues</b>	
<b>Non-cash consideration paid</b>	A. Options were issued as remuneration to Company directors. B. Options were issued as consideration for accounting and company secretary services.
<b>Current value of that non-cash consideration</b>	A. The 4,000,000 Options were valued at \$360 in the Company 2016 Annual Financial Report. B. \$200,000

**Directors Recommendation**

The Directors believe that Resolution 5 is in the best interest of the Company and unanimously recommend that Shareholder vote in favour of this Resolution 5.

A voting inclusion statement is included in this Notice. In accordance with ASX Listing Rule 14.11.1 and the relevant Note under that rule concerning Rule 7.1A, as at the date of this Notice it is not known who may participate in the proposed issue (if any). On that basis, no security holders are currently excluded.

## ANNEXURE A – TERMS OF OPTIONS

<b>Entitlement</b>	Each Option entitles the holder ( <b>Option Holder</b> ) to subscribe for 1 Share ( <b>Option Share</b> ) on exercise of the Option.
<b>Exercise price</b>	\$0.285 for each Option.
<b>Exercise period</b>	The Options are exercisable at any time on or before 30 November 2019.
<b>Expiry date</b>	Any Option not exercised before the end of the exercise period will automatically lapse.
<b>Exercise notice</b>	The Options may be exercised during the exercise period by notice in writing to the Company.
<b>Shares issued on exercise</b>	Shares issued on exercise of the Options will rank equally with the then issued Shares of the Company.
<b>Quotation of Options</b>	Options will be unlisted options.
<b>Transferability of Consideration Options</b>	Subject to the Corporations Act, the Listing Rules, and the constitution of the Company, each Option is freely transferable.
<b>Bonus issues</b>	If after the date on which the Options are issued, the Company makes a bonus issue of Shares ( <b>Bonus Issue</b> ) before some or all of the Options have been exercised, then the number of Option Shares to be issued on exercising those Options will be increased by the number of additional Option Shares to which the Option Holder would have been entitled had the Options held by the Option Holder at the record time for the Bonus Issue been exercised before the record time for the Bonus Issue.]
<b>Adjustment for rights issue</b>	<p>If after the date on which the Options are issued, the Company makes a pro rata issue of Shares (other than a Bonus Issue to Shareholders, then the exercise price of each unexercised Option will be reduced according to the following formula:</p> $O - \frac{E[P - (S + D)]}{N + 1}$ <p>New exercise price =</p> <p>O = the old exercise price of the Option;</p> <p>E = the number of underlying Shares to which 1 Option is exercisable;</p> <p>P = the average market price per Share (weighted by reference to the volume) of the underlying Shares during the 5 trading days ending on the day before the ex-rights date or ex-entitlements date;</p> <p>S = the subscription price of a Share under the pro rata issue;</p> <p>D = any dividend per Share due but not yet paid on the existing Shares (except those to be issued under the pro rata issue); and</p> <p>N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share under the pro rata issue.]</p>

*This page has been left blank intentionally.*

RESPIRI LIMITED

ACN 009 234 173 ("the Company")

Please Return Completed Form to: The Company Secretary, Respi Limited, PO Box 8694, Armadale, Victoria, AUSTRALIA 3143

YOUR VOTE IS IMPORTANT.

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 4:30PM ON 20th NOVEMBER 2016

PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member(s) of Respi Limited

and entitled to: \_\_\_\_\_ shares hereby appoint:

[ ] The Chairman of the meeting OR

Name of Proxy: \_\_\_\_\_

Address of Proxy: \_\_\_\_\_

or in the absence of the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) on my/our behalf at the 2016 Annual General Meeting of the Company to be held at Giorgios Restaurant function room, 1235 High Street, Armadale Victoria, 3143 on Tuesday 22nd November 2016 at 4:30pm (Melbourne, Victorian, daylight saving time) and at any adjournment or postponement of that meeting.

If two proxies are appointed, complete the following sentence:

This proxy is authorised to exercise ..... votes/ ..... % of my/our total voting rights.

The Chairman intends to vote all undirected proxies in favour of all Resolutions.

Chairman authorised to exercise undirected proxies on remuneration related resolutions:

Where I/we have appointed the Chairman of the meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to vote in accordance with the Chairman's voting intentions on Resolution 4, (except where I/we have indicated a different voting intention below) and acknowledge that the Chairman may exercise my/our proxy even though Resolution 4, is connected directly or indirectly with the remuneration of a member of key management personnel (which includes the Chairman) and with respect to Resolution 4, even if the Chairman of the meeting has an interest in the outcome of Resolution 4 and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

Important Note:

If the Chairman of the meeting is (or becomes by default) your proxy you can direct the Chairman to vote against or abstain from voting on Resolution 4 by marking the appropriate box on the next page.

**Proxy Instructions:**

To instruct your proxy how to vote, insert 'X' in the appropriate column against each resolution set out below. If you do not instruct your proxy how to vote on a resolution, your proxy may vote as he/she thinks fit or abstain from voting.

<b>I/We direct my/our proxy to vote as indicated below:</b>		<b>For</b>	<b>Against</b>	<b>Abstain</b>
Resolution 1.	Election of Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2a.	Issue of Unlisted Options to Mr. Leon L'Huillier	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2b.	Issue of Unlisted Options to Mr John Ribot-de-Bresac	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2c.	Issue of Unlisted Options to Dr Timothy Oldham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2d.	Issue of Unlisted Options to the Wall Partnership P/L	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3.	Approve the previous issue of Shares for Consulting Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4.	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5.	Approval of 10% Placement Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**If a person:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Name (Print)

Date:     /     /

**If a Corporate Entity:**

EXECUTED by:

\_\_\_\_\_  
in accordance with the Corporations Act

\_\_\_\_\_  
(Signature)

Date:     /     /

\_\_\_\_\_  
Name of Corporate Entity (print)

\_\_\_\_\_  
(Signature)

Date:     /     /

This proxy and any power of attorney or other authority under which it is signed (or a certified copy) must be lodged at:

- (a) Suite 1, 1233 High Street, Armadale, Victoria 3143, Australia; or
- (b) by facsimile on +61 (0)3 9822 7735 by 4:30pm Australian Eastern Daylight Saving Time on 20<sup>th</sup> November 2016, being not less than 48 hours before the time for holding the meeting or adjourned meeting as the case may be.

**Contact Name** ..... **Contact Daytime Telephone** .....

**Email Address:**.....