



MEDIBIO LIMITED
ACN 008 130 336

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Friday, 22 November 2019

Time of Meeting:
10.00am (AEDT)

Place of Meeting
Gadens Lawyers
Level 25, Bourke Place
600 Bourke Street
Melbourne, Victoria 3000

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of shareholders of Medibio Limited (the “Company”) will be held at the offices of Gadens Lawyers, Level 25, Bourke Place, 600 Bourke Street, Melbourne, Victoria 3000 at 10.00am (AEDT) on Friday, 22 November 2019.

AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

ORDINARY BUSINESS

Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2019.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

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

“That, for the purpose of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2019 be adopted.”

Resolution 2: Election of Ms Lisa Ide as a Director of the Company

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

“That, for the purpose rule 3.4 of the Constitution and for all other purposes, Ms Lisa Ide, having been appointed as a Director during the year, vacates office in accordance with the Constitution of the Company and being eligible, offers herself for election, be elected as a director of the Company.”

Resolution 3: Election of Ms Lisa Wipperman Heine as a Director of the Company

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

“That, for the purpose rule 3.4 of the Constitution and for all other purposes, Ms Lisa Wipperman Heine, having been appointed as a Director during the year, vacates office in accordance with the Constitution of the Company and being eligible, offers herself for election, be elected as a director of the Company.”

Resolution 4: Election of Ms Liwanag Ojala as a Director of the Company

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

“That, for the purpose rule 3.4 of the Constitution and for all other purposes, Ms Liwanag Ojala, having been appointed as a Director during the year, vacates office in accordance with the Constitution of the Company and being eligible, offers herself for election, be elected as a director of the Company.”

Resolution 5: Election of Ms Melanie Leydin as a Director of the Company

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

“That, for the purpose rule 3.4 of the Constitution and for all other purposes, Ms Melanie Leydin, having been appointed as a Director during the year, vacates office in accordance with the Constitution of the Company and being eligible, offers herself for election, be elected as a director of the Company.”

Resolution 6: Election of Mr Claude Solitario as a Director of the Company

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

“That, for the purpose rule 3.4 of the Constitution and for all other purposes, Mr Claude Solitario, having been appointed as a Director during the year, vacates office in accordance with the Constitution of the Company and being eligible, offers himself for election, be elected as a director of the Company.”

Resolution 7: Re-election of Mr Peter Carlisle as a Director of the Company

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

“That, for the purpose rule 3.6 of the Constitution and for all other purposes, Mr Peter Carlisle, who retires by rotation pursuant to the Constitution of the Company and being eligible and offering himself for re-election, be re-elected as a Director of the Company.”

Resolution 8: Ratification of previous issue of Shares and attaching Options

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

“That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholder approval is given for the Company to ratify the prior issue of 68,995,500 fully paid ordinary shares and 68,995,500 free attaching quoted options to participants in the Shares Purchase Plan on 29 August 2019, as set out in the accompanying Explanatory Statement.”

Resolution 9: Approval to Grant Options

Resolution 9(a): Approval to Grant Options to Ms Lisa Wipperman Heine

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to grant up to 2,600,000 Options in the Company to Ms Lisa Wipperman Heine (a Non-Executive Director of the Company), or her nominee, on the terms and conditions set out in the Explanatory Statement.”

Resolution 9(b): Approval to Grant Options to Ms Lisa Ide

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to grant up to 2,600,000 Options in the Company to Ms Lisa Ide (a Non-Executive Director of the Company), or her nominee, on the terms and conditions set out in the Explanatory Statement.”

Resolution 9(c): Approval to Grant Options to Ms Liwanag Ojala

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to grant up to 2,600,000 Options in the Company to Ms Liwanag Ojala (a Non-Executive Director of the Company), or her nominee, on the terms and conditions set out in the Explanatory Statement.”

Resolution 9(d): Approval to Grant Options to Ms Melanie Leydin

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to grant up to 2,200,000 Options in the Company to Ms Melanie Leydin (a Director of the Company), or her nominee, on the terms and conditions set out in the Explanatory Statement.”

Resolution 9(e): Approval to Grant Options to Mr Peter Carlisle

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to grant up to 3,600,000 Options in the Company to Mr Peter Carlisle (a Non-Executive Director of the Company) or his nominee, on the terms and conditions set out in the Explanatory Statement.”

Resolution 9(f): Approval to Grant Options Mr Claude Solitario

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to grant up to 3,000,000 Options in the Company to Mr Claude Solitario or his nominee (a Non-Executive Director of the Company), on the terms and conditions set out in the Explanatory Statement.”

SPECIAL BUSINESS

Resolution 10: Approval of 10% additional placement capacity

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

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”

Resolution 11: Renewal of Proportional Takeover Bid Provision

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

“That, for the purposes of Section 648G(4) of the Corporations Act 2001(Cth) and for all other purposes the members of the company approve the renewal of Rule 36 of the Company’s Constitution for a further period of three years commencing from the date of this Annual General Meeting.”

CONTINGENT BUSINESS

Resolution 12: Holding a Spill Meeting (conditional item)

Condition for Resolution 12

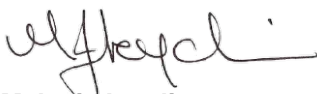
Resolution 12 will be considered at the AGM only if at least 25% of the votes cast on Resolution 1 are against the adoption of the Remuneration Report. The Explanatory Statement further explain the circumstances in which Resolution 12 will be put to the meeting.

If the condition (described above) is satisfied, to consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, as required by the Corporations Act:

- (a) a meeting of the Company’s members be held within 90 days of the date of the 2019 Annual General Meeting (the **spill meeting**);*
- (b) Peter Carlisle (being the only remaining director who approved the last Directors’ Report) cease to hold office immediately before the end of the spill meeting; and*
- (c) resolutions to appoint persons to offices that will be vacated immediately before the end of the spill meeting be put to the vote at the spill meeting.”*

By Order of Board



Melanie Leydin
Company Secretary
Dated: 15 October 2019

Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7pm on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a shareholder of the Company.
 - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
 - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy form must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority.
 - h. To be effective, proxy forms must be received by the Company's share registry (Computershare Investor Services Pty Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 10.00am (AEDT) on Wednesday, 20 November 2019. Any proxy form received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

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

5. Voting Exclusion Statement:

Resolution 1 and 12

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote is cast as proxy for a person entitled to vote:

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

Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1 and 12. By marking the Chairman's box on the proxy form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1 and 12.

Resolution 2 - 7

There are no voting exclusions on these Resolutions.

Resolution 8

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who received options under the SPP the subject of the relevant Resolution and any associates of those persons.

Resolutions 9(a) to 9(f)

The Company will disregard any votes cast in favour of the resolution by or on behalf of each of the Directors being Peter Carlisle, Claude Solitario, Melanie Leydin, Lisa Wipperman Heine, Lisa Ide and Liwanag Ojala, or any person(s) who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person.

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 person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 10

The Company will disregard any votes cast in favour of Resolution 10 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being of a holder of ordinary securities in the Company) and any associate of such person.

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

- a) 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) by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 11

There is no voting exclusion on this Resolution.

6. Enquiries

Shareholders are invited to contact the Company Secretary, Melanie Leydin on +61 3 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ended 30 June 2019 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report) and the auditor's report) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at +61 3 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively, you may access the Annual Report at the Company's website: www.medibio.com.au or via the Company's announcement platform on ASX.

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2019 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the remuneration report at the Annual General Meeting.

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

Board Recommendation

The Board recommends that all eligible Shareholders vote in favour of this Resolution to adopt the Remuneration Report. The Chair of the Meeting intends to vote undirected proxies in favour of Resolution 1.

Resolution 2: Election of Ms Lisa Ide as a Director of the Company

Background

Ms Lisa Ide was appointed as a Non-Executive Director on 29 August 2019 as a casual vacancy and is eligible for election under the Company's Constitution.

Ms Ide is the Chief Medical Officer of Zipnosis, a Minneapolis, Minnesota based leading virtual care software company that pairs traditional telemedicine with next-generation online virtual care tools, where she holds clinical and leadership roles in sales, digital health and directs the regulatory department reviewing state and federal telemedicine legislation.

Ms Ide joined Zipnosis in 2016 as the company's Medical Director – a role in which she touched every part of the business. An active member on the Clinical Quality Advisory Council, she works closely with the customer success team to help bring health system voices to the clinical product development conversation and has served as a clinical liaison for the sales team.

Prior to joining Zipnosis, Ms Ide held clinical and leadership roles in emergency medicine and corporate employee wellness and has expertise in telemedicine and health information technology. Ms Ide is a member of numerous professional and industry associations in telemedicine and electronic healthcare.

Board Recommendation

The Board (with Ms Ide abstaining) recommends that Shareholders vote in favour of the election of Ms Ide. The Chair of the Meeting intends to vote undirected proxies in favour of Ms Ide's election.

Resolution 3: Election of Ms Lisa Wipperman Heine as a Director of the Company

Background

Ms Lisa Wipperman Heine was appointed as a Non-Executive Director on 29 August 2019 as a casual vacancy and is eligible for election under the Company's Constitution.

Ms Lisa Wipperman Heine is currently President & CEO of PreCardia, Inc., an early stage medtech company developing an innovative catheter based intervention for the treatment of acute decompensated heart failure.

Prior to PreCardia, Ms Wipperman Heine was most recently Chief Operating Officer at Mitralign, Inc., a venture backed company focused on development of transcatheter heart valve technologies. Ms Heine has also served in multiple leadership roles at Covidien, Inc., including Global Vice President of Medical Affairs for Vascular Therapies. During her tenure at Covidien, she helped drive the strategy in support of a \$1.7B business and was also responsible for leading the strategy and operations of Clinical Affairs, Healthcare Economics, Policy and Reimbursement and Medical Education functions. Ms Heine also currently serves as an independent member of the Board of Directors of Surmodics Inc. (NASDAQ: SRDX) and Natus Medical (NASDAQ: NTUS).

Board Recommendation

The Board (with Ms Wipperman Heine abstaining) recommends that Shareholders vote in favour of the election of Ms Wipperman Heine. The Chair of the Meeting intends to vote undirected proxies in favour of Ms Wipperman Heine's election.

Resolution 4: Election of Ms Liwanag Ojala as a Director of the Company

Background

Ms Liwanag Ojala was appointed as a Non-Executive Director on 29 August 2019 as a casual vacancy and is eligible for election under the Company's Constitution.

As the CEO of CaringBridge, Ms Ojala leads management and ensures that all CaringBridge operations contribute toward its mission. More than 16 years of experience has given Ms Ojala the business skills and knowledge needed to lead an organization. Before joining CaringBridge as chief operating officer at the end of 2014, she was vice president of ecommerce at Meijer.

In 2017 Ms Ojala was recognised with a "Women in Business Award" by the Minneapolis-St. Paul Business Journal. In 2016 Ms Ojala was a recipient of the Minnesota Business Magazine "(Real) Power 50 Award." In 2015 the Women's Health Leadership TRUST recognised Ms Ojala as a "Top Emerging Women Leader" in health care. In 2008 the Minneapolis-St. Paul Business Journal recognized Ms Ojala's leadership abilities with the "40 Under 40" award.

Ms Ojala was elected to the Minnesota Public Radio board of trustees in 2016, and she remains a member of the Minnesota State Bar and a trustee emeritus of the Blandin Foundation.

Board Recommendation

The Board (with Ms Ojala abstaining) recommends that Shareholders vote in favour of the election of Ms Ojala. The Chair of the Meeting intends to vote undirected proxies in favour of Ms Ojala's election.

Resolution 5: Election of Ms Melanie Leydin as a Director of the Company

Background

Ms Melanie Leydin was appointed as a Non-Executive Director on 22 February 2019 as a casual vacancy and is eligible for election under the Company's Constitution.

Ms Leydin is a principal of the chartered accounting firm, Leydin Freyer and is Medibio's Joint Company Secretary.

She has 25 years' experience in the accounting profession and 15 years' experience in Company Secretarial services. Ms Leydin is a Chartered Accountant, a Registered Company Auditor and a graduate of Swinburne University in 1997 (B.Bus(Acc)(Corp law)).

Board Recommendation

The Board (with Ms Leydin abstaining) recommends that Shareholders vote in favour of the election of Ms Leydin. The Chair of the Meeting intends to vote undirected proxies in favour of Ms Leydin's election.

Resolution 6: Election of Mr Claude Solitario as a Director of the Company

Background

Mr Claude Solitario was appointed as a Non-Executive Director on 31 December 2018 as a casual vacancy and is eligible for election under the Company's Constitution.

Mr Claude Solitario brings 30 years of experience in the development of new and emerging technology, with a deep understanding of licensing and commercialisation of intellectual property. Mr Solitario is a founding shareholder of Medibio, Ltd and one of its major shareholders and brings an extensive financial background having served as a financial executive for many public and private companies.

Board Recommendation

The Board (with Mr Solitario abstaining) recommends that Shareholders vote in favour of the election of Mr Solitario. The Chair of the Meeting intends to vote undirected proxies in favour of Mr Solitario's election.

Resolution 7: Re-election of Mr Peter Carlisle as a Director of the Company

Background

The Constitution of the Company requires that at every Annual General Meeting, one third of Directors (excluding the Managing Director) shall retire from office and provides that such Directors are eligible for re-election at the meeting. Mr Peter Carlisle being eligible, offers himself for re-election.

Mr Carlisle joined the Board of Medibio Limited as a Non-Executive Director in 22 January 2018.

Mr Peter Carlisle serves as Managing Director of Olympics & Action Sports at Octagon Worldwide, Inc. and Octagon, Inc. Mr. Carlisle oversees contract negotiations, athlete endorsements and licensing and merchandising opportunities.

Mr Carlisle oversees contract negotiations, athlete endorsements and licensing and merchandising opportunities. He has also develops content-driven programs for athletes that are re-defining the term "athlete marketing." He has more than 15 years of experience in the industry, he has received numerous awards and recognitions, including being named to SportsBusiness Journal's "Forty Under 40" Hall of Fame, its 20 most influential people in action sports and its 20 most influential sports agents. Sporting News named him to its Power 100 list, and Mr. Carlisle was named one of the best lawyers in America in sports law, including earning the Sports Law Lawyer of the Year in 2012.

Board Recommendation

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

Resolution 8: Ratification of previous issue of Shares and attaching Options

On 10 July 2019 the Company announced that it received commitments to complete a placement to professional and sophisticated investors to raise \$3.5 million at \$0.01 (1 cent) per share in conjunction with a fully underwritten Share Purchase Plan (**SPP**) to raise \$520,000 on the same terms as the placement. The placement and SPP would include one free attaching quoted option for every share successfully subscribed to. Due to the strong demand, the Board resolved to exercise its discretion (as set out in Section 5.7(e) of the Prospectus) to increase the amount of funds to be raised under the SPP Offer from \$520,000 to up to a maximum of \$1,210,000 as disclosed in the supplementary prospectus lodged with ASX on 16 August 2019.

The Company sought shareholder approval for the SPP shares and options offer up to \$520,000 with the increased of the SPP offer limit issued under the Company existing placement capacity under ASX Listing Rule 7.1.

The Company is seeking Shareholder approval to ratify the issue of a total of 68,995,500 fully paid ordinary shares issued at \$0.01 (1 cent) per share and 68,995,500 free attaching quoted options in the Company following the

completion of the Company's Share Purchase Plan Prospectus dated 23 July 2019. The options will be exercisable at \$0.03 (3 cents) per option expiring on 1 December 2021.

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

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

- a) the total number of fully paid ordinary shares and options in the Company that were issued is 68,995,500 each;
- b) the shares were issued at an issue price of \$0.01 (1 cent) per share and the option were issued as a free attaching option for each share subscribed to;
- c) the Shares allotted and issued rank equally with the existing Shares on issue and the options will be exercisable at \$0.03 (3 cents) per option expiring on 1 December 2021;
- d) the shares and options were issued to the successful participants of the Company Share Purchase Plan pursuant to the prospectus and supplementary prospectus dated 23 July 2019 and 16 August 2019 respectively;
- e) The funds raised by the Company will be used for its new De Novo application with the FDA, progress commercialising its ilumen™ product into different markets and finalise its revised CE mark and to meet costs of the Company's capital raise, there were no funds raised by the option issue; and
- f) a voting exclusion statement is included in the Notice of Meeting of which this Explanatory Statement forms part.

Board Recommendation

The Board unanimously recommends that the Shareholders vote in favour of Resolution 8.

Resolution 9: Approval to Grant Options

Resolution 9(a), 9(b), 9(c), 9(d), 9(e) and 9(f)

Background

On 24 December 2018 the Company announced cost reductions measures including the cessation of remuneration of Non-Executive Directors by means of cash and as such the Non-Executive Directors have not been remunerated for services provided effective from 1 January 2019. The Company is therefore proposing to grant Options for Director services provided for the period 1 July 2019 to 30 June 2020. The base grant for each of the Non-Executive Directors will be for 2,200,000 options in lieu of Directors fees and an additional 400,000 for each Committee position. It is proposed that Mr Peter Carlisle receive an additional 1 million options for his additional services provided as Lead Independent Director.

The Company is seeking Shareholder approval for the grant of Options to persons listed below (or their nominee) (being a right to acquire fully paid ordinary shares in the Company equivalent to number of options vested on the terms as described below.

Terms of Options

The terms of the Options will vest immediately and include an exercise price equal to closing share price on the grant date, expire four (4) years from the date of grant and will, upon exercise, entitle the holder to one fully paid ordinary share in the Company (details of the option grant for each Director is outlined below):

Resolution	Name of Director	Number of Options as base salary	Number of Options as Committee Member	Total proposed Option Grant
9(a)	Ms Lisa Wipperman Heine	2,200,000	400,000 (Member on Remuneration and Nomination Committee)	2,600,000
9(b)	Ms Lisa Ide	2,200,000	400,000 (Member on Audit and Risk Committee)	2,600,000
9(c)	Ms Liwanag Ojala	2,200,000	400,000 (Member on Audit and Risk Committee)	2,600,000
9(d)	Ms Melanie Leydin	2,200,000	-	2,200,000
9(e)	Mr Peter Carlisle	2,200,000 (plus 1,000,000 as Lead Independent Director)	400,000 (Member on Remuneration and Nomination Committee)	3,600,000
9(f)	Mr Claude Solitario	2,200,000	800,000 (Member on both Audit and Risk Committee and Remuneration and Nomination Committee)	3,000,000

The full terms of the Options are set out in Annexure B of this Explanatory Statement.

Corporations Act

Section 228 of the Corporations Act defines a “related party” for the purposes of Chapter 2E to include a director of the public company. A “financial benefit” is defined in section 229 of the Corporations Act and includes granting an option to a related party. Each of the above is a Director of the Company and thus a related party for the purposes of Chapter 2E of the Corporations Act.

The Board has formed the view that the grant of Options to the Director above (or their respective nominees) do not require Shareholder approval under section 208 of the Corporations Act as the grant constitute “reasonable remuneration” in accordance with section 211 of the Corporations Act. Accordingly, the Board is not seeking Shareholder approval under section 208 of the Corporations Act, although Shareholder approval must be obtained pursuant to Listing Rule 10.11.

In reaching this view, the Board considers the proposed grant of Options aligns the interests of Directors with the interests of Shareholders. The grant of Options to Directors is a cost-effective form of remuneration when compared to the payment of cash consideration.

The Company believes it is appropriate to grant the Options to the Directors. Smaller entities with limited cash resources often elect to use equity instruments to remunerate directors to attract and retain high calibre individuals while minimising the cash cost of engaging those people.

Consistent with the desire to minimise cash expenditures, the Board believes that having regard to the Company's current cash position and in order to compensate the Directors in line with current market practices, the Options provide an appropriate and meaningful remuneration component to the Directors that is aligned with Shareholder interests.

ASX Listing Rule 10.11

Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the company. Approval pursuant to Listing Rule 7.1 is not required in order to issue the Shares to the Directors as approval is being obtained under Listing Rule 10.11.

Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under Listing Rule 10.11. For the purposes of Listing Rule 10.13, the following information is provided in relation to Resolution 9:

- (a) the related parties are Ms Lisa Wipperman Heine, Ms Lisa Ide, Ms Liwanag Ojala, Ms Melanie Leydin, Mr Peter Carlisle and Mr Claude Solitario and they are related parties by virtue of being Directors of the Company;

- (b) the maximum number of options to be issued by the Company is 16,600,000;
- (c) the Options will be granted no later than one month after the Meeting;
- (d) the Options will be granted with a Nil issue price have an exercise price equal to the closing share price on the grant date, expire four (4) years from the date of grant and will, upon exercise, entitle the holder to one fully paid ordinary share in the Company (full terms are set out in Annexure B of this Explanatory Statement);
- (e) There will be no funds raised from the issue of options: and
- (f) A voting exclusion statement is included in the Notice of Meeting of which this Explanatory Statement forms part.

Board Recommendation

The eligible directors recommends that Shareholders vote in favour of Resolution 9(a). The Chairman will vote undirected proxies in favour of Resolution 9(a), 9(b), 9(c), 9(d), 9(e) and 9(f) respectively.

SPECIAL BUSINESS

Resolution 10: Approval of 10% additional placement capacity

Background

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

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

The Company is 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 effect of Resolution 10 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.

If Shareholders approve Resolution 10, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

Resolution 10 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12-month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

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

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

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

- D** is 10%

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

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

Minimum Issue Price

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

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

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)

Specific information required by Listing Rule 7.3A

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

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 trading days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 10 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. Shareholders may be exposed to economic risk and voting dilution, including the following:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at **14 October 2019 (Current Share Price)** and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata

entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Issue Price		
		\$0.007 50% decrease in Current Share Price	\$0.013 Current Share Price	\$0.026 100% increase in Current Share Price
Current Variable A 995,130,039 Shares	10% Voting Dilution	99,513,004 Shares		
	Funds raised	\$646,835	\$1,293,669	\$2,587,338
50% increase in current Variable A 1,492,695,059 Shares	10% Voting Dilution	149,269,506 Shares		
	Funds raised	\$970,252	\$1,940,504	\$3,881,007
100% increase in current Variable A 1,990,260,078 Shares	10% Voting Dilution	199,026,008 Shares		
	Funds raised	\$1,293,669	\$2,587,338	\$5,174,676

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
 - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
 - The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - The Current Share Price is **\$0.013** (1.3 cents), being the closing price of the Shares on ASX on **14 October 2019**.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 10 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- non-cash consideration for the acquisition of the new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued expenditure on the Company's current business and/or general working capital.
- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities under listing rule 7.1A.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

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

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

- (f) A voting exclusion statement is included in the Notice. At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.

Additional Disclosure under Listing Rule 7.3A.6

Information under Listing Rule 7.3A.6(a), the Company advises as follows:

Equity securities on issue at commencement of the 12-month period	253,140,384
Equity securities issued in the prior 12-month period	1,817,596,828
Percentage previous issues represent of total number of equity securities on issue at commencement of 12-month period	718.02%

* For full details of the issues of equity securities made by the Company since the date of the last Annual General Meeting, see Annexure A.

Board Recommendation

The Board believes that Resolution 10 is in the best interests of the Company and unanimously recommends that shareholders vote in favour of this Resolution.

Resolution 11: Renewal of Proportional Takeover Bid Provision

Background

Rule 36 of the Company's Constitution contains provisions dealing with shareholder approval requirements if there was to be any partial takeover bids for the Company's securities (**Proportional Takeover Provisions**).

A "Proportional Takeover Bid" means an off-market bid for a specified proportion of the Company's securities held by each shareholder in a class for which a takeover bid has been made. It is not a bid for all securities held by all members of that class, only part of the securities each member holds.

Part 6.5 Subdivision 5C of the Corporations Act provides that these Proportional Takeover Provisions cease to apply at the end of 3 years from their adoption (or last renewal), but that they may be renewed by special resolution of the members. The Board believes it is appropriate that the Proportional Takeover Provisions of the Company's Constitution (Rule 36) be renewed.

In seeking shareholder approval for the renewal of the Proportional Takeover Provisions, the Corporations Act requires the below information to be provided to members.

Resolution 11 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Effect of provisions proposed to be renewed

Rule 36 of the Constitution provides that the Company is prohibited from registering any transfer of shares giving effect to a contract of sale pursuant to a Proportional Takeover Bid unless and until after a resolution approving the Proportional Takeover Bid is passed by shareholders at a general meeting of the Company (**Approving Resolution**). The person making the offer for the securities (Bidder) (and their associates) cannot vote on the Approving Resolution and the Approving Resolution requires the approval of more than one half of members who are entitled to vote at that meeting.

Under the Corporations Act, the Directors must ensure that a resolution to approve the Proportional Takeover Bid is voted on at least 14 days before the last day of the bid period.

If the resolution to approve the Proportional Takeover Bid is not passed, transfers resulting from acceptances for the Proportional Takeover Bid will not be registered and the bid will be taken to have been withdrawn. However, the Corporations Act also provides that, if the meeting is not held within the time required, then a resolution to approve the Proportional Takeover Bid will be deemed to have been passed.

Reason for the resolution

Rule 36 of the Constitution is required to be renewed as more than 3 years have passed since the last renewal of the Constitution. Section 648(G)(1) of the Corporations Act provides that Proportional Bid Provisions such as provided in Rule 36 cease to apply at the end of 3 years from their adoption (or their last renewal). Section 648(G)(4) enables shareholders to approve a renewal of Proportional Takeover Provisions.

The Board believes that shareholders should continue to have the choice of considering whether to accept a bid for what might become control of the Company without the shareholders having the opportunity to dispose of all of their securities (rather than just some of their securities, as would be the case under a Proportional Takeover Bid). To preserve this choice, Rule 36 needs to be renewed. If Rule 36 is renewed and a Proportional Takeover Bid (if any) is subsequently approved by shareholders, each shareholder will still have the right to make a separate decision whether that shareholder wishes to accept the Proportional Takeover Bid for their own securities.

Awareness of current acquisition proposals

As at the date of these Explanatory Notes, none of the Directors are aware of any proposal for any person to acquire (or increase the extent of) a substantial interest in the Company.

Advantages and disadvantages of the Proportional Bid Provisions since last renewed

As there have been no takeover bids made for any of the shares in the Company since the last renewal of the Proportional Bid Provisions, there has been no application of Rule 36. It may be argued that the potential advantages and disadvantages described below have also applied for the period since adoption of Rule 36.

Potential advantages and disadvantages of the proposed resolution for both directors and shareholders

The renewal of Rule 36 will enable the Directors to ascertain the view of the shareholders on a Proportional Takeover Bid. The Directors consider that the Proportional Takeover Provisions have no potential advantages or disadvantages for them as they remain free to make a recommendation on whether a Proportional Takeover Bid should be approved.

For Shareholders, the Directors consider the renewal of Rule 36 will provide all relevant holders with the opportunity to consider, discuss in a meeting called specifically for the purpose, and vote on whether a Proportional Takeover Bid should be approved. This affords shareholders an opportunity to have a say in the future ownership and control of the Company and help shareholders to avoid being locked into a minority, or having less opportunity in the future to sell their shares in the Company at a price that is considered attractive to the shareholder (because of the presence of a majority shareholder). The Directors believe this will encourage any Proportional Takeover Bid to be structured so as to be attractive to at least a majority of the relevant shareholders. It may also discourage the making of a Proportional Takeover Bid that might be considered opportunistic. Finally, knowing the view of the majority of shareholders may help each individual shareholder to assess the likely outcome of the Proportional Takeover Bid and decide whether or not to accept an offer under the bid.

On the other hand, it may be argued that the renewal of Rule 36 may make proportional takeover bids more difficult to succeed and therefore effectively discourage proportional takeover bids being made and reduce the freedom for shareholders to sell some of their securities. Where a Proportional Takeover Bid is made, shareholders may be denied an opportunity to sell a portion of their shares at an attractive price where the majority rejects the bid.

Board Recommendation

Balancing the above advantages and disadvantages, the Board is of the view that the advantages of renewing the Proportional Takeover Provisions outweigh the disadvantages and unanimously recommend the renewal. Accordingly, shareholder approval is sought pursuant to this resolution. The Chairman of the meeting intends to vote undirected proxies in favour of this resolution.

CONTINGENT BUSINESS

Resolution 12: Holding a Spill Meeting

The Corporations Act was amended in June 2011 to introduce the “two-strikes” rule. The two-strikes rule provides that if at least 25% of the votes cast on the adoption of the remuneration report at two consecutive AGMs are against adopting the Remuneration Report, members will have the opportunity to vote on a “spill resolution” (as described below).

At last year’s AGM, at least 25% of the votes cast on the resolution to adopt the remuneration report were against adopting the report. This constitutes a “first strike”.

As outlined within the Directors Report within the Annual report the Company has undertaken a significant Board and Management restructure in the last 12 months which included addressing the remuneration structure within the Company.

The Remuneration and Nomination Committee in conjunction with the Board of Directors has undertaken the following initiatives with the aim of managing the short and medium-term remuneration of the non-executive directors and key management personnel:

- Non-Executive Directors cash remuneration ceased effective from 1 January 2019;
- Non-Executive Directors are currently remunerated by means of options to align the interests of shareholders and Non-Executive Directors; and
- Setting measurable objectives for KPI’s for management.

The Company will continue to monitor the remuneration practices of the Board and management in line with market practices and benchmarks however it will continue to review its outflows of cash remuneration in line with its scrutinised budget in order to best manage its financial resources.

If at least 25% of the votes cast on Resolution 1 are against adopting the Remuneration Report at the 2019 AGM this will constitute a second strike and Resolution 1 will be put to the meeting and voted on as required by section 250V of the Corporations Act (the **Spill Resolution**).

If less than 25% of the votes cast on Resolution 1 are against adopting the remuneration report at the 2019 AGM, then there will be no second strike and Resolution 12 will not be put to the meeting.

If put, the spill resolution will be considered as an ordinary resolution.

If the spill resolution is passed, a further meeting of members must be held within 90 days (the **Spill Meeting**). Immediately before the end of the spill meeting, Peter Carlisle, being the only director who approved the last Director’s Report cease to hold office (the **Relevant Director**).

Each Relevant Director is eligible to seek re-election as a director of the Company at the spill meeting. If the spill resolution is passed, members should note that each of the Relevant Director intends to stand for re-election at the spill meeting.

Board Recommendation

The Board recommends that all eligible Shareholders vote against this Resolution. The Chair of the Meeting intends to vote undirected proxies against this Resolution.

GLOSSARY

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

“\$” means Australian Dollars;

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

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

Annual Report” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2019;

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

ASX Settlement Operating Rules” means the rules of ASX Settlement Pty Ltd which apply while the Company is an issuer of CHES approved securities;

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

AEDT” means Australian Eastern Daylight Standard Time.

Board” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

Chairman” means the person appointed to chair the Meeting of the Company convened by the Notice;

CHES” has the meaning in Section 2 of the ASX Settlement Operating Rules;

Closely Related Party” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company” means Medibio Limited ACN 008 130 336;

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

Convertible Security” means a security of the Company which is convertible into shares;

Corporations Act” means the Corporations Act 2001 (Cth);

Director” means a Director of the Company;

Directors Report” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

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

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

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

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

Listing Rules” means the Listing Rules of the ASX;

Meeting” has the meaning given in the introductory paragraph of the Notice;

Notice” means this Notice of Meeting including the Explanatory Statement;

Proxy Form” means the proxy form attached to the Notice;

Remuneration Report” means the remuneration report which forms part of the Directors’ Report of the Company for the financial year ended 30 June 2019 and which is set out in the 2019 Annual Report.

Resolution” means a resolution referred to in the Notice;

Section” means a section of the Explanatory Statement;

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

Shareholder” means shareholder of the Company;

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

VWAP” means volume weighted average price.

ANNEXURE A
Resolution 10 - Approval of 10% Placement Facility

CASH ISSUES

Date	Number of Securities	Security Type	Terms	Description	Party or Basis	Price	Discount	Total Consideration	Use of Consideration
18 Dec 2018	30,394,240	UCN	UCN	Issue of Unlisted Convertible Notes. (Tranche 1)	Professional and sophisticated investors	\$0.02	N/A	\$607,884.80	To fund the advancement of the Company's 510(k) regulatory approval, progress its De Novo submission, technology development, product commercialisation and working capital requirements.
31 January 2019	107,272,280	UCN	UCN	Issue of Unlisted Convertible Notes. (Tranche 2)	Professional and sophisticated investors	\$0.02	N/A	\$2,145,445.60	To fund the advancement of the Company's 510(k) regulatory approval, progress its De Novo submission, technology development, product commercialisation and working capital requirements.
14 March 2019	46,173,228	FPO	FPO	Issue of shares under pro-rata renounceable entitlement issue on a 1 for 1 basis dated 10 December 2018.	Shareholders	\$0.02	N/A	\$923,464.56	To fund the advancement of the Company's 510(k) regulatory approval, progress its De Novo submission, technology development, product commercialisation and working capital requirements.
19 July 2019	35,000,000	FPO	FPO	Issue of shares via Placement	Professional and sophisticated investors	\$0.01	N/A	\$350,000.00	To fund the new De Novo application with FDA, progress commercialisation ilumen product into different markets and finalise revised CE mark.
29 August 2019	120,995,500	FPO	FPO	Issue of shares via Prospectus and supplementary dated 23 July 2019 and 16 August 2019 respectively	Investors	\$0.01	N/A	\$1,209,955.00	To fund the new De Novo application with FDA, progress commercialisation ilumen product into different markets and finalise revised CE mark.
29 August 2019	315,000,000	FPO	FPO	Issue of shares under a placement	Professional and sophisticated investors	\$0.01	N/A	\$3,150,000.00	To fund the new De Novo application with FDA, progress commercialisation

									ilumen product into different markets and finalise revised CE mark.
30 August 2019	90,000,000	OPT	Note 9	Issue of Options to CPS Capital Group Pty Ltd or its nominee	Consultants	\$0.00001	N/A	\$900.00	To fund the new De Novo application with FDA, progress commercialisation ilumen product into different markets and finalise revised CE mark.
Total	744,835,248						Total	\$8,387,649.96	

NON-CASH ISSUES

Date	Number of Securities	Security Type	Terms	Description	Party or Basis	Price	Discount	Total Consideration	Use of Consideration
13 Jun 2019	14,500,000	OPT	Note 1	Issue of Options	Directors and former Director	N/A	N/A	N/A	N/A
19 July 2019	15,000,000	OPT	Note 2	Issue of Options under Employee Option Share Plan	Employees	N/A	N/A	N/A	N/A
29 August 2019	275,333,040	FPO	FPO	Issue of shares upon conversion of Convertible Notes	Professional and sophisticated investors	\$0.01	N/A	N/A	N/A
29 August 2019	746,328,540	OPT	Note 5	Issue of Options via Prospectus and supplementary dated 23 July 2019 and 16 August 2019 respectively	Professional and sophisticated investors and existing shareholders	N/A	N/A	N/A	N/A
29 August 2019	15,000,000	OPT	Note 6	Issue of Unquoted Options to Directors and an eligible employee	Directors and one employee	N/A	N/A	N/A	N/A
29 August 2019	2,600,000	OPT	Note 7	Issue of Unquoted Options to Director	Director	N/A	N/A	N/A	N/A
29 August 2019	4,000,000	OPT	Note 8	Issue of Options under Employee Option Share Plan	Shareholders	N/A	N/A	N/A	N/A
Total	1,072,761,580							-	
Grand Total	1,817,596,828							\$8,387,649.96	

Glossary

FPO Fully Paid Ordinary Shares

OPT Options

UCN Unlisted Convertible Notes (Notes issued at a face value of \$0.02, conversion at the lower of \$0.02 or any subsequent capital raising until maturity which is 18 months from the date of issue)

Notes

Note 1 Exercisable at \$0.014 (1.4 cents), expiring 13 June 2023

Note 2 Exercisable at \$0.01 (1 cents), expiring 14 June 2023

Note 3 Exercisable at \$0.03 (3 cents), expiring 1 December 2021

Note 4 Exercisable at \$0.03 (3 cents), expiring 1 December 2021

Note 5 *Exercisable at \$0.03 (3 cents), expiring 1 December 2021*
Note 6 *Exercisable at \$0.015 (1.5 cents), expiring 19 August 2024*
Note 7 *Exercisable at \$0.02 (2 cents), expiring 19 August 2023*
Note 8 *Exercisable at \$0.015 (1.5 cents), expiring 19 August 2024*
Note 9 *Exercisable at \$0.03 (3 cents), expiring 1 December 2021*

ANNEXURE B

TERMS AND CONDITIONS OF OPTIONS

The terms and conditions of the options to be granted pursuant to Resolution 9 are as follows:

Terms of Options

(a) Entitlement

- (i) Each Option entitles the Option holder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.
- (ii) Shares issued on the exercise of Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

(b) Exercise of Option

- (i) The Options are exercisable at any time from the issue date.
- (ii) The final date and time for exercise of the Options is 5pm (AEDT) on the day 48 months from the date of issue. If such date falls on a day that is not a Business Day, the final date will be the next Business Day.
- (iii) The exercise price per option will be equal to closing share price on the grant date.
- (iv) Each Option is exercisable by the Option holder signing and delivering a notice of exercise of Option together with the exercise price in full for each Share to be issued upon exercise of each Option to the Company's Share Registry. Unless a holder is exercising all of their Options, Options must be exercised in parcels of not less than 1,000.
- (v) The Options cannot be exercised if, as a result of the exercise, the Optionholder or any of its associates would breach the provisions of Chapter 6 (and specifically section 606) of the Corporations Act.
- (vi) Remittances must be made payable to 'Medibio Limited' and cheques should be crossed 'Not Negotiable'.
- (vii) All Options will lapse on the earlier of the
 - (A) receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the Option; and
 - (B) expiry of the final date and time for exercise of the Option.
- (viii) In the event of liquidation of the Company, all unexercised Options will lapse.

(c) Quotation

- (i) Subject to meeting the requirements of ASX and the Corporations Act, the Company may apply to the ASX for Official Quotation of the Options but makes no guarantee that it will make any such application, or that if an application for Official Quotation is made that it will be successful.
- (ii) If the Shares of the Company are quoted on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any Options within 10 Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

(d) Participation in Securities Issues

Subject to paragraph (e) below, the holder is not entitled to participate in new issues of securities without exercising the Options.

(e) Participation in a Reorganisation of Capital

- (i) In the event of any reconstruction or reorganisation (including consolidation, sub-division, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the Listing Rules of the ASX applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the Options do not result in any benefit being conferred on the Option holder which is not conferred on Shareholders of the Company.
- (ii) In any reorganisation as referred to in paragraph (e)(i), Options will be treated in the following manner:
 - (A) in the event of a consolidation of the share capital of the Company, the number of Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (B) in the event of a subdivision of the share capital of the Company, the number of Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (C) in the event of a return of the share capital of the Company, the number of Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
 - (D) in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled the number of Options and the exercise price of each Option will remain unaltered;
 - (E) in the event of a pro-rata cancellation of shares in the Company, the number of Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each Option will be amended in inverse proportion to that ratio; and
 - (F) in the event of any other reorganisation of the issued capital of the Company, the number of Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on shareholders.

(f) Adjustments to Options and Exercise Price

- (i) Adjustments to the number of Shares over which Options exist and/or the exercise price may be made as described in paragraph (f)(ii) to take account of changes to the capital structure of the Company by way of pro-rata bonus and cash issues.
- (ii) The method of adjustment for the purpose of paragraph (f)(i) shall be in accordance with the Listing Rules of the ASX from time to time, which, under Listing Rules 6.22.2 and 6.22.3, currently provide:

(A) Pro Rata Cash Issues

Where a pro-rata issue is made (except a bonus issue) to the holders of underlying securities, the exercise price of an Option may be reduced according to the following formula:

$$O' = \frac{O - E[P - (S + D)]}{N + 1}$$

where:

- O' = the new exercise price of the Option.
- O = the old exercise price of the Option.
- E = the number of underlying securities into which one Option is Exercisable.
- P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex-rights date or ex entitlements date.
- S = the subscription price for a security under the pro-rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro-rata issue).

N = the number of securities with rights or entitlements that must be held to receive a right to one new security

(B) Pro-Rata Bonus Issues

If there is a bonus issue to the holders of the underlying securities, on the exercise of any Options, the number of Shares received will include the number of bonus Shares that would have been issued if the Options had been exercised prior to the record date for bonus issues. The exercise price will not change.



MEB
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by 10:00AM (AEDT) on Wednesday, 20 November 2019

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Medibio Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing 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) at the Annual General Meeting of Medibio Limited to be held at the offices of Gadens Lawyers, Level 25, Bourke Place, 600 Bourke Street, Melbourne, Victoria 3000 on Friday, 22 November 2019 at 10:00am (AEDT) and at any adjournment or postponement of that meeting.

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 exercise my/our proxy on Items 1, 9(a), 9(b), 9(c), 9(d), 9(e) & 9(f) (except where I/we have indicated a different voting intention in step 2) even though Items 1, 9(a), 9(b), 9(c), 9(d), 9(e) & 9(f) are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

The Chairman of the Meeting intends to vote undirected proxies in favour of each Item of business with the exception of Item 1, 9(a), 9(b), 9(c), 9(d), 9(e) & 9(f) where the Chairman of the Meeting intends to vote against.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1, 9(a), 9(b), 9(c), 9(d), 9(e) & 9(f) by marking the appropriate box in step 2.

Step 2 Items of Business

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

		For	Against	Abstain		For	Against	Abstain	
1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9(a)	Grant of Options to Ms Lisa Wipperman Heine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Election of Ms Lisa Ide as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9(b)	Grant of Options to Ms Lisa Ide	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Election of Ms Lisa Wipperman Heine as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9(c)	Grant of Options to Ms Liwanag Ojala	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Election of Ms Liwanag Ojala as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9(d)	Grant of Options to Ms Melanie Leydin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Election of Ms Melanie Leydin as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9(e)	Grant of Options to Mr Peter Carlisle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Election of Mr Claude Solitario as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9(f)	Grant of Options to Mr Claude Solitario	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Re-election of Mr Peter Carlisle as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10	Approval of 10% additional placement capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Ratification of previous issue of Shares and attaching Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11	Renewal of Proportional Takeover Bid Provision	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					12	Holding a Spill Meeting (conditional item)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of Item 12 where the Chairman of the Meeting intends to vote against. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

MEB

999999A



Computershare

