
ACTINOGEN MEDICAL LIMITED

ACN 086 778 476

NOTICE OF SPECIAL GENERAL MEETING

The Special General Meeting of the Company will be held at the Macquarie University City Campus (MU Seminar Room 2414), Level 24, 123 Pitt Street, Sydney, New South Wales on Wednesday, 29 November 2017 at 10.30 am (AEDT).

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

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (08) 6377 8043.

ACTINOGEN MEDICAL LIMITED

ACN 086 778 476

NOTICE OF SPECIAL GENERAL MEETING

Notice is hereby given that a meeting of the Affected Shareholder of Actinogen Medical Limited (**Company**) whose Shares are proposed to be cancelled will be held at the Macquarie University City Campus (MU Seminar Room 2414), Level 24, 123 Pitt Street, Sydney, New South Wales, on Wednesday, 29 November 2017 at 10.30 am (AEDT) (**Meeting**).

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

The Directors have determined pursuant to section 256C(2) of the Corporations Act that the person eligible to vote at the Meeting are the Affected Shareholder, whose Shares are proposed to be cancelled. **As noted in Section 3.1 of the Explanatory Memorandum, the Company is the only Affected Shareholder.**

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 4.

AGENDA

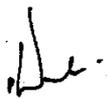
1. Resolution 1 – Cancellation of Unvested Loan Shares

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

"That, subject to the passing of resolution 7 at the Annual General Meeting, for the purposes of section 256C(2) of the Corporations Act, the Constitution, and for all other purposes, approval is given for the Company to make a selective reduction of capital and cancel a total of 5,000,000 Shares, issued on 3 December 2014 and held by the Affected Shareholder, with effect from the date 14 days after this Resolution is lodged with ASIC on the terms and conditions set out in the Explanatory Memorandum."

Dated 16 October 2017

BY ORDER OF THE BOARD



Mr Peter Webse
Company Secretary

ACTINOGEN MEDICAL LIMITED

ACN 086 778 476

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of the Affected Shareholder in connection with the business to be conducted at the Meeting to be held at the Macquarie University City Campus (MU Seminar Room 2414), Level 24, 123 Pitt Street, Sydney, New South Wales, on Wednesday, 29 November 2017 at 10.30 am (AEDT) (**Meeting**)

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

2. Action to be taken by the Affected Shareholder

The Affected Shareholder should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolution.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by the Affected Shareholder if it wishes to appoint a representative (a 'proxy') to vote in its place. The Affected Shareholder is invited and encouraged to attend the Meeting or, if unable to attend, sign and return the Proxy Form to the Company Secretary in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude the Affected Shareholder from attending and voting at the Meeting in person.

Please note that:

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

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

3. Resolution 1 – Cancellation of Unvested Loan Shares

3.1 General

On 3 December 2014, the Company issued 25,000,000 Shares (**Loan Shares**) to Mr Martin Rogers under the Company's Employee Share Plan as a long-term incentive in connection with his appointment as a Director. The Loan Shares issued to Mr Rogers were issued at an issue price of \$0.02 per Share. In accordance with the Employee Share Plan, the Company provided an interest free loan for the entire issue price of the Loan Shares (**Loan**).

Vesting of the Loan Shares was subject to certain vesting conditions being met (refer to the Company's notice of meeting dated 16 October 2014 for further details). 5,000,000 of the Loan Shares remain unvested subject to the Company completing recruitment of the phase 2a proof of concept study (**Unvested Loan Shares**).

As announced by the Company on 30 November 2016, Mr Rogers has now retired from the Board. Prior to Mr Roger's retirement, the Company agreed with Mr Rogers that:

- (a) the Unvested Loan Shares would be transferred to the Company in repayment of \$100,000 of the Loan; and
- (b) the time for repayment of the balance of the Loan would be extended to the date which was 2 years from the effective date of Mr Roger's resignation.

Refer to the Company's notice of meeting dated 7 October 2016 for further details.

The purpose of Resolution 1 is to seek the approval of the Affected Shareholder to make a selective capital reduction by cancelling the Unvested Loan Shares. Resolution 1 is a special resolution, subject to the passing of resolution 7 of the Annual General Meeting, and therefore requires approval of 75% of the votes cast by the Affected Shareholder present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

3.2 Corporations Act Requirements

The Corporations Act provides that the rules relating to a reduction of share capital are designed to protect the interests of the shareholders and creditors of the relevant company by:

- (a) addressing the risk of the transaction leading to the company's solvency;
- (b) seeking to ensure fairness between the shareholders of the company; and
- (c) requiring the company to disclose all material information.

In particular, section 256B of the Corporations Act requires that a company may only reduce its capital if:

- (a) it is fair and reasonable to the company's shareholders as a whole;
- (b) it does not materially prejudice the company's ability to pay its creditors; and
- (c) it is approved by shareholders in accordance with section 256C of the Corporations Act.

The cancellation of the Unvested Loan Shares is a "selective" capital reduction under section 256B(2) of the Corporations Act as the reduction does not apply to each Shareholder in proportion to the number of Shares they hold and the terms of the reduction are not the same for each Shareholder.

The Directors believe that the cancellation of the Unvested Loan Shares is fair and reasonable to Shareholders for the following reasons:

- (a) the capital reduction will only result in the cancellation of 5,000,00 Shares held by the Affected Shareholder (i.e., the Company) which were originally issued by the Company to Mr Rogers on 3 December 2014 and later transferred to the Company in part repayment of the Loan;
- (b) no person will receive consideration as part of the reduction;
- (c) there has recently been relatively low liquidity of the Company's Shares on ASX and, accordingly, if the Company was to sell the Unvested Loan Shares then this may put downward pressure on the price of the Company's Shares; and
- (d) the reduction in capital will not prejudice the Company's ability to pay its creditors.

Pursuant to section 256C(2) of the Corporations Act, a selective reduction of capital must be approved by either:

- (a) a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced, or by their associates; or
- (b) a resolution agreed to at a general meeting by all Shareholders.

The Company is seeking approval by Shareholders at the Annual General Meeting to be held immediately following this Meeting for these purposes.

In addition, as the proposed capital reduction involves the cancellation of Shares, the capital reduction must also be approved by a special resolution passed at a meeting of the Shareholders whose Shares are to be cancelled. Accordingly, the Company is also seeking the approval of the Affected Shareholder at this Meeting to cancel the Unvested Loan Shares.

There is no information known to the Company that is material to the decision on how to vote on Resolution 1 other than has been disclosed in this Notice. Under the Corporations Act, the Company may cancel the Shares 14 days after Resolution 1 and resolution 7 of the Annual General Meeting are lodged with ASIC.

3.3 General

The cancellation of the Unvested Loan Shares will have the following effect on the capital structure of the Company:

	Currently on Issue	On Issue Following Capital Reduction
Shares	620,193,558	615,193,558
Options	49,217,188	49,217,188

There is no information known to the Company that is material to the decision on how to vote on Resolution 1 other than has been disclosed in this Notice.

4. Definitions

\$ means Australian Dollars.

AEDT means Australian Eastern Daylight Time.

Affected Shareholder means the Company.

Annual General Meeting means the annual general meeting of the Company to be held on 29 November 2017 at 11.00am (AEDT).

ASIC means the Australian Securities and Investments Commission.

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

Board means the board of Directors.

Company means Actinogen Medical Limited ACN 086 778 476.

Constitution means the current constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

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

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Listing Rules means the listing rules of ASX.

Loan has the meaning in Section 3.1.

Loan Shares has the meaning in Section 3.1.

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

Notice means this notice of meeting.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholders means a holder of Shares.

Unvested Loan Shares has the meaning in Section 3.1.

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



LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

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

BY FAX
+61 2 9287 0309

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

ALL ENQUIRIES TO
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

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

APPOINT A PROXY

the Chairman of the Meeting (mark box)

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

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Special General Meeting of the Company to be held at **10:30am on Wednesday, 29 November 2017 at Macquarie University City Campus (MU Seminar Room 2414), Level 24, 123 Pitt Street, Sydney NSW 2000 (the Meeting)** and at any postponement or adjournment of the Meeting.

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

VOTING DIRECTIONS

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

Resolutions

For Against Abstain*

1 Cancellation of Unvested Loan Shares

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

STEP 2



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

STEP 3

ACW PRX1701A



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

SIGNING INSTRUCTIONS

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:30am on Monday, 27 November 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



ONLINE

www.linkmarketservices.com.au

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



BY MOBILE DEVICE

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

QR Code



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



BY MAIL

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



BY FAX

+61 2 9287 0309



BY HAND

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

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

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