

**Noxopharm Limited**

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ACN: 608 966 123

<https://www.noxopharm.com/site/content/>



# Noxopharm Limited

## **Notice of Extraordinary General Meeting**

Explanatory Statement | Proxy Form

***Monday 16 September 2019***

**10:00 AEST**

**Address**

Level 5, 126 Philip Street, Sydney, NSW 2000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

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## Letter to Shareholders

Dear Shareholder

You are being asked to consider and then approve a series of resolutions, all related to the funding facility into which we recently entered.

The Board considered a number of funding options, but settled on this facility because, in the Board's view, it represented the form of capital that best suited the Company's current position, balancing certainty of funding with the flexibility to call on as little or as much as circumstances dictate.

As the Company has already flagged, it is contemplating seeking a listing on a U.S. securities exchange in the near future. We are considering a dual listing in the belief that the Company and its shareholders will benefit tangibly from having a higher profile in the U.S.

Driving this is the Company's belief that its current Veyonda<sup>®</sup> clinical program has the potential in the near future to bring the Company to the attention of the global pharmaceutical industry and global investor markets generally, and that being listed in a U.S. securities exchange will allow it to capitalise on that exposure and to raise the funds that will be required to complete the development of Veyonda<sup>®</sup>.

Given the timetable that the Company has in mind for a potential U.S. listing and associated initial public offering, the Company considered it prudent to seek a form of capital with inbuilt flexibility given the reality that the timetables for such transactions can be affected by a range of factors outside of the Company's control.

The facility has two primary components:

- the first is a convertible note facility raising an aggregate of AU\$3,800,000 with an aggregate face value of AU\$4,560,000 and with a 6-month lock-up period (during which the investors cannot convert the convertible notes into securities above a certain amount); and
- the second is monthly tranches of shares at a minimum value of AU\$250,000, which can be increased by mutual consent to a maximum of AU\$2,000,000.

The Company and the two U.S. investors intend to work closely with the objective of minimising the effect of the monthly tranches on the Company's share price, something that normally is outside of the Company's control with a traditional share placement. News flow and liquidity will be the two over-arching factors guiding the Company and the two U.S. investors.

The Board entered into this funding facility only after giving a range of funding options careful consideration. It was the Board's view that this facility offered the most certainty, the most flexibility, the least dilution, and the best form of funding to enable the Company to take advantage of its anticipated news flow over the coming 6-9 months.

In closing, I will point out that, subject to certain conditions, the Company is able to terminate the facility at any time and the facility does not preclude the Company from raising other forms of capital.

I have previously worked closely with one of the U.S. investors in a similar funding arrangement for another company. That arrangement worked to the advantage of that company, providing the funding that allowed that company to grow to the point where its market capitalisation attracted strong market support and allowed the original funding arrangement to be cancelled.

I commend the following resolutions to you.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Graham Kelly', written in a cursive style.

Dr Graham Kelly  
Executive Chairman

9 August 2019

# Venue and Voting Information

The Extraordinary General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00am (AEST) on Monday 16 September 2019 at Level 5, 126 Philip Street, Sydney, NSW 2000.

## Your vote is important

The business of the Extraordinary General Meeting affects your shareholding and your vote is important.

## Voting in person

To vote in person, attend the Extraordinary General Meeting on the date and at the place set out above.

## Voting by proxy

To vote by proxy, please use one of the following methods:

<b>Online</b>	Lodge the Proxy Form online at <a href="https://investor.automic.com.au/#/loginsah">https://investor.automic.com.au/#/loginsah</a> by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.
<b>By post</b>	Automic, GPO Box 5193, Sydney NSW 2001
<b>By hand</b>	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

## Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

## Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

# Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of Shareholders of Noxopharm Limited ACN 608 966 123 will be held at 10:00am (AEST) on Monday 16 September 2019 at Level 5, 126 Philip Street, Sydney, NSW 2000 (**Meeting**).

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

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Extraordinary General Meeting are those who are registered Shareholders at 10:00am (AEST) on Saturday 14 September 2019.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

## Resolutions

### **Part A – Subsequent approval of Prior Issue of Securities to Investors**

#### 1. **Resolution 1** – Subsequent approval of Prior Issue of Unlisted Options

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, subsequent approval is given under Listing Rule 7.4 to the allotment and issue of 4,722,222 Unlisted Options to the Investors on 23 July 2019 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of:

- (a) a person who participated in the issue; or
- (b) an Associate of those persons.

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

## 2. **Resolution 2** – Subsequent approval of Prior Issue of Collateral Shares

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, subsequent approval is given under Listing Rule 7.4 to the allotment and issue of 3,000,000 Collateral Shares to the Investors on 23 July 2019 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of:

- (a) a person who participated in the issue; or
- (b) an Associate of those persons.

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## 3. **Resolution 3** – Subsequent approval of Prior Issue of Convertible Securities

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, subsequent approval is given under Listing Rule 7.4 the allotment and issue of 2 Convertible Securities to the Investors on 25 July 2019 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- (a) a person who participated in the issue; or
- (b) an Associate of those persons.

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

#### 4. **Resolution 4** – Subsequent approval of Prior Issue of First Tranche Shares

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

*“Subject to the issue of First Tranche Shares completing prior to the day of the Meeting, that, for the purposes of ASX Listing Rule 7.1 and for all other purposes, subsequent approval is given under Listing Rule 7.4 to the allotment and issue of up to 500,000 First Tranche Shares to the Investors issued in accordance with the First Tranche Shares Notice and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) a person who participated in the issue; or
- (b) an Associate of those persons.

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

### **Part B – Approval for Future Issue of Securities to Investors**

#### 5. **Resolution 5** – Approval of Issue of Replacement Convertible Securities

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 2 Replacement Convertible Securities to the Investors, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) 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 a holder of ordinary securities in the Company); or
- (b) an Associate of those persons.

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

## 6. **Resolution 6** – Approval of Issue of Subsequent Tranche Shares (if Waiver Application is granted prior to the Meeting)

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

*“Subject to receipt of the approval by ASX of the Waiver Application (as defined in the Explanatory Statement) prior to the Meeting that, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders of the Company approve the issue and allotment of up to 55,000,000 Subsequent Tranche Shares to the Investors, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- (a) 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 a holder of ordinary securities in the Company); or
- (b) an Associate of those persons.

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

## 7. **Resolution 7** – Approval of Issue of Second Tranche Shares (if Waiver Application is rejected or has not been granted prior to the Meeting or if Resolution 6 is not passed by Shareholders)

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

*“Subject to receipt of the Second Tranche Notice (as defined in the Explanatory Statement) that, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders of the Company approve the issue and allotment of up to 5,000,000 Second Tranche Shares (as defined in the Explanatory Statement) to the Investors, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (c) 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 a holder of ordinary securities in the Company); or
- (d) an Associate of those persons.

However, the Company need not disregard a vote if:

- (iii) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (iv) it is cast by the Chair 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.



8. **Resolution 8** – Approval of Issue of Third Tranche Shares (if Waiver Application is rejected or has not been granted prior to the Meeting or if Resolution 6 is not passed by Shareholders)

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

*“Subject to receipt of the Third Tranche Notice (as defined in the Explanatory Statement) that, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders of the Company approve the issue and allotment of up to 5,000,000 Third Tranche Shares (as defined in the Explanatory Statement) to the Investors, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (a) 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 a holder of ordinary securities in the Company); or
- (b) an Associate of those persons.

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

9. **Resolution 9** – Approval of Issue of Fourth Tranche Shares (if Waiver Application is rejected or has not been granted prior to the Meeting or if Resolution 6 is not passed by Shareholders)

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

*"Subject to receipt of the Fourth Tranche Notice (as defined in the Explanatory Statement), that, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders of the Company approve the issue and allotment of up to 5,000,000 Fourth Tranche Shares (as defined in the Explanatory Statement) to the Investors, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 9 by or on behalf of:

- (a) 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 a holder of ordinary securities in the Company); or
- (b) an Associate of those persons.

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

**BY ORDER OF THE BOARD**



David Franks  
Company Secretary

9 August 2019

# Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Extraordinary General Meeting to be held at 10:00am (AEST) on Monday 16 September 2019 at Level 5, 126 Philip Street, Sydney, NSW 2000.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Extraordinary General Meeting are set out below.

## Resolutions

### **Facility Agreements with the Investors**

#### **Background**

As announced by the Company on 19 July 2019, the Company secured a funding facility (**Facility**) for up to AU\$26 million from two New York institutional investors – Lind Global Macro Fund, LP, managed by The Lind Partners (**Lind**) and CST Investments Funds (**CST**) (collectively, the **Investors**). The Company signed share purchase and convertible security agreements with each of the Investors (collectively, the **Facility Agreements**).

The Facility comprises of:

- (a) **Convertible Securities (and Replacement Convertible Securities):** AU\$3,800,000 raised via the issue of two secured convertible securities (which has an aggregate face value of AU\$4,560,000) (**Convertible Securities**). Each of the Investors subscribed for one secured Convertible Security for AU\$1,900,000 on identical terms (each has a face value of \$2,280,000).

The Company issued two (2) Convertible Securities on 25 July 2019 and the amount of AU\$3,800,000 (before fees) was raised by the Company. Ratification for this issue is being sought under Resolution 3 of this Notice.

Under the terms of the Facility Agreements, the Company is required to seek Shareholder approval to issue replacement secured convertible securities (**Replacement Convertible Securities**) to the Investors which will be on the same terms as the Convertible Securities (issued on 25 July 2019) but will not be subject to a limit on the maximum number of shares into which the Replacement Convertible Securities may convert as a result of limit on the Company's 15% capacity under ASX Listing Rule 7.1. Shareholder approval to issue the Replacement Convertible Securities is being sought under Resolution 5 of this Notice.

If Shareholder approval is obtained, the Company will issue the Replacement Convertible Securities to the Investors and, in doing so, the outstanding Convertible Securities will be redeemed in consideration for the issue of the Replacement Convertible Securities.

- (b) **Tranche Shares:** Up to AU\$22,200,000 raised via the issue of fully paid ordinary shares (**Tranche Shares**) every 30 days over a 12 month period (unless a Pause of no longer than 3 months is taken). The Company has the ability to vary the periodic share subscriptions (by the Investors) between AU\$200,000 and AU\$2,000,000 over the next 12 months (each referred to as a **Tranche**), subject to agreement by the Company and each Investor. The initial term of 12 months can be extended by agreement by the Company and each Investor.

Under the terms of the Facility Agreements, the Investors make pre-payments for the purchase of Tranche Shares, which are then only issued by the Company, if it elects to do so, after the prescribed period (of approximately 30 calendar days) has lapsed.

Pre-payment for the **First Tranche** was received by the Company on 25 July 2019. Accordingly, the Tranche Shares under the First Tranche (**First Tranche Shares**) may be issued by the Company on or around 23 August 2019.

As of the date of this Notice, the First Tranche Shares have not yet been issued. However, given that the First Tranche Shares may be issued prior to this Meeting taking place, in anticipation of the First Tranche Shares being issued, ratification of the issue of First Tranche Shares is being sought under Resolution 4 of this Notice. If the First Tranche Shares are not issued prior to this Meeting taking place, Resolution 4 will be withdrawn.

As noted above, each subsequent Tranche will result in the Company raising between AU\$200,000 and AU\$2,000,000. The Company notes that if Shareholder approval is obtained under ASX Listing Rule 7.1 to issue new equity securities, the securities must be issued within 3 months from the date of Shareholder approval (**LR 7.3 Time Limit**).

In light of the LR 7.3 Time Limit, the Company has lodged the Waiver Application with ASX, pursuant to which applied to ASX for the waiver of the LR 7.3 Time Limit on the basis that the Shares are to be issued in periodic tranches (every 30 days unless a Pause of no more than 3 months is taken) over a 12 month period from on or around 23 August 2019, provided all Tranches are issued by 26 November 2020 (allowing for a Pause of 3 months to be taken) and subject to such other conditions imposed by ASX.

Subject to the Waiver Application being granted prior to the date of this Meeting, the Company is seeking Shareholder approval to issue the maximum possible number of Tranche Shares under Resolution 6, in anticipation of the Company receiving Subsequent Tranche Notices over the relevant 12 month period. **This Resolution will be withdrawn if the Waiver Application is not granted prior to the date of this Meeting.**

However, if the Waiver Application is rejected or is not granted prior to the date of this Meeting and in anticipation of the Company receiving the Second Tranche Notice, Third Tranche Notice and Fourth Tranche Notice within this period, the Company is seeking Shareholder approval to issue the maximum possible number of Second Tranche Shares, Third Tranche Shares and Fourth Tranche Shares under Resolutions 7, 8 and 9 of this Notice. **These Resolutions will be withdrawn if the Waiver Application is granted and Resolution 6 is passed by Shareholders.**

As of the date of this Notice, the Company has received AU\$4,000,000 (prior to costs) under the Facility from the Investors (in equal portions), which comprises of the 2 Convertible Securities (AU\$3,800,000) and pre-payment of the First Tranche Shares (AU\$200,000).

The Company has given a General Security in favour of the Investors to secure its obligations under the Facility Agreements. The General Security secures all the Company's assets other than its intellectual property rights.

In addition, as part of the Facility Agreements, on 23 July 2019, the Company issued:

- (a) 4,722,222 unlisted options (**Unlisted Options**) for nil consideration to the Investors (2,361,111 each), each exercisable at AU\$0.58 per option, expiring 48 months from the date of issue (or 23 July 2023); and
- (b) 3,000,000 fully paid ordinary shares (**Collateral Shares**) for nil consideration to the Investors (1,500,000 each), that will be credited or returned at the end of the terms under the Facility Agreements.

Shareholder approval to subsequently approve the prior issue of Unlisted Options and Collateral Shares is being sought under Resolutions 1 and 2 respectively.

## **Part A – Subsequent approval of Prior Issues of Securities to Investors**

### **Resolutions 1 to 4 – Subsequent approval of Prior Issues of Securities**

#### **Background**

As announced by the Company on 23 July 2019 and 25 July 2019, pursuant to the Facility Agreements, the Company has issued to the Investors (in equal portions):

- (a) 4,722,222 Unlisted Options (2,361,111 per Investor);
- (b) 3,000,000 Collateral Shares (1,500,000 per Investor); and
- (c) 2 Convertible Securities (1 per Investor).

In addition, pre-payment for the First Tranche was received by the Company on 25 July 2019. Accordingly, a maximum of 500,000 First Tranche Shares may be issued by the Company on or around 23 August 2019.

#### **ASX Listing Rule 7.1**

Resolutions 1 to 4 of this Notice propose that Shareholders of the Company approve and ratify the prior issue and allotment of the securities issued as of the date of this Meeting, as part of the Facility Agreements, as follows:

- (a) Resolution 1: 4,722,222 Unlisted Options issued on 23 July 2019;
- (b) Resolution 2: 3,000,000 Collateral Shares issued on 23 July 2019;
- (c) Resolution 3: 2 Convertible Securities issued on 25 July 2019; and
- (d) Resolution 4: Maximum of 500,000 First Tranche Shares which may be issued by the Company on or around 23 August 2019.

All of the securities subject of Resolutions 1 to 4 were, or will have been, issued by utilising the Company's existing capacity under Listing Rule 7.1.

Listing Rule 7.1 allows an entity to issue (or agree to issue) up to 15% of the Company's fully paid ordinary shares on issue in any 12-month period without the approval of the Shareholders of the Company.

Listing Rule 7.4 provides that where an entity in a general meeting subsequently approves the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purposes of Listing Rule 7.1, thereby "refreshing" the Company's capacity under Listing Rule 7.1.

Therefore, the effect of approval of Resolutions 1 to 4 is to allow the entity to retain the flexibility to issue additional securities within the 15% capacity under Listing Rule 7.1 after these Resolutions are passed.

#### **Information required by ASX Listing Rule 7.5**

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Company issued the following:
  - (i) Resolution 1: 4,722,222 Unlisted Options on 23 July 2019;
  - (ii) Resolution 2: 3,000,000 Collateral Shares on 23 July 2019;
  - (iii) Resolution 3: 2 Convertible Securities issued on 25 July 2019; and
  - (iv) Resolution 4: up to a maximum of 500,000 Tranche Shares on or around 23 August 2019

(the exact number of Tranche Shares to be ratified will be known prior to the Meeting, however, it will not exceed 500,000).

- (b) The securities were issued with the following issue prices:
  - (i) Resolution 1: Nil consideration;
  - (ii) Resolution 2: Nil consideration (although they must in time be paid for at the Collateralisation Price);
  - (iii) Resolution 3: The face value of each Convertible Security is \$2,280,000 (therefore, in aggregate, the Convertible Securities equated to \$4,560,000); and
  - (iv) Resolution 4: the relevant Purchase Price (with a minimum floor price of AU\$0.40 per Share).
- (c) The following were the terms of the securities:
  - (i) Resolution 1: The key terms of the Unlisted Options are set out in Annexure A of this Notice;
  - (ii) Resolution 2: The Collateral Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company;
  - (iii) Resolution 3: The material terms of the Convertible Securities are set out in Annexure B of this Notice; and
  - (iv) Resolution 4: The Tranche Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (d) Each of the securities were issued in equal portions to the Investors (being Lind and CST).
- (e) Funds raised from the issue of the securities have been and will be used by the Company in the manner as announced by the Company, and in particular:
  - (i) to secure sufficient funding to meet ongoing working capital needs;
  - (ii) to permit the Company to plan to expand and accelerate its Veyonda clinical program into CEP-2, DARRT-2 and immuno-oncology clinical trials;
  - (iii) to minimise dilution to existing Shareholders; and
  - (iv) to obtain a source of funding that would allow the Company to take advantage of an anticipated clinical program news flow over the coming 9 months as its DARRT-1 and LuPIN programs read-out.

#### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote in favour of Resolutions 1 to 4.

## **Part B – Approval for Future Issue of Securities to Investors**

### **Resolution 5 – Approval of Issue of Replacement Convertible Securities**

#### **Background**

Under the terms of the Facility Agreements, the Company is required to seek Shareholder approval to issue the Replacement Convertible Securities to the Investors which will be on the same terms as the Convertible Securities (issued on 25 July 2019) but will not be subject to a limit on the maximum number of shares into which the Replacement Convertible Securities may convert as a result of limit on the Company's 15% capacity under ASX Listing Rule 7.1.

Shareholder approval to issue the Replacement Convertible Securities is being sought under this

Resolution.

If Shareholder approval is obtained, the Company will issue the Replacement Convertible Securities to the Investors and, in doing so, the outstanding Convertible Securities will be redeemed in consideration for the issue of the Replacement Convertible Securities.

The material terms of the Replacement Convertible Securities (which are on the same terms as the Convertible Securities, other than the limit on the maximum number of shares into which the Replacement Convertible Securities may convert as a result of limit on the Company's 15% capacity under ASX Listing Rule 7.1) are set out in Annexure B of this Notice.

Securities	Number on issue immediately prior to the entry into the Facility Agreements	Number on issue on the date of the Cleansing Notice announced on 25 July 2019 <sup>1</sup>	Number on issue assuming full conversion of the Replacement Convertible Securities <sup>2</sup>
Shares	122,601,393	126,101,393	137,501,393
Options	25,696,611	30,418,833	30,418,833
Convertible Securities (which are then redeemed, for Replacement Convertible Securities)	Nil	2 (face value of \$4,560,000)	Nil

The effect of this Resolution is for Shareholders to approve the issue of these Replacement Convertible Securities, which will allow the Company to issue these Replacement Convertible Securities without using the Company's 15% capacity under Listing Rule 7.1.

### Information Required by Listing Rule 7.3

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The maximum number of Replacement Convertible Securities to be issued is 2.
- (b) These Replacement Convertible Securities will be issued within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of its discretion).
- (c) The face value of each Replacement Convertible Security is \$2,280,000 (therefore, both of the Replacement Convertible Securities will have a combined face value of \$4,560,000). The Replacement Convertible Securities can be converted to Shares. The mechanism to calculate the Conversion Price is set out in the summary in Annexure B of this Notice. The minimum floor price for the Conversion Price is AU\$0.40 per Share. Therefore, the combined face value of the 2 Convertible Securities (\$4,560,000) could convert to a maximum number of 11,400,000 Shares.
- (d) A Replacement Convertible Security will be issued to each of the Investors (being Lind and CST).
- (e) The material terms of the Replacement Convertible Securities (which are on the same terms as the Convertible Securities, other than the limit on the maximum number of shares into which the Replacement Convertible Securities may convert as a result of limit on the Company's 15% capacity under ASX Listing Rule 7.1) are set out in Annexure B of this Notice. Shares issued on conversion of the Replacement Convertible Securities will be fully paid on issue and rank

<sup>1</sup> This can be calculated on the basis that the following securities have been issued pursuant to the Facility Agreements: 4,722,222 Unlisted Options (issued on 23 July 2019), 3,000,000 Collateral Shares (issued on 23 July 2019), maximum number of 500,000 First Tranche Shares under the First Tranche (as if issued at the floor price of \$0.40) and 2 Convertible Securities (with a total face value of \$4,560,000) (issued on 25 July 2019).

<sup>2</sup> This can be calculated on the basis that the following securities have been issued pursuant to the Facility Agreements in addition to those in footnote 1: Shares resulting from the conversion of 2 Convertible Securities (with a total face value of \$4,560,000) at the minimum floor price of \$0.40, being 11,400,000 ordinary shares.



equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.

- (f) Funds raised from the issue of the Replacement Convertible Securities (which are directly connected to the funds already raised from the issue of Convertible Securities, which will be redeemed on issue of the Replacement Convertible Securities) will be used by the Company in the manner as announced by the Company, and in particular:
  - (i) to secure sufficient funding to meet ongoing working capital needs;
  - (ii) to permit the Company to plan to expand and accelerate its Veyonda clinical program into CEP-2, DARRT-2 and immuno-oncology clinical trials;
  - (iii) to minimise dilution to existing NOX Shareholders; and
  - (iv) To obtain a source of funding that would allow the Company to take advantage of an anticipated clinical program news flow over the coming 9 months as its DARRT-1 and LuPIN programs read-out.

### **Directors' Recommendation**

The Board of Directors recommend that Shareholders vote in favour of this Resolution.

## **Resolution 6 - Approval of Issue of Subsequent Tranche Shares (if Waiver Application is granted prior to the Meeting)**

### **Background**

Under the terms of the Facility Agreements, each subsequent Tranche will result in the Company raising between AU\$200,000 and AU\$2,000,000.

The Company notes that if Shareholder approval is obtained under Listing Rule 7.1 to issue new equity securities, the securities must under Listing Rule 7.3.2 be issued within 3 months from the date of Shareholder approval (**LR 7.3 Time Limit**). The Company has applied to ASX for a waiver of LR 7.3 Time Limit on the basis that the Tranche Shares are to be issued in periodic (every 30 days unless a Pause of no longer than 3 months is called by the Company) tranches over a 12 month period from 23 August 2019, provided all Tranches are issued by 26 November 2020 (allowing for a Pause of 3 months to be taken) and subject to such other conditions imposed by ASX (the **Waiver Application**).

Subject to the Waiver Application being granted prior to the date of this Meeting, the Company is seeking Shareholder approval to issue the maximum possible number of Tranche Shares under Resolution 6, in anticipation of the Company receiving Subsequent Tranche Notices over the relevant 12 month period. **This Resolution will be withdrawn if the Waiver Application is not granted prior to the date of this Meeting.**

If the Waiver Application is granted prior to the Meeting and Resolution 6 is passed by Shareholders, the effect of Resolution 6 is to allow the Company to the issue of the maximum possible number of Subsequent Tranche Shares without needing to seek any further Shareholder approval and without using the Company's 15% capacity under Listing Rule 7.1.

### **Information Required by Listing Rule 7.3**

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The maximum number of Tranche Shares to be issued under the Subsequent Tranches is 55,000,000 (with 27,500,000 Subsequent Tranche Shares issued to each Investor). This assumes that the maximum amount of AU\$2,000,000 has been subscribed at minimum floor price of AU\$0.40 per Share by the Investors under each Subsequent Tranche.
- (b) Subject to the Company having received the requisite pre-payment and notice under the Facility Agreements, the Tranche Shares under each Subsequent Tranche will be issued by no



later than 26 November 2020 (or otherwise, as determined by the ASX in the exercise of its discretion).

- (c) The issue price of the Subsequent Tranche Shares will be calculated in accordance with the Facility Agreements, being a price per Share equal to 90% of the average of the five (5) lowest daily VWAPs during the twenty (20) Trading Days prior to the relevant Tranche Shares issue dates. The minimum floor price of the Subsequent Tranche Shares will be AU\$0.40 per Share.
- (d) The allottees are the Investors (being Lind and CST), who will be issued the Subsequent Tranche Shares in equal portions as required under the Facility Agreements.
- (e) The Subsequent Tranche Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (f) Funds raised from the issue of the Subsequent Tranches Shares will be used by the Company as announced by the Company, and in particular:
  - (i) to secure sufficient funding to meet ongoing working capital needs;
  - (ii) to permit the Company to plan to expand and accelerate its Veyonda clinical program into CEP-2, DARRT-2 and immuno-oncology clinical trials;
  - (iii) to minimise dilution to existing NOX Shareholders; and
  - (iv) to obtain a source of funding that would allow the Company to take advantage of an anticipated clinical program news flow over the coming 9 months as its DARRT-1 and LuPIN programs read-out.

#### **Directors' Recommendation**

The Board of Directors recommend Shareholders vote in favour of Resolution 6.

## **Resolutions 7 to 9 – Approval of Issue of Additional Tranche Shares (if Waiver Application is rejected or has not been granted prior to the Meeting or if Resolution 6 is not passed by Shareholders)**

### **Background**

Under the terms of the Facility Agreements, each subsequent Tranche will result in the Company raising between AU\$200,000 and AU\$2,000,000.

If the Waiver Application is rejected or has not been granted prior to the Meeting, the Company notes that if Shareholder approval is obtained under Listing Rule 7.1 to issue new equity securities, the securities must be issued within 3 months from the date of Shareholder approval.

### **If the Waiver Application is granted prior to the Meeting and Resolution 6 is passed by Shareholders, then Resolutions 7 to 9 will be withdrawn.**

However, if the Waiver Application is rejected or not granted prior to the Meeting or Resolution 6 is not passed by Shareholders and in anticipation of the Company receiving the Second Tranche Notice, Third Tranche Notice and Fourth Tranche Notice within the 3 month period, the Company is seeking Shareholder approval to issue the maximum possible number of Second Tranche Shares, Third Tranche Shares and, if it is within the 3 month period, the Fourth Tranche Shares under Resolutions 7, 8 and 9 of this Notice.

The effect of Resolutions 7, 8 and 9 is for Shareholders to approve the issue of the maximum possible number of Second Tranche Shares, Third Tranche Shares and Fourth Tranche Shares, which will allow the Company to issue these Tranche Shares without using the Company's 15% capacity under Listing Rule 7.1.

### **Information Required by Listing Rule 7.3**

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The maximum number of Tranche Shares to be issued under each of the Second Tranche, Third Tranche and Fourth Tranche is 5,000,000 (with 2,500,000 Tranche Shares issued to each Investor). This assumes that the maximum amount of AU\$2,000,000 has been subscribed at minimum floor price of AU\$0.40 per Share by the Investors under the relevant Tranche.
- (b) Subject to the Company having received the requisite pre-payment and notice under the Facility Agreements, the Tranche Shares under each of the Second Tranche, Third Tranche and Fourth Tranche will be issued within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of its discretion).
- (c) The issue price of the Tranche Shares will be calculated in accordance with the Facility Agreements, being a price per Share equal to 90% of the average of the five (5) lowest daily VWAPs during the twenty (20) Trading Days prior to the relevant Tranche Shares issue dates. The minimum floor price of the Tranche Shares will be AU\$0.40 per Share.
- (d) The allottees are the Investors (being Lind and CST), who will be issued the Tranche Shares in equal portions as required under the Facility Agreements.
- (e) The Tranche Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (f) Funds raised from the issue of the Tranches Shares will be used by the Company as announced by the Company, and in particular:
  - (i) to secure sufficient funding to meet ongoing working capital needs;
  - (ii) to permit the Company to plan to expand and accelerate its Veyonda clinical program into CEP-2, DARRT-2 and immuno-oncology clinical trials;
  - (iii) to minimise dilution to existing NOX Shareholders; and
  - (iv) to obtain a source of funding that would allow the Company to take advantage of an anticipated clinical program news flow over the coming 9 months as its DARRT-1 and LuPIN programs read-out.

#### **Directors' Recommendation**

The Board of Directors recommend Shareholders vote in favour of Resolutions 7 to 9.

## Enquiries

Shareholders are asked to contact the Company Secretary on +61 2 8098 1169 if they have any queries in respect of the matters set out in these documents.

# Glossary

**AEST** means Australian Eastern Standard Time as observed in Sydney, New South Wales.

**General Meeting** or **Meeting** means a General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

**Associate** has the meaning given to it by the ASX Listing Rules.

**ASX** means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

**ASX Listing Rules** or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

**Board** means the current board of Directors of the Company.

**Business Day** means a day on which trading takes place on the stock market of ASX.

**Chair** means the person chairing the Meeting.

**Collateralisation Price** means the lower of:

- (a) the price per Share equal to 90% of the average of the five (5) lowest daily VWAPs per Share during the Collateralisation Pricing Period; and
- (b) \$0.622.

**Collateralisation Pricing Period** means for determining the Collateralisation Price following the relevant Investor electing to reduce the number of Collateral Shares, the twenty (20) consecutive Trading Days immediately prior to the date of that election; or if there are Collateral Shares on issue at the expiry of the Term, the twenty (20) Trading Days ending on the date that is immediately prior to the date on which such payment is made by the relevant Investor for those Shares.

**Company** means Noxopharm Limited ACN 608 966 123.

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

**Director** means a current director of the Company.

**Dollar** or "\$" means Australian dollars.

**Explanatory Statement** means the explanatory statement accompanying this Notice of Meeting.

**Fourth Tranche Notice** is a Tranche Notice to be issued by the Investors on or about 15 November 2019.

**Fourth Tranche Shares** means the Tranche Shares to be issued consequent upon issue of the Fourth Tranche Notice.

**Investors** means Lind Global Macro Fund, LP, managed by The Lind Partners, and CST Investments Funds.

**LR 7.3 Time Limit** means the requirement under Listing Rule 7.3.2 which requires that if Shareholder approval is obtained under Listing Rule 7.1 to issue new equity securities, the securities must under Listing Rule 7.3.2 be issued within 3 months from the date of Shareholder approval.

**Notice of Meeting** or **Notice of Extraordinary General Meeting** means this notice of Extraordinary General Meeting dated 9 August 2019 including the Explanatory Statement.

**Option** means an option which, subject to its terms, could be exercised into a Share.

**Ordinary Resolution** means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**Pause** means a pause taken by the Company on the issuing of Tranche Shares for a period not exceeding 3 months. A Pause may only be taken once every 12 months and it will extend the Tranche Term.

**Proxy Form** means the proxy form attached to this Notice of Meeting.

**Purchase Price**, in relation to a Tranche Share issuance, means, at the election of the Investor:

- (a) a price per Share equal to 90% of the average of the five (5) lowest daily VWAPs, during the twenty (20) Trading Days prior to the date of issue of the relevant Tranche Share; or
- (b) AU\$0.58 (**Purchase Price B**) provided, however, that the Investor may not elect Purchase Price B for more than two (2) Tranche Share issuances during the Tranche Term (provided that if there is an extension, the Investor may elect Purchase Price B for up to two (2) more Tranche Share issuances during the period of the Extension).

**Resolutions** means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

**Second Tranche Notice** is a Tranche Notice to be issued by the Investors on or about 20 September 2019.

**Second Tranche Shares** means the Tranche Shares to be issued consequent upon issue of the Second Tranche Notice.

**Securities** mean Shares and/or Options (as the context requires).

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

**Shareholder** means a holder of a Share.

**Share Registry** means Automic Registry Services, Level 5, 126 Philip Street, Sydney, NSW 2000.

**Special Resolution** means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**Subsequent Tranche Notice** means all Tranche Notices issued by the Investors under the Facility Agreements commencing from the Second Tranche Notice which is expected to be issued on or about

**Subsequent Tranche Shares** means the Tranche Shares to be issued consequent upon issue of each Subsequent Tranche Notice.

**Third Tranche Notice** is a Tranche Notice to be issued by the Investors on or about 18 October 2019.

**Third Tranche Shares** means the Tranche Shares to be issued consequent upon issue of the Third Tranche Notice.

**Trading Day** has the meaning given to that term in ASX Listing Rule 19.12.

**Tranche Notice** is a notice to be issued by the Investors in accordance with the Facility Agreements setting out the purchase price applicable and the number of Tranche Shares due to be issued on such Tranche Share issuance date (within 28 days), setting out the manner in which such purchase price and number of Tranche Shares to be issued was calculated by the relevant Investor. The Second Tranche Notice is expected to occur on or about 20 September 2019, the Third Tranche Notice is expected to be issued on or about 18 October 2019 and the Fourth Tranche Notice is expected to be issued on or about 15 November 2019.

**Tranche Shares** means the number of Shares issued or issuable by the Company to an Investor or its nominee in relation to a Tranche.

**Tranche Term** means the period commencing on or about 23 July 2019 and ending on the later of on or about 23 July 2021 and the date upon which the Company has satisfied all of its obligations under the Facility Agreements.

**VWAP** means volume weighted price average.

**Waiver Application** means application made to the ASX by the Company for waiver of the requirement under Listing Rule 7.3.2 which requires that if Shareholder approval is obtained under Listing Rule 7.1 to issue new equity securities, the securities must under Listing Rule 7.3.2 be issued within 3 months from the date of Shareholder approval (**LR 7.3 Time Limit**). The Company has applied to ASX for the waiver of the LR 7.3 Time Limit on the basis that the Shares are to be issued in periodic tranches (every 30 days unless a Pause of no more than 3 months is taken) over a 12 month period from on or around 23 August 2019 provided all Tranches are issued by not later than 26 November 2020 (allowing for a Pause of 3 months to be taken) and subject to such other conditions imposed by ASX.

## Annexure A – Summary Terms of Unlisted Options

Option Exercise Price	The Options have an exercise price of AU\$0.58, which was 130% of the 20-day VWAP for the trading days immediately prior to 19 July 2019.
Issue Date	23 July 2019
Expiration Date	23 July 2023 (48 months from the date of issue)
Nature of Options	<p>Each Option will grant the holder of that Option the right but not the obligation to be issued by the Company one Share at the Options Exercise Price (subject to any adjustment under this Agreement).</p> <p>Each Option will be exercisable by the Option holder complying with its obligations at any time after the time of the grant of the Option and prior to the Options Expiration Date, after which time it will lapse.</p>
Bonus Issues	If prior to an exercise of an Option, but after the issue of the Option, the Company makes an issue of Shares by way of capitalisation of profits or out of its reserves (other than pursuant to a dividend reinvestment plan), pursuant to an offer of such Shares to at least all the holders of Shares resident in Australia, then on exercise of the Option, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the date on which entitlements to the issue were calculated.
Rights Issues	If prior to an exercise of an Option, but after the issue of the Option, any offer or invitation is made by the Company to at least all the holders of Shares resident in Australia for the subscription for cash with respect to Shares, options or other securities of the Company on a pro rata basis relative to those holders' Shareholding at the time of the offer, the Options Exercise Price will be reduced as specified in the Listing Rules in relation to pro-rata issues (except bonus issues).
Reconstruction of Capital	<p>In the event of a consolidation, subdivision or similar reconstruction of the issued capital of the Company, and subject to such changes as are necessary to comply with the Listing Rules applying to a reconstruction of capital at the time of the reconstruction:</p> <p>(a) number of the Shares to which each Option holder is entitled on exercise of the outstanding Options will be reduced or increased in the same proportion as, and the nature of the Shares will be modified to the same extent that, the issued capital of the Company is consolidated, subdivided or reconstructed (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the consolidation, subdivision or reconstruction);</p> <p>(b) an appropriate adjustment will be made to the Options Exercise Price of the outstanding Options, with the intent that the total amount payable on exercise of the Options will not alter.</p>
Cumulative Adjustments	Full effect will be given to the provisions of Bonus Issues, Rights Issues and reconstruction of Capital clauses, as and when occasions of their application arise and in such manner that the effects of the successive

	applications of them are cumulative, the intention being that the adjustments they progressively effect will be such as to reflect, in relation to the Shares issuable on exercise of the Options outstanding, the adjustments which on the occasions in question are progressively effected in relation to Shares already on issue.
Notice of Adjustments	Whenever the number of Shares over which an Option is exercisable, or the Options Exercise Price, is adjusted pursuant to this Agreement, the Company must give notice of the adjustment to all the Option holders as soon as reasonably practicable and in any event, within three (3) Business Days.
Rights Prior to Exercise	Prior to its exercise, an Option does not confer a right on the Option holder to participate in a new issue of securities by the Company.
Redemption	The Options will not be redeemable by the Company.
Assignability and Transferability	The Options will be freely assignable and transferable, subject to the provisions of Chapter 6D of the Corporations Act and the applicable Law.

## Annexure B – Terms of Convertible Securities and Replacement Convertible Securities

The following is a broad summary of the rights and liabilities attaching to each of the 2 Convertible Securities (and Replacement Convertible Securities). The summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of each of the Investors.

Term	Period commencing from the date of the First Closing and ending on the later of the date that is 24 months from the date of the First Closing, and the date which is 30 days after the date upon which the Company has satisfied all of its obligations under the agreement.
Total face value	AU\$2,280,000
Funded amount	AU\$1,900,000
Interest	Nil
Security	Yes
Collateral Shares	<p>1,500,000 collateral shares have been issued to each Investor (<b>Collateral Shares</b>). Number of Collateral Shares is the <b>Collateral Shareholding Number</b> and is initially 1,500,000. Each Investor can elect to reduce the <b>Collateral Shareholding Number</b> in lieu of conversion to newly issued shares at the Collateralisation Price. If there are still any Collateral Shareholding Number exceeds zero at the end of the Term, then the Investor must pay for them at the Collateralisation Price. The <b>Collateralisation Price</b> is:</p> <p>(a) the price per Share equal to 90% of the average of the five (5) lowest daily VWAPs per Share during the Collateralisation Pricing Period; and</p> <p>(b) the price per Share equal to 130% of the 20 day VWAP for the twenty (20) Trading Days immediately prior to the Execution Date (\$0.479).</p> <p>The <b>Collateralisation Pricing Period</b> is the twenty (20) consecutive Trading Days immediately prior to the date of the relevant election is made to pay for Collateral Shares and reduce the Collateral Shareholding Number.</p>
Conversion and Conversion Price	<p>The Convertible Securities can be converted after the earliest of 24 October 2019 or the default or termination or Pause (<b>Lock-Up Period</b>) to Shares at a conversion price which is the lowest of (a) the price per Share equal to 90% of the average of the five (5) lowest daily VWAPs per Share during the 20-trading day period immediately prior to the relevant notice of Conversion Date; (b) AU\$0.58, and (c) in the event of an IPO on NASDAQ, 80% of the NASDAQ IPO price (<b>Conversion Price</b>).</p> <p>If the Conversion Price in respect of a conversion is less than AU\$0.40 (<b>Floor Price</b>), subject to the Investor's election, the Company may elect to make a payment to each Investor in immediately available funds in lieu of issuing the conversion shares, provided that the Company repays 105% of the conversion amount relating to the conversion shares to the Investor on the conversion date.</p> <p>The Investor's election is to elect to either receive each conversion share at the Floor Price or agreeing to a conversion by way of a reduction in the Collateral Shareholding Number at the Floor Price.</p> <p>The Facility Agreement contains provisions that may require approval of Shareholders as required under ASX Listing Rules 7.1 and 7.1A in the future. However, this does not apply for Shares issued upon conversion of</p>



	Replacement Convertible Securities.
Restricted Conversion Period	<p>For a period commencing on the day after the Lock-Up Period and ending on the earliest of 180 days from that date or the default, termination or Pause, the Investors may not give conversion notices in a calendar month for an aggregate conversion amount exceeding AU\$100,000 per Investor, provided that this restriction will cease to apply during such time that the market capitalisation of the Company is:</p> <p>(a) less than AU\$45,000,000; or</p> <p>(b) more than AU\$78,000,000.</p>
Company's Buy-Back Right	<p>The Company may, by the issue of a buy-back notice for the Convertible Security (<b>Buy-Back Notice</b>), buy-back the outstanding balance of the Convertible Security at any time.</p> <p>A Buy-Back Notice must exclude amounts where the Investor has already given a conversion notice to the Company (the <b>Excluded Converted Amount</b>).</p> <p>The Investor may elect to give a conversion notice to the Company for up to 50% of the face value of the Convertible Security at the time of issue (<b>Buy-Back Conversion Amount</b>) at the Conversion Price.</p> <p>Upon issuing a Buy-Back Notice, the Company must buy-back the relevant Convertible Security (excluding the Buy-Back Conversion Amount and Excluded Converted Amount), for the Buy-Back Amount Outstanding.</p>

If you are attending the meeting in person, please bring this with you for Securityholder registration.

[EntityRegistrationDetailsLine1Envelope]  
[EntityRegistrationDetailsLine2Envelope]  
[EntityRegistrationDetailsLine3Envelope]  
[EntityRegistrationDetailsLine4Envelope]  
[EntityRegistrationDetailsLine5Envelope]  
[EntityRegistrationDetailsLine6Envelope]

Holder Number:  
[HolderNumber]

## Vote by Proxy: NOX

Your proxy voting instruction must be received by **10:00 AM (AEST) on Saturday, 14 September 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

### SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



### SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

#### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

#### VOTING UNDER STEP 1 - APPOINTING A PROXY

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. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

#### DEFAULT TO THE 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 these 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 Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP

#### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking 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 SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

#### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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

**Joint holding:** Where the holding is in more than one name, all of the Shareholders 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 Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

#### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

#### ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

#### POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

