



**Neurotech International Limited**  
ACN 610 205 402

**Notice of Annual General Meeting,  
Explanatory Statement and Proxy Form**

**Annual General Meeting to be held at**  
**Suite 5 CPC, 145 Stirling Highway,**  
**Nedlands WA 6009 and via webcast**  
**On 30 November 2020 at 4pm (WST)**

**Shareholders please refer to the Important Information regarding  
the Annual General Meeting on pages 1 and 2 of this Notice.**

**Important notice**

The Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

## Important Information

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### Important dates

An indicative timetable of key proposed dates is set out below. These dates are indicative only and are subject to change.

Event	Date
Last day for receipt of Proxy Forms – Proxy Forms received after this time will be disregarded	4pm (WST) on 28 November 2020
Snapshot date for eligibility to vote	4pm (WST) on 28 November 2020
Annual General Meeting	4pm (WST) on 30 November 2020

### Important information about the holding of the Annual General Meeting to address COVID -19 virus health and safety requirements

In order to comply with government health regulations and requirements to prevent the spread of the COVID-19 virus, physical attendance at the Annual General Meeting is discouraged.

The Board of Directors have elected to implement certain protocols and practices to ensure the safe conduct of the Annual General Meeting in line with general health advisory recommendation.

#### Please note the following:

- Neurotech International Limited's Annual General Meeting will be held at Suite 5 CPC, 145 Stirling Highway, Nedlands WA 6006 and via webcast, as noted on the front page of this Notice.
- Voting on all Resolutions will be conducted by poll and not by show of hands.
- Shareholders are encouraged to vote by proxy.

- Shareholders are strongly urged to appoint the Chair of the Meeting as their proxy. Shareholders can complete the proxy form to provide specific instructions on how a vote is to be exercised on each item of business, and the Chair of the Meeting must follow your instruction.
- Shareholders will be able to participate in the Meeting by:
  - voting their Shares prior to the Meeting by lodging the proxy form attached to this Notice by no later than 4:00pm on 28 November 2020; and
  - lodging questions in advance of the Meeting by email the questions to Eryln Dale, Company Secretary at [erlyn@azc.com.au](mailto:erlyn@azc.com.au), by no later than 25 November 2020. The board of Directors will endeavour to prepare answers to these questions, where necessary they will be moderated and curated to cover common ground.
- Shareholders are also invited to pre-register for the webcast of the Meeting by copying the following link into their browser and following the prompts:

*[https://us02web.zoom.us/webinar/register/WN\\_uzbNJlvYRyS2SvbdwDQ2MQ](https://us02web.zoom.us/webinar/register/WN_uzbNJlvYRyS2SvbdwDQ2MQ)*

# Notice of Annual General Meeting

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Notice is hereby given that the Annual General Meeting of **Neurotech International Limited** ACN 610 205 402 ('Company' or 'Neurotech') will be held at **Suite 5 CPC, 145 Stirling Highway, Nedlands WA 6009** at **4pm (WST) on 30 November 2020** for the purpose of transacting the business referred to in this Notice of Annual General Meeting.

The Explanatory Statement that accompanies and forms part of this Notice describes the various matters to be considered.

## AGENDA

To consider and if thought fit to pass, the resolutions set out below as ordinary resolutions (in respect of Resolutions 1 to 6) and as a special resolution (in respect of Resolution 7)

### Financial Statements and Reports

To receive and consider the Financial Statements, Directors' Report and Auditor's Report of Neurotech International Limited for the financial year ended 30 June 2020.

### Resolution 1: Adoption of the Remuneration Report

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

*"That the Remuneration Report contained in the Directors' Report for the financial year ended 30 June 2020 be adopted by the Company."*

**Notes:** In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

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.

### Resolution 2: Re-election of Mr Winton Willesee as a Director

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

*"That under and for the purposes of Listing Rule 14.4 and article 6.3(f) of the Constitution and for all other purposes, Mr Winton Willesee, retires by rotation in accordance with article 6.3 of the Company's Constitution and being eligible offers himself for election, be elected as a Director."*

### Resolution 3: Re-election of Mr Brian Leedman as a Director

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

*"That under and for the purposes of article 6.3(j) of the Constitution and for all other purposes, Mr Brian Leedman, being appointed by the Directors on 19 October 2020, retires by in accordance with article 6.3(j) of the Company's Constitution and being eligible offers himself for election, be elected as a Director."*

## **Resolution 4: Approval to issue Shares to Dolce Cann Global Pty Ltd**

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

*“That under and for the purposes of Listing Rule 7.1 and all other purposes, Shareholders hereby approve the issue of 33,000,000 Shares under Tranche 2 and 33,000,000 Shares under Tranche 3 to Dolce Cann Global Pty Ltd, and/or its nominee(s), as consideration for the acquisition of a licence to use proprietary cannabis strains pursuant to the Acquisition Agreement, in the manner and on the terms and conditions set out in the Explanatory Statement.”*

## **Resolutions 5(a) and 5(b): Approval to issue Options to Directors**

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

- (a) *“That under and for the purposes of Listing Rule 10.11, section 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve the grant by the Company of 2,000,000 Options, each exercisable at a price equal to 135% of the 5 day VWAP prior to the date of the Meeting and expiring 30 November 2023, to Mr Winton Willesee (or his nominee), a Director and Related Party to the Company, in the manner and on the terms and conditions set out in the Explanatory Statement.”*
- (b) *“That under and for the purposes of Listing Rule 10.11, section 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve the grant by the Company of 2,000,000 Options, each exercisable at a price equal to 135% of the 5 day VWAP prior to the date of the Meeting and expiring 30 November 2023, to Mr Mark Davies (or his nominee), a Director and Related Party to the Company, in the manner and on the terms and conditions set out in the Explanatory Statement.”*

## **Resolutions 6(a) and 6(b): Approval to issue Options to Director – Brian Leedman**

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

- (a) *“That under and for the purposes of Listing Rule 10.11, and 208 of the Corporations Act and for all other purposes, Shareholders approve the grant by the Company of 10,000,000 Options, vesting 6 months after his appointment as a Director, each exercisable at \$0.015 each and expiring 31 October 2023, to Mr Brian Leedman (or his nominee), a Director and Related Party to the Company, in the manner and on the terms and conditions set out in the Explanatory Statement.”*
- (b) *“That under and for the purposes of Listing Rule 10.11, and 208 of the Corporations Act and for all other purposes, Shareholders approve the grant by the Company of 10,000,000 Options, vesting 6 months after his appointment as a Director, each exercisable at \$0.02 each and expiring 31 October 2023, to Mr Brian Leedman (or his nominee), a Director and Related Party to the Company, in the manner and on the terms and conditions set out in the Explanatory Statement.”*

## **Resolution 7: Approval of Additional 10% Placement Facility**

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

*“That for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the number of fully paid ordinary securities of the Company on issue (at the time of issue) calculated in accordance with the formula set out in Listing Rule 7.1A.2 for a period of 12 months from the date of the Meeting on the terms and conditions set out in the Explanatory Memorandum.”*

**Note:** Resolution 7 is a special resolution. To be passed, it must be approved by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

**By order of the Board**



**Winton Willesee**  
**Director**  
20 October 2020

## Voting Exclusions

### Corporations Act voting prohibitions

Pursuant to sections 224 and 250BD of the Corporations Act, a vote on the following Resolution must not be cast (in any capacity) by or on behalf of the party specified in the table below or their respective Associates:

Resolution	Excluded Parties
Resolution 1	Members of Key Management Personnel or their closely related Associates.
Resolution 5(a)	Winton Willesee or any other Related Parties to whom Resolution 5(a) would permit a financial benefit to be given.
Resolution 5(b)	Mark Davies or any other Related Parties to whom Resolution 5(b) would permit a financial benefit to be given.
Resolution 6(a)	Brian Leedman or any other Related Parties to whom Resolution 6(a) would permit a financial benefit to be given.
Resolution 6(b)	Brian Leedman or any other Related Parties to whom Resolution 6(b) would permit a financial benefit to be given.

However, this voting prohibition does not prevent the casting of a vote on any of Resolutions 1, 5(a), 5(b), and 6(a) and 6(b) if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution, and it is not cast on behalf of a Related Party to whom the Resolution would permit a financial benefit to be given, or their Associate.

In relation to Resolutions 1, 5(a), 5(b), and 6(a) and 6(b) members of Key Management Personnel and their Closely Related Parties (other than the Chairperson) may not vote as proxy if the appointment does not specify how the proxy is to vote. The Chairperson may vote as proxy in accordance with an express authorisation on the Proxy Form.

### ASX voting exclusion statements

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions.

The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons or an Associate of those persons.

Resolution	Excluded Parties
Resolution 4	Dolce, any nominee of Dolce who may be granted Shares and any person who will obtain a material benefit as a result of the proposed issue of Shares (except a benefit solely by reason of being a holder of Shares).
Resolution 5(a)	Mr Winton Willesee, any nominee of Mr Winton Willesee and any person who will obtain a material benefit as a result of the proposed issue of Options (except a benefit solely by reason of being a holder of Shares).
Resolution 5(b)	Mr Mark Davies, any nominee of Mr Mark Davies and any person who will obtain a material benefit as a result of the proposed issue of Options (except a benefit solely by reason of being a holder of Shares).
Resolution 6(a)	Mr Brian Leedman, any nominee of Mr Mark Davies and any person who will obtain a material benefit as a result of the proposed issue of Options (except a benefit solely by reason of being a holder of Shares).

Resolution 6(b)	Mr Brian Leedman, any nominee of Mr Mark Davies and any person who will obtain a material benefit as a result of the proposed issue of Options (except a benefit solely by reason of being a holder of Shares).
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However, this does not apply to a vote cast in favour of the above Resolutions by:

- the person as proxy or attorney for a person who is entitled to vote on a Resolution, in accordance with directions given to the proxy or attorney to vote on a Resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on a Resolution, in accordance with a direction given to the chair to vote on a Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary providing the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on a Resolution; and
  - the holder votes on a Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.



# Proxy Appointment and Voting Instructions

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## Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address below, or by fax or email by **4pm (WST) on 28 November 2020**. A Proxy Form received after that time will not be valid.

By post: Automic  
GPO Box 5193  
Sydney NSW 2001

By hand: Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

By fax: 02 8583 3040 from within Australia  
  
+61 2 8583 3040 from outside Australia

By email: [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

## Appointment of a proxy

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

The Company encourages Shareholders to appoint the Chairperson as your proxy. To do so, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chairperson, please write the name of that person in the space provided on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairperson will be your 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, you may photocopy the Proxy Form or an additional Proxy Form may be obtained by telephoning the Company on +61 8 9389 3130.

**Please note, as the Company discourages physical attendance at the Meeting by Shareholders and/or proxies, it is recommended Shareholders complete the attached proxy form and send to the Company via the communication methods outlined above.**

To appoint a second proxy you must, on each Proxy Form, state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

## Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary, that director.

## Corporate representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

## Votes on Resolutions

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST' or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolution by inserting the percentage or number of Shares you wish to vote in the appropriate boxes. If you do not mark any of the boxes next to a Resolution, your proxy may vote as he or she chooses. If you mark more than one box on the Resolution, your vote will be invalid.

## Chairperson voting undirected proxies

If the Chairperson is your proxy, the Chairperson will cast your votes in accordance with your directions on the Proxy Form. If you do not mark any of the boxes on the Resolutions, then you expressly authorise the Chairperson to vote your undirected proxies at his/her discretion.

As at the date of this Notice of Meeting, the Chairperson intends to vote undirected proxies **FOR** each of the Resolutions. In exceptional cases the Chairperson's intentions may subsequently change and in this event, the Company will make an announcement to the market.

## Voting entitlement (snapshot date)

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at **4pm (WST) on 28 November 2020**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

## Questions from Shareholders

The board of Directors will endeavour to prepare answers to these questions, where necessary they will be moderated and curated to cover common ground.

The Chairman will allow a reasonable opportunity for Shareholders to ask questions.

BDO Audit (WA) Pty Ltd, as the Auditor responsible for preparing the Auditor's Report for the year ended 30 June 2020 (or its representative), will attend the Meeting. The Chairman will allow a reasonable opportunity for the Shareholders as a whole to ask the Auditor questions at the Meeting about:

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

To assist the Board and the Auditor of the Company in responding to any questions you may have, please email to [erlyn@azc.com.au](mailto:erlyn@azc.com.au) or to the address above by no later than **25 November 2020**.

As required under section 250PA of the Corporations Act, at the Meeting, the Company will make available those questions directed to the Auditor received in writing at least five business days prior to the Meeting, being questions which the Auditor considers relevant to the content of the Auditor's report or the conduct of the audit of the Annual Financial Report for the year ended 30 June 2020. The

Chairman of the Meeting will allow a reasonable opportunity for the Auditor to respond to the questions set out on this list.

### **Annual Report**

The Company advises that a copy of its Annual Report for the year ended 30 June 2020, is available to download at the website address, [www.neurotechinternational.com](http://www.neurotechinternational.com).

When you access the Company's Annual Report on-line, you can view it and print a copy.

Please note that if you have elected to continue to receive a hard copy of the Company's Annual Reports, the Annual Report will accompany this Notice of Meeting or alternatively it will be mailed to you shortly.

However, if you did not elect to continue to receive a hard copy of the Company's Annual Reports and now (or sometime in the future) wish to receive a hard copy of the Company's Annual Reports, please contact Automic on the details provided above.

# Explanatory Statement

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This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting.

Capitalised terms in this Explanatory Statement are defined in the Glossary or otherwise in the Explanatory Statement.

## 1. Financial Statements and Reports

Shareholders are to receive and consider the Financial Statements, Directors' Report and the Auditor's Report of Neurotech International Limited for the financial year ended 30 June 2020.

Shareholders will be given the opportunity to ask questions of the Board and the Auditors in relation to the Annual Report for the financial year ended 30 June 2020, at the Annual General Meeting.

## 2. Resolution 1: Adoption of the Remuneration Report

The Remuneration Report is set out in the Directors' Report in the Company's 2020 Annual Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. In accordance with section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

At the Company's previous Annual General Meeting the votes against the Remuneration Report was less than 25% of the votes cast on the Resolution. As such, Shareholders do not need to consider a spill resolution at the Meeting.

A voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. Key Management Personnel and their Closely Related Parties may not vote on this Resolution and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairman and expressly authorises the Chairman to exercise the proxy. The Chairman will use any such proxies to vote in favour of Resolution 1.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Remuneration Report).

## 3. Resolution 2: Re-election of Mr Winton Willesee as a Director

### 3.1 Background

Resolution 2 seeks approval for the re-election of Mr Winton Willesee as a Director.

Article 6.3(c) of the Company's Constitution requires that one third of the Directors in office (other than a Managing Director) retire by rotation at each annual general meeting of the Company. Article 6.3(f) provides that the retiring Directors are then eligible for re-election.

Mr Willesee who retires in accordance with article 6.3(c), and being eligible, offers himself for re-election as a Director.

### **3.2 Biography**

A profile of Mr Willesee is contained in the Company's Annual Report for the financial year ended 30 June 2020.

### **3.3 Directors' recommendation**

Mr Willesee has an interest in the outcome of Resolution 2 and accordingly declines to make a recommendation in respect of Resolution 2.

The Directors (other than Mr Willesee) recommend that Shareholders vote in favour of Resolution 2 to re-elect Mr Willesee as a Non-executive Director.

## **4. Resolution 3: Re-election of Mr Brian Leedman as a Director**

### **4.1 Background**

Resolution 3 seek Shareholder approval for the re-election of Mr Brian Leedman as a Director of the Company.

Mr Leedman was appointed as a director of the Company by the Directors on Monday, 19 October 2020.

Pursuant to clause 6.3(j) of the Constitution, a Director appointed as an addition to the board will hold office until the next annual general meeting of the Company whereby, the relevant director must retire but is eligible for re-election at the annual general meeting.

Accordingly, being eligible, Mr Leedman offers himself for re-election as a Director.

### **4.2 Biography**

Mr Leedman is formerly; the Chairman (WA) of Ausbiotech, Founder and Executive Director of ResApp Health, Founder of Oncosil Medical and Biolife Sciences Limited (acquired by Imugene Limited) and Non-executive Director of Alcideon Corporation. He is presently; the Chairman or NeuroScientific Biopharmaceuticals and Chairman of Nutritional Growth Solutions. He holds a BEc and an MBA from the University of Western Australia and has over 15 years' experience in the biotechnology sector.

### **4.3 Directors' recommendation**

The Directors' (other than Mr Leedman) recommend that Shareholders vote in favour of Resolution 3.

## **5. Resolution 4: Approval to issue Tranche 2 and 3 Consideration Shares to Dolce**

### **5.1 Acquisition of rights to use proprietary cannabis strains for medicinal use in treating autism**

#### **(a) Acquisition**

On 3 July 2020, the Company announced it had entered into an agreement under which it has the right to acquire an exclusive worldwide licence to utilise proprietary cannabis

strains from Dolce Cann Global Pty Ltd (**Dolce**) and its associates Dolce Cann Pty Ltd and Patrick Steve Calabria (together, the **Vendors**) for medicinal use in treating neurological disorders including autism, epilepsy and ADHD (**Acquisition Agreement**).

As consideration under the Acquisition Agreement, the Company is required to issue:

- (i) 33,000,000 Shares and 33,000,000 Options (exercisable at \$0.01 each on or before 31 January 2023) (**Tranche 1 Consideration Securities**);
- (ii) 33,000,000 Shares to Dolce upon successful stage 1 in-vitro assay assessment being completed (**Tranche 2 Consideration Shares**);
- (iii) 33,000,000 Shares to Dolce upon successful stage 1 clinical trials being completed (**Tranche 3 Consideration Shares**),

(each a **Consideration Milestone**).

The issue of Tranche 1 Consideration Securities was approved by Shareholders at the General Meeting of the Company on 31 August 2020.

Further information with respect to the remaining Consideration Milestones are described below.

Refer to Section 3.2 of the Notice of General Meeting released to ASX on 28 July 2020 and the Company's announcement to ASX on 3 July 2020 respectively and available on [www.asx.com.au](http://www.asx.com.au) by searching announcements under the Company's code "NTI" for further material terms of the Acquisition Agreement and the exclusive worldwide licence to utilise proprietary cannabis strains for research.

(b) **Consideration Milestones**

The Company anticipates that, subject to Shareholder approval, the issue of Tranche 2 and Tranche 3 Consideration Shares will occur on or around the following times:

- (i) **In-vitro assay assessments:** The Company announced to ASX on 23 September 2020 that it had commenced in-vitro assay neuronal or muscle cell line assessments to research dosage responses, toxicity levels, mechanisms of action profiling and selection of suitable test candidates for the purposes of ascertaining the impact of cannabis strains on those persons who have diagnosed neuro-disorders.

The in-vitro assay assessments are anticipated to be completed in or around November 2020 with a detailed report to be issued not later than in or around February 2021. Shortly after the report is issued to the Company and not later than in or around February 2021, the Company will proceed to issue the Tranche 2 Consideration Shares to Dolce (or its nominees).

- (ii) **Small-scale human clinical trials:** Subject to favourable results being reported by the in-vitro assay assessments, the Company anticipates commencing small-scale human clinical trials of the impact of cannabis strains to those persons with a diagnosed neuro-disorder not later than in or around March 2021 with completion of the clinical trials and reporting of the same to be completed not later than in or around September 2021.

Upon the successful completion of the small-scale human trials not later than in or around September 2021, the Company will proceed with the issue of the Tranche 3 Consideration Shares to (Dolce or its nominees).

While the Company does not anticipate the Consideration Milestones above requiring a longer period than stated, the nature of medical research of this kind is such that there may be delays caused by factors beyond the Company's control which include, among other things, intricacies of testing human subjects, regulatory consideration and

requirements and adverse environmental conditions which may impact the growth and viability of the cannabis strains.

(c) **Dilution to Shareholders**

The table below sets out the possible dilution to Shareholders upon the issue of Tranche 2 and Tranche 3 Consideration Shares to Dolce upon the satisfaction of the relevant Consideration Milestone:

Event	Existing Shares on issue	Consideration Milestone Shares	Total Shares on issue after event	Dilution
Issue of Tranche 2 Consideration Shares	388,564,756	33,000,000	421,564,756 <sup>1</sup>	7.82%
Issue of Tranche 3 Consideration Shares	421,564,756	33,000,000	454,564,756 <sup>1</sup>	7.25%
<b>Total</b>		<b>66,000,000</b>	<b>454,564,756</b>	<b>15.07%</b>

**Note:** The figures assume that Options issued by the Company are not exercised into Shares and that the Company does not issue any further Shares between the date of the Meeting and the event described in 5.1(b)(ii) occurring.

**5.2 Requirement for Shareholder approval**

Resolution 4 seeks Shareholder approval to issue a total of 66,000,000 Tranche 2 and Tranche 3 Consideration Shares to Dolce as consideration payable by the Company to Dolce for the licence as described in Section 5.1(a) above.

Resolution 4 is an ordinary resolution seeking approval by Shareholders of the proposed issue of Shares to Dolce or its nominee(s).

None of the of the persons to whom Shares may be issued will be Related Parties of the Company.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of Shares does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires approval of the Company's Shareholders under Listing Rule 7.1.

Resolution 4 seeks the required Shareholder approval for the issue of Shares under and for the purposes of Listing Rule 7.1.

If Resolution 4 is passed the Company will be able to proceed with the issue of Shares, increasing the total number of Shares on issue. In addition, Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of Shares to Dolce or its nominee(s). In this scenario, the Company will not be able perform its obligations under the Acquisition Agreement and may lose its right to acquire right to acquire an exclusive worldwide licence to utilise proprietary cannabis strains from Dolce pursuant to the Acquisition Agreement and a potentially important business opportunity.

### 5.3 Listing Rule information requirements

In accordance with the disclosure requirements of Listing Rule 7.3, the following information is provided in relation to Resolution 4:

(a) **Persons to whom the securities are to be issued**

Shares are to be issued to Dolce and/or its nominee(s) who are not Related Parties of the Company.

(b) **The number of securities to be issued**

The Company proposes to issue up to a total of 66,000,000 Shares comprising:

- (i) 33,000,000 Shares Tranche 2 Consideration Shares; and
- (ii) 33,000,000 Shares Tranche 3 Consideration Shares.

(c) **The terms of the securities**

Tranche 2 and 3 Consideration Shares issued to Dolce will be fully paid ordinary shares in the Company and rank equally in all respects with Shares on issue.

(d) **Dates of issue of Securities**

Listing Rule 7.3.4 requires that any securities issued pursuant to Shareholder approval under Listing Rule 7.1 be issued within 3 months of the meeting at which approval was obtained.

ASX has granted the Company a waiver from Listing Rule 7.3.2 to the effect that, if Resolution 4 is obtained, the Company may issue Tranche 2 and Tranche 3 Consideration Shares to Dolce no later than 28 February 2021 and 30 September 2021 respectively.

The Company anticipates issuing Tranche 2 and Tranche 3 Consideration Shares on or around the dates set out in Section 5.1(b)(i) and 5.1(b)(ii) respectively.

The full terms of the waiver of Listing Rule 7.3.4 that was granted by ASX are set out at Schedule 3 to this Explanatory Statement.

(e) **The price at which the securities will be issued**

Tranche 2 and Tranche 3 Consideration Shares will be issued as consideration under the terms of the Acquisition Agreement and accordingly, the Company will not receive any funds for the issue of Shares.

(f) **The use or intended use of the funds raised**

The Company will not raise any funds from the issue of the Shares.

(g) **Material terms of acquisition agreement with the Vendors**

The material terms described under the Acquisition Agreement are set out in Section 3.2 of the Notice of General Meeting released to ASX on 28 July 2020 and available on [www.asx.com.au](http://www.asx.com.au) by searching announcements under the Company's code "NTI".

### 5.4 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4 as it will enable the Company to satisfy its obligations under the Acquisition Agreement to issue the Shares to Dolce as consideration for the right to acquire the licence.



## **6. Resolutions 5(a) and 5(b) – Approval to grant Options to Directors**

### **6.1 Background**

Resolutions 5(a) to 5(b) seek Shareholder approval under Chapter 2E of the Corporations Act and Listing Rule 10.11, for the grant of 2,000,000 Options to each of Messrs Willesee and Davies (or their respective nominees) as part of their remuneration for services rendered to the Company as Directors (**Director Options**).

### **6.2 Section 195(1) of the Corporations Act**

Section 195(1) of the Corporations Act provides that a director who has a “material personal interest” in a matter being considered at a director’s meeting must not be present while the matter is being considered or vote on the matter.

Section 195(4) of the Corporations Act provides that where there are insufficient directors to form a quorum at a directors’ meeting because of section 195(1), the directors may call a Meeting of shareholders to consider the matter.

The Directors are unable to form a quorum to consider any matters relating to the offer of Director Options under Resolutions 5(a) and 5(b), as Messrs Willesee and Davies, have a material personal interest in the outcome of the Resolutions. Therefore, the Company is seeking approval under section 195(4) of the Corporations Act to deal with the matter.

### **6.3 Chapter 2E of the Corporations Act**

Section 208 of the Corporations Act provides that a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- obtain the approval of the public company’s members in the manner set out in sections 217 to 227 of the Corporations Act; and
- give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The offer of Director Options to the Directors (or their nominees), as contemplated by Resolutions 5(a) and 5(b), constitutes the giving a financial benefit for the purposes of the Corporations Act, and to each of Messrs Willesee and Davies as Related Parties of the Company.

Accordingly, Shareholder approval is sought for the purposes of section 208 of the Corporations Act.

### **6.4 Listing Rule 10.11**

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 – a related party;
- 10.11.2 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 – a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

- 10.11.4 – an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 – a person whose relationship with the company or a person referred to in Listing Rule 10.11.1 to 10.11.4 is such that, ASX’s opinion, the issue or agreement should be approved by its shareholders,

unless it obtains approval of its shareholders.

The issue of Director Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing rule 10.12. It therefore requires approval of the Company’s Shareholders under Listing Rule 10.11.

Resolutions 5(a) and 5(b) seek the required Shareholder approval to issue the Director Options under and for the purposes of Listing Rule 10.11.

If Resolutions 5(a) and 5(b) are passed, the Company will be able to proceed with the issue of Director Options and achieve its desired outcomes whereby the incentives of Directors are aligned with that of shareholders.

If Resolutions 5(a) and 5(b) are not passed, the Company will not be able to proceed with the issue of Director Options and will not be able to achieve its desired outcomes whereby the incentives of Directors are aligned to shareholders in this instance.

## 6.5 Corporations Act information requirements

Section 219 of the Corporations Act requires that the following information be provided to Shareholders in relation to Resolutions 5(a) and 5(b) for the purposes of obtaining approval under Section 208 of the Corporations Act:

### (a) Names of the Related Party

The names of the Related Parties are:

- (i) in respect of Resolution 5(a) – Winton Willesee (Non-executive Director of the Company) or his nominee; and
- (ii) in respect of Resolution 5(b) – Mark Davies (Chairman of the Company) or his nominee.

### (b) Nature of the financial benefit

The nature of financial benefit that will be given to the Directors (or their nominees) of the Company if Resolutions 5(a) and 5(b) are approved is the issue of a total of 2,000,000 Director Options to each of the Directors (or their nominees) in the proportions set out in the table below:

Related Party	Number of Director Options
Mr Winton Willesee	2,000,000 Director Options
Mr Mark Davies	2,000,000 Director Options

### (c) Value of the financial benefit

A valuation of the Options was conducted by the Company which applied the Black-Scholes option pricing model (Black-Scholes Model).

The Black-Scholes Model is based on a number of assumptions and variables, including the following:

- (i) the assumed exercise price for each Director Option is \$0.0258, this assumed price is 135% of the VWAP of Shares traded on ASX over the 5 business days

immediately prior to 16 October 2020 being the latest available date at the time of preparation of the Notice of Meeting (rounded up to the nearest 100<sup>th</sup> of a cent);

- (ii) each Director Option will expire on 30 November 2023, and it is assumed that the Director Options will be exercised immediately prior to the expiry date;
- (iii) the closing price of Shares traded on ASX on 16 October 2020 was \$0.021;
- (iv) a risk-free rate of 0.25% has been adopted;
- (v) it has been assumed that there will not be a dividend paid; and
- (vi) a volatility factor of 100% has been adopted.

The valuation based on the aforementioned detail is \$0.0124c. Applying the above, the estimated valuation the value of the estimated financial benefit to be received by Messrs Willesee and Davies is \$24,800 each.

(d) **Remuneration of Messrs Davies and Willesee**

The table below sets out the total remuneration paid or payable to Messrs Davies and Willesee, for the last financial year and the proposed total remuneration for the current financial year, including superannuation entitlements.

Director	Financial year ended 30 June 2019	Financial year ended 30 June 2020	Financial year ended 30 June 2021
Mark Davies	\$10,833	\$52,000	\$52,000
Winton Willesee	\$8,446	\$40,008	\$40,000

**Note:**

1. Excludes Equity Remuneration – refer 2020 Annual Report for full details.

(e) **Security holdings of Messrs Davies and Willesee**

The table below sets out the securities and rights in the Company in which Messrs Davies and Willesee has a direct or indirect interest at the date of the Notice. The table does not include Director Options to be issued to Messrs Davies and Willesee subject to Shareholder approval of Resolutions 5(a) and 5(b).

Director	Shares		Options	
	Direct	Indirect	Direct	Indirect
Mark Davies	Nil	7,793,017 <sup>1</sup>	Nil	2,000,000 <sup>1</sup>
Winton Willesee	Nil	5,132,436 <sup>3</sup>	Nil	2,000,000 <sup>3</sup>

**Notes:**

1. Held by Seivad Investments Pty Ltd as trustee of the Davies Family Trust, of which Mark Davies is a beneficiary.
2. Shares held by Silverinch Pty Limited <Silverinch S/F A/C> and Options held by Chinchinchee Nominees Pty Ltd, which is a nominee for a related entity to Director Winton Willesee.

(f) **Voting interests and voting power of Messrs Davies and Willesee**

The table below sets out details of the respective voting interests of Messrs Davies and Willesee, including how these interests may change upon the events specified in the table occurring.

<b>Event</b>	<b>Shares received</b>	<b>Total Shares held after event</b>	<b>Voting power after event (rounded)</b>
<b>Mark Davies</b>			
Existing Shares held	Nil	7,793,017	2.01%
Exercise of all existing Options	2,000,000	9,793,017	2.52%
Director Options	2,000,000	11,793,017	3.04%
<b>Winton Willesee</b>			
Existing Shares held	Nil	5,132,436	1.32%
Exercise of all existing Options	2,000,000	7,132,436	1.84%
Director Options	2,000,000	9,132,436	2.35%

(g) **Dilution**

If Resolutions 5(a) and 5(b) are approved, a total of 4,000,000 Director Options will be offered to Directors Messrs Davies and Willesee (or their nominees). The offer of these Director Options will not, at the time of grant, have any dilutionary effect to the shareholding interests of existing Shareholders.

If 4,000,000 Director Options are exercised by each Director into Shares, the dilution to the shareholding interests of existing Shareholders will be approximately 0.102%.

(h) **Trading history**

The most recent available data concerning the price of the Company's Shares traded on ASX since 16 October 2019 (i.e. approximately 12 months from the Notice date) is summarised in the table below.

	<b>High</b>	<b>Low</b>	<b>Last</b>
<b>Price</b>	\$0.021	\$0.003	\$0.021
<b>Date</b>	16 October 2020	27 March 2020	16 October 2020

(i) **Funds raised**

Director Options are being offered to the Directors (or their nominees) at a nil issue price, accordingly, the Company will not raise any funds from the issue of Director Options.

However, based on the assumed exercise price described in Section 6.5(c)(i) above, upon the exercise of the Director Options, the Company will raise approximately \$84,000

(j) **Directors' interests in the proposed resolution**

Winton Willesee has a material personal interest in the outcome of Resolution 5(a) and will be the only Director to receive a benefit from that Resolution.

Mark Davies has a material personal interest in the outcome of Resolution 5(b) and will be the only Director to receive a benefit from that Resolution.

(k) **Other information**

Other than as set out in this Explanatory Statement, the Directors do not consider there is any further information which the Shareholders would reasonably require in order to decide whether or not to approve Resolutions 5(a) and 5(b).

## **6.6 Information required by Listing Rule 10.13**

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

(a) **The name of the person**

(i) In respect of Resolution 5(a) – Winton Willesee or his nominee.

(ii) In respect of Resolution 5(b) – Mark Davies or his nominee.

(b) **Which category in rules 10.11.1 – 10.11.5 the person falls and why**

In respect of Resolutions 5(a) and 5(b) the persons to whom the Director Options will be issued are Directors of the Company and consequently fall under Listing Rule 10.11.1 as Related Parties to the Company.

(c) **The number and class of securities to be issued to the person**

Director Options in respect of Resolutions 5(a) and 5(b) will be issued to each relevant Director in the proportions set out in the table in Section 6.5(b).

The terms and conditions attaching to Director Options are set out in Schedule 1.

Director Options upon exercise will become a fully paid ordinary Share in the Company and will rank equally in all respects with Shares on issue at that time.

(d) **The date on which the company will issue the securities, which must not be more than 1 month after the date of the meeting**

Subject to Shareholder approval, Director Options will be issued shortly following the Meeting, or otherwise on one date no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(e) **The price or consideration the entity will receive for the issue**

As described in Section 6.1, the Company will not receive any funds for the issue of Director Options.

(f) **The purpose of the issue**

Refer to Section 6.1.

(g) **Details of the directors' current total remuneration package**

Refer to the table in Section 6.5(d).

## 6.7 Directors' recommendations

Each recipient of Director Options as contemplated by Resolutions 5(a) and 5(b) is a Related Party of the Company by virtue of being a Director of the Company.

Accordingly:

- (a) Winton Willesee has a material personal interest in the outcome of Resolution 5(a); and
- (b) Mark Davies has a material personal interest in the outcome of Resolution 5(b).

In the interests of good corporate governance, the Board decline to make any recommendations as to how Shareholders should vote on any of Resolutions 5(a) and 5(b) (not just in respect of those Resolutions in which they individually have a material personal interest) as they are each Directors of the Company.

## 7. Resolutions 6(a) and 6(b): Approval to grant Options to Director – Brian Leedman

### 7.1 Background

Resolutions 6(a) and 6(b) seek Shareholder approval under Chapter 2E of the Corporations Act and Listing Rule 10.11, for the grant to Mr Brian Leedman (or his nominee) of:

- (a) 10,000,000 Options, exercisable at \$0.015 each, expiring on or before 31 October 2023; and
  - (b) 10,000,000 Options exercisable at \$0.02 each, expiring on or before 31 October 2023,
- (together, **New Director Options**).

Mr Leedman was appointed to the Board on 19 October 2020 (refer to Section 4.1 above) and the issue of New Director Options will form part of his remuneration for services rendered to the Company as a Director.

New Director Options will be issued to Mr Leedman but will not vest until a period being six (6) months following the date of his appointment.

### 7.2 Chapter 2E of the Corporations Act

Section 208 of the Corporations Act provides that a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The offer of New Director Options to Mr Leedman (or his nominee), as contemplated by Resolutions 6(a) and 6(b), constitutes the giving a financial benefit for the purposes of the Corporations Act, and to Mr Leedman as a Related Party of the Company.

Accordingly, Shareholder approval is sought for the purposes of section 208 of the Corporations Act.

### 7.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 – a related party;
- 10.11.2 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 – a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 – an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 – a person whose relationship with the company or a person referred to in Listing Rule 10.11.1 to 10.11.4 is such that, ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains approval of its shareholders.

The issue of New Director Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing rule 10.12. It therefore requires approval of the Company's Shareholders under Listing Rule 10.11.

Resolutions 6(a) and 6(b) seek the required Shareholder approval to issue of New Director Options under and for the purposes of Listing Rule 10.11.

If Resolutions 6(a) and 6(b) are passed, the Company will be able to proceed with the issue of New Director Options and achieve its desired outcomes whereby the incentives of Directors are aligned with that of Shareholders.

If Resolutions 6(a) and 6(b) are not passed, the Company will not be able to proceed with the issue of New Director Options and will not be able to achieve its desired outcomes whereby the incentives of Directors are aligned to Shareholders in this instance.

### 7.4 Corporations Act information requirements

Section 219 of the Corporations Act requires that the following information be provided to Shareholders in relation to Resolutions 6(a) and 6(b) for the purposes of obtaining approval under Section 208 of the Corporations Act:

(a) **Names of the Related Party**

The name of the Related Party in respect of both Resolution 6(a) and 6(b) is Mr Brian Leedman.

(b) **Nature of the financial benefit**

The nature of financial benefit that will be given to Mr Leedman (or his nominees) if Resolutions 6(a) and 6(b) are approved is the issue of a total of 20,000,000 New Director Options.

(c) **Value of the financial benefit**

A valuation of the Options was conducted by the Company which applied the Black-Scholes option pricing model (Black-Scholes Model).

The Black-Scholes Model is based on a number of assumptions and variables, including the following:

- (i) the assumed exercise price for the New Director Option the subject of Resolution 6(a) is \$0.015, and Resolution 6(b) is \$0.02;
- (ii) each of the New Director Options will expire on 31 October 2023, and it is assumed that the New Director Options will be exercised immediately prior to the expiry date;
- (iii) the closing price of Shares traded on ASX on 16 October 2020 was \$0.021;
- (iv) a risk-free rate of 0.25% has been adopted;
- (v) it has been assumed that there will not be a dividend paid; and
- (vi) a volatility factor of 100% has been adopted.

The valuation based on the aforementioned details are \$0.0143 in respect of New Director Options the subject of Resolution 6(a) and \$0.0132 in respect of New Director Options the subject of Resolution 6(b).

Applying the above, the estimated value of the estimated financial benefit to be received by Mr Leedman is \$143,000 in respect of New Director Options the subject of Resolution 6(a) and \$132,000 in respect of New Director Options the subject of Resolution 6(b).

(d) **Remuneration of Mr Leedman**

The table below sets out the total remuneration paid or payable to Mr Leedman, for the last financial year and the proposed total remuneration for the current financial year, including superannuation entitlements.

Director	Financial year ended 30 June 2019	Financial year ended 30 June 2020	Financial year ended 30 June 2021
Brian Leedman	Nil	Nil	\$83,584

**Note:**

1. Mr Leedman was appointed to the Board on 19 October 2020.

(e) **Security holdings of Mr Leedman**

The table below sets out the securities and rights in the Company in which Mr Leedman has a direct or indirect interest at the date of the Notice. The table does not include New Director Options to be issued to Mr Leedman subject to Shareholder approval of Resolutions 6(a) and 6(b).

Director	Shares		Options	
	Direct	Indirect	Direct	Indirect
Brian Leedman	Nil	Nil	Nil	Nil

(f) **Voting interests and voting power of Mr Leedman**

The table below sets out details of the respective voting interests of Mr Leedman, including how these interests may change upon the events specified in the table occurring.



<b>Event</b>	<b>Shares received</b>	<b>Total Shares held after event</b>	<b>Voting power after event (rounded)</b>
<b>Brian Leedman</b>			
Existing Shares held	Nil	Nil	Nil
Exercise of all existing Options	Nil	Nil	Nil
New Director Options	20,000,000	20,000,000	4.89%

(g) **Dilution**

If Resolutions 6(a) and 6(b) are approved, a total of 20,000,000 New Director Options will be offered to Director Mr Leedman (or his nominee). The grant of these New Director Options will not, at the time of grant, have any dilutionary effect to the shareholding interests of existing Shareholders.

If 20,000,000 New Director Options are exercised by Mr Leedman into Shares, the dilution to the shareholding interests of existing Shareholders will be approximately 4.89%.

(h) **Trading history**

The most recent available data concerning the price of the Company's Shares traded on ASX since 16 October 2019 (i.e. approximately 12 months from the Notice date) is summarised in the table below.

	<b>High</b>	<b>Low</b>	<b>Last</b>
<b>Price</b>	\$0.019	\$0.003	\$0.021
<b>Date</b>	16 October 2020	27 March 2020	16 October 2020

(i) **Funds raised**

New Director Options are being offered Mr Leedman (or his nominee) at a nil issue price, accordingly, the Company will not raise any funds from the issue of New Director Options.

However, based on the exercise price described in Section 7.1 above, upon the exercise of the New Director Options, the Company will raise approximately:

- (i) in respect of New Director Options, the subject of Resolution 6(a): \$150,000; and
- (ii) in respect of New Director Options, the subject of Resolution 6(b): \$200,000.

(j) **Directors' interests in the proposed resolution**

Brian Leedman has a material personal interest in the outcome of Resolutions 6(a) and 6(b) and will be the only Director to receive a benefit from those Resolutions.

(k) **Other information**

Other than as set out in this Explanatory Statement, the Directors do not consider there is any further information which the Shareholders would reasonably require in order to decide whether or not to approve Resolutions 6(a) and 6(b).

## **7.5 Information required by Listing Rule 10.13**

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

**(a) The name of the person**

In respect of Resolutions 6(a) and 6(b), the Related Party is Mr Brian Leedman.

**(b) Which category in rules 10.11.1 – 10.11.5 the person falls and why**

In respect of Resolutions 6(a) and 6(b) the person to whom the New Director Options will be issued is a Director of the Company and consequently fall under Listing Rule 10.11.1 as Related Parties to the Company.

**(c) The number and class of securities to be issued to the person**

New Director Options in respect of Resolutions 6(a) and 6(b) will be issued to Mr Leedman the proportions set out in Section 7.1.

The terms and conditions attaching to New Director Options are set out in Schedule 2 to this Notice.

New Director Options upon exercise will become a fully paid ordinary Share in the Company and will rank equally in all respects with Shares on issue at that time.

**(d) The date on which the company will issue the securities, which must not be more than 1 month after the date of the meeting**

Subject to Shareholder approval, New Director Options will be issued shortly following the Meeting, or otherwise on one date no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

**(e) The price or consideration the entity will receive for the issue**

As described in Section 7.4(i), the Company will not receive any funds for the issue of Director Options.

**(f) The purpose of the issue**

Refer to Section 7.1.

**(g) Details of the directors' current total remuneration package**

Mr Leedman is to be paid \$120,000 per annum excluding GST.

## **7.6 Directors' recommendations**

The Directors (other than Mr Leedman) recommend that Shareholders vote in favour of Resolutions 6(a) and 6(b).

## **8. Resolution 7: Approval of additional 10% placement capacity**

### **8.1 Background**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

Resolution 7 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

If Resolution 7 is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

## **8.2 Information requirements of Listing Rule 7.1A**

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 7:

### **(a) Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

### **(b) Minimum price**

Any equity securities issued under the 7.1A Mandate must be in an existing quoted class of equity securities and be issued at a minimum price of 75% of the volume weighted average price of equity securities in that class, calculated over 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed by the entity and the recipient of the equity securities; or
- (ii) if the equity securities are not issued within 10 trading days of the date in Section 8.2(b)(i), the date on which the equity securities are issued.

### **(c) Use of funds raised under the 7.1A Mandate**

The Company may seek to issue equity securities under the 7.1A Mandate to fund business growth, to acquire new assets or make investments, to develop the Company's existing assets and operations and for general working capital.

### **(d) Risk of economic and voting dilution**

Shareholders should note that, when issuing equity securities under the 7.1A Mandate, there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the date of issue than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

Any issue of equity securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 7 is approved by Shareholders and the Company issues the maximum number of equity securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

Variable A in Listing Rule 7.1A.2		Nominal issue price		
		\$0.021 (market price)	\$0.0315 (50% increase in market price)	\$0.0105 (50% decrease in market price)
Current issued capital A = 388,564,756 Shares	Shares issued – 10% voting dilution	38,856,475	38,856,475	38,856,475
	Funds raised	\$815,986	\$1,223,979	\$407,993
50% increase in issued capital A = 582,847,134 Shares	Shares issued – 10% voting dilution	58,284,713	58,284,713	58,284,713
	Funds raised	\$1,223,979	\$1,835,968	\$611,989
100% increase in issued capital A = 777,129,512 Shares	Shares issued – 10% voting dilution	77,712,951	77,712,951	77,712,951
	Funds raised	\$1,631,972	\$2,447,958	\$815,986

**Note:** the number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata entitlement offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above assumes:**

1. There are currently 388,564,756 Shares on issue and no other Shares are issued for any other purpose.
2. The issue price set out above is the closing marketing price of Shares on the ASX on 16 October 2020.
3. The Company issues the maximum possible number of equity securities under the 7.1A Mandate.
4. The Company has not issued any equity securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of equity securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the equity securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. 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%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of equity securities to be issued under the 7.1A Mandate have not yet been determined. However, such recipients of equity securities could consist of existing Shareholders or new investors (or both), none of whom will be related parties to the Company.

The Company will determine the recipients at the time of issue pursuant to the 7.1A Mandate with regard to the following:

- (i) the purpose of the issue;
- (ii) any alternate methods for raising funds that are available at that time, including but not limited to, entitlement issues, share purchase plans, placements or other offers where existing Shareholders may participate;
- (iii) any effect on the control of the Company which may arise based on the issue of equity securities;
- (iv) the financial circumstances of the Company;
- (v) prevailing market conditions; and
- (vi) applicable advice from the Company's professional advisers.

(f) **Previous approvals under Listing Rule 7.1A**

The Company previously obtained Shareholder approval the current 7.1A Mandate at its annual general meeting held on 19 November 2019 (**Prior Mandate**).

During the 12 month period preceding the date of the Meeting, being on and from 19 December 2019, the Company has not issued any equity securities under its Prior Mandate

(g) **Voting exclusion statement**

As at the date of this Notice, the Company is not proposing to make an issue of equity securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

## Glossary of terms

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In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

<b>7.1A Mandate</b>	Has the meaning given to that term in Section 8
<b>Acquisition Agreement</b>	the agreement between the Company and the Vendors in relation to the acquisition of the licence, in accordance with the terms set out in Section 5
<b>Annual General Meeting or Meeting</b>	The Annual General Meeting of Shareholders or any adjournment thereof, convened by the Notice.
<b>Associate</b>	Has the meaning given to that term in the Listing Rules.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange operated by ASX Limited, as the context requires.
<b>Black-Scholes Model</b>	The model based on certain assumptions and variables used to value issued Options.
<b>Board</b>	The Board of Directors of the Company.
<b>Business Day</b>	Has the meaning given to that term in the Listing Rules.
<b>Chairperson</b>	The chair of the Annual General Meeting.
<b>Company</b>	Neurotech International Limited (ACN 610 205 402).
<b>Consideration Milestone</b>	Has the meaning given to that term in Section 5.1(a) of this Notice.
<b>Constitution</b>	The constitution of the Company.
<b>Corporations Act</b>	The <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	A director of the Company.
<b>Director Options</b>	Options proposed to be issued to the Directors as contemplated by Resolutions 5(a) to 5(d).
<b>Dolce</b>	Dolce Cann Global Pty Ltd (ACN 633 882 121).
<b>Explanatory Statement</b>	This explanatory statement which accompanies and forms part of the Notice.
<b>Listing Rules</b>	The listing rules of ASX, as amended from time to time.
<b>New Director Option</b>	Options proposed to be issued to Director Brian Leedman the subject of Resolutions 6(a) and 6(b).
<b>Notice or Notice of Annual General Meeting</b>	The notice of Annual General Meeting which accompanies this Explanatory Statement.
<b>Option</b>	An option to acquire a Share.
<b>Option Holder</b>	The holder of an Option.
<b>Proxy Form</b>	The proxy form accompanying the Notice.
<b>Related Party</b>	Has the meaning given to that term in the Listing Rules.
<b>Resolution</b>	A resolution set out in the Notice.
<b>Section</b>	A section of the Explanatory Statement.
<b>Securities</b>	The securities of the Company within the meaning of section 761A of the Corporations Act and includes a Share and an Option.

<b>Share</b>	A fully paid ordinary share in the Company.
<b>Shareholder</b>	The holder of a Share in the Company.
<b>Tranche 1 Consideration Securities</b>	33,000,000 Shares and 33,000,000 Options (exercisable at \$0.01 each on or before 31 January 2023) issued to Dolce as consideration under the Acquisition Agreement.
<b>Tranche 2 Consideration Shares</b>	33,000,000 Shares proposed to be issued to Dolce as consideration under the Acquisition Agreement.
<b>Tranche 3 Consideration Shares</b>	33,000,000 Shares proposed to be issued to Dolce as consideration under the Acquisition Agreement.
<b>Vendors</b>	Dolce Cann Global Pty Ltd (ACN 633 882 121), Dolce Cann Pty Ltd (ACN 633 882 014) and Patrick Steve Calabria of Farm 1699, Chequers Road, Griffiths, NSW 2680.
<b>VWAP</b>	Volume weighted average price.
<b>WST</b>	Australian Western Standard Time, being the time in Perth, Western Australia.

## Schedule 1 - Terms of Options

The terms and conditions of the Options are as follows:

### 1. Entitlement

Each Option entitles the holder (**Option Holder**) to subscribe for 1 Share.

### 2. No payment on grant

The Option Holder is not required to pay any amount on the grant of an Option.

### 3. Exercise price

The exercise price for each Option is 135% of the VWAP of Shares traded on ASX over the 5 business days immediately prior to the date of the Meeting (rounded up to the nearest 100<sup>th</sup> of a cent);

### 4. Expiry date

Each Option not exercised by 5.00pm (WST) on 30 November 2023 (**Expiry Date**) will automatically lapse and terminate.

### 5. Certificate or holding statement

The Company must give the Option Holder a certificate or holding statement stating:

- (a) the number of Options granted to the Option Holder;
- (b) the Exercise Price of the Options; and
- (c) the date of grant of the Options.

### 6. Restrictions on dealing and transfer

- (a) An Option Holder must not sell, transfer, mortgage, pledge, charge, grant a security interest over or otherwise dispose of (**Dispose**) any Director Options, or agree to do any of the same, without the prior consent of the Board, except where such Disposal occurs by force of law.
- (b) The transfer of any Option is subject to any restrictions on transfer under the Corporations Act or the Listing Rules.

### 7. Quotation of Options

The Company will not apply for quotation of any Options.

### 8. New issues

The Option Holder is not entitled to participate in any new issue to the Shareholders of securities in the Company unless they have exercised their Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding Shares. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with the Listing Rules.

### 9. Bonus issues

If the Company makes a bonus issue of Shares or other securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Option before the record date for determining entitlements to the issue, then



the number of underlying Shares over which the Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Option before the record date for determining entitlements to the issue.

#### **10. Pro rata issues**

If the Company makes a pro rata issue of Shares (except a bonus issue) to Shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Option before the record date for determining entitlements to the issue, the Exercise Price of each Option will be reduced in accordance with Listing Rule 6.22.2.

#### **11. Reorganisation**

- (a) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of Options to which the Option Holder is entitled to and the Exercise Price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (b) Any calculations or adjustments which are required to be made will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.
- (c) The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of a Option.

#### **12. Exercise**

- (a) To exercise Options, the Option Holder must give the Company or its securities registry, at the same time:
  - (i) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of Options being exercised and Shares to be issued;
  - (ii) payment of the Exercise Price for the Options the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company; and
  - (iii) the Certificate, or documentary evidence satisfactory to the Board that the Certificate was lost or destroyed.
- (b) The Option Holder may only exercise Options in multiples of 100,000 Options unless the Option Holder holds less than 100,000 Options.
- (c) A notice of exercise in relation to any Options only becomes effective when the Company has received the full amount of the Exercise Price for the number of Options specified in the notice, in cleared funds.
- (d) Options will be deemed to have been exercised on the date the exercise notice is lodged with the Board.

#### **13. Re-issue of certificate or holding statement**

If the Option Holder exercises less than the total number of Options registered in the Option Holder's name:

- (a) the Option Holder must surrender their Option certificate (if any); and

- (b) the Company must cancel the Option certificate (if any) and issue the Option Holder a new Option certificate or holding statement stating the remaining number of Options held by the Option Holder.

**14. Issue of Shares**

Within 10 days after receiving an application for exercise of Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.

**15. Equal ranking**

Subject to the Company's Constitution, all Shares issued on the exercise of Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary Shares of the Company at the date of issue.

**16. Quotation of Shares**

The Company will apply to ASX for official quotation of the Shares issued on exercise of Options.

**17. Governing law**

These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

## Schedule 2 – Terms of New Director Options

The terms and conditions of the New Director Options are as follows:

### 1. Entitlement

- (a) New Director Options will be issued but will not vest until a period being 6 months from the date of Mr Leedman's appointment as a Director of the Company.
- (b) Subject to 1(a), each New Director Option entitles the holder (**Option Holder**) to subscribe for 1 Share.

### 2. No payment on grant

The Option Holder is not required to pay any amount on the grant of a New Director Option.

### 3. Exercise price

The exercise price for New Director Options are as follows:

- (a) \$0.015 for New Director Options the subject of Resolution 6(a); and
- (b) \$0.02 for New Director Options the subject of Resolution 6(b).

### 4. Expiry date

Each New Director Option not exercised by 5.00pm (WST) on 31 October 2023 (**Expiry Date**) will automatically lapse and terminate.

### 5. Certificate or holding statement

The Company must give the Option Holder a certificate or holding statement stating:

- (a) the number of New Director Options granted to the Option Holder;
- (b) the Exercise Price of the New Director Options; and
- (c) the date of grant of the New Director Options.

### 6. Restrictions on dealing and transfer

- (a) An Option Holder must not sell, transfer, mortgage, pledge, charge, grant a security interest over or otherwise dispose of (**Dispose**) any New Director Options, or agree to do any of the same, without the prior consent of the Board, except where such Disposal occurs by force of law.
- (b) The transfer of any New Director Option is subject to any restrictions on transfer under the Corporations Act or the Listing Rules.

### 7. Quotation of Options

The Company will not apply for quotation of any New Director Options.

### 8. New issues

The Option Holder is not entitled to participate in any new issue to the Shareholders of securities in the Company unless they have exercised their New Director Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding Shares. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with the Listing Rules.

## 9. Bonus issues

If the Company makes a bonus issue of Shares or other securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the New Director Options before the record date for determining entitlements to the issue, then the number of underlying Shares over which the New Director Options is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the New Director Options before the record date for determining entitlements to the issue.

## 10. Pro rata issues

If the Company makes a pro rata issue of Shares (except a bonus issue) to Shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the New Director Option before the record date for determining entitlements to the issue, the Exercise Price of each New Director Option will be reduced in accordance with Listing Rule 6.22.2.

## 11. Reorganisation

- (a) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of New Director Options to which the Option Holder is entitled to and the Exercise Price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (b) Any calculations or adjustments which are required to be made will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.
- (c) The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any New Director Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of a New Director Option.

## 12. Exercise

- (a) To exercise New Director Options, the Option Holder must give the Company or its securities registry, at the same time:
  - (i) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of New Director Options being exercised and Shares to be issued;
  - (ii) payment of the Exercise Price for the New Director Options the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company; and
  - (iii) the Certificate, or documentary evidence satisfactory to the Board that the Certificate was lost or destroyed.
- (b) The Option Holder may only exercise New Director Options in multiples of 100,000 Options unless the Option Holder holds less than 100,000 Options.
- (c) A notice of exercise in relation to any New Director Options only becomes effective when the Company has received the full amount of the Exercise Price for the number of New Director Options specified in the notice, in cleared funds.
- (d) New Director Options will be deemed to have been exercised on the date the exercise notice is lodged with the Board.

**13. Re-issue of certificate or holding statement**

If the Option Holder exercises less than the total number of New Director Options registered in the Option Holder's name:

- (a) the Option Holder must surrender their Option certificate (if any); and
- (b) the Company must cancel the Option certificate (if any) and issue the Option Holder a new Option certificate or holding statement stating the remaining number of Options held by the Option Holder.

**14. Issue of Shares**

Within 10 days after receiving an application for exercise of New Director Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.

**15. Equal ranking**

Subject to the Company's Constitution, all Shares issued on the exercise of New Director Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary Shares of the Company at the date of issue.

**16. Quotation of Shares**

The Company will apply to ASX for official quotation of the Shares issued on exercise of New Director Options.

**17. Governing law**

These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

## Schedule 3 – Terms of ASX waiver of listing rule 7.3.4

### Waiver Decision

1. Based solely on the information provided, ASX Limited ('ASX') grants Neurotech International Limited ('Company') a waiver from Listing Rule 7.3.4 to the extent necessary to permit the Company in its notice of meeting ('Notice') seeking shareholder approval for the issue of up to 66,000,000 fully paid ordinary shares ('Milestone Shares') to Dolce Cann Global Pty Ltd or its nominees, to be issued subject to the following milestones ('Milestones'):
  - 1.1 33,000,000 Milestone Shares to be issued upon successful stage 1 in-vitro assay assessments being completed ('Tranche 2 Milestone Shares'); and
  - 1.2 33,000,000 Milestone Shares to be issued upon successful stage 1 clinical trials being completed ('Tranche 3 Milestone Shares'),not to state that the Milestone Shares will be issued within 3 months of the date of the shareholder meeting ('Meeting'), on the following conditions:
  - 1.3 The Tranche 2 Milestone Shares are issued no later than 28 February 2021;
  - 1.4 The Tranche 3 Milestone Shares are issued no later than 30 September 2021;
  - 1.5 The Milestones are not varied;
  - 1.6 For any annual reporting period during which any of the Milestone Shares have been issued or any of them remain to be issued, the Company's annual report sets out the number of Milestone Shares issued in that annual reporting period, the number of Milestone Shares that remain to be issued and the basis on which the Milestone Shares may be issued;
  - 1.7 In any half year or quarterly report for a period during which any of the Milestone Shares have been issued or remain to be issued, the Company must include a summary statement of the number of Milestone Shares issued during the reporting period, the number of Milestone Shares that remain to be issued and the basis on which the Milestone Shares may be issued; and
  - 1.8 The Notice contains the full terms and conditions of the Milestone Shares as well as the conditions of this waiver.
2. ASX has considered Listing Rule 7.3.4 only and makes no statement as to the Company's compliance with other Listing Rules.

### Basis for Waiver Decision

#### Listing Rule 7.3.4

3. Listing Rule 7.3.4 requires a notice of meeting with a resolution to approve the issue of equity securities to state that the securities will be issued within 3 months of the date of the shareholders' meeting. Listing Rule 7.3.4 ensures that an issue of equity securities is made within a reasonably short time after the ordinary security holders approve the issue, so that there is less possibility that the circumstances of the entity may change by the time that the issue is made in such a way that they are different from those that the ordinary security holders may reasonably have had in contemplation at the time of giving their approval.
4. Where a listed entity has entered into a commercial transaction which calls for the issue of securities as consideration at future times that necessarily will fall longer than 3 months after the date of a shareholders' meeting, ASX's policy is to permit entities to seek shareholder approval for the issue of all the securities that may be issued under that transaction over the various phases, provided that the milestones to be achieved which trigger the obligation to issue the securities are appropriate to the entity and the transaction in all the circumstances, and adequate information can be given to shareholders about the future issues of securities. This

allows the entity and the counterparty to the agreement to have commercial certainty about the ability of the entity to issue securities as the counterparty performs its obligations, while maintaining the principle that shareholders must give their informed consent to future issues of securities.

#### **Facts/Reasons for granting the waiver**

5. The Company is seeking shareholder approval for the issue of the Milestone Shares. The Milestone Shares will be issued upon achievement of the Milestones. The Milestones are justified by the terms of a specific commercial transaction undertaken by the Company and there is a clear structure in place governing the issue of the Milestone Shares to which security holders could give informed consent. The maximum number of securities to be issued and the potential dilution is known. There is a sufficient degree of certainty so that shareholders are able to give their informed consent to the issue of the Milestone Shares. On that basis, shareholders are able to give their informed consent to the issue of the Milestone Shares. The extension of time requested by the Company is a maximum of 7 months beyond the ordinary 3 month limit for Listing Rule 7.1 approvals and is within ASX precedent for similar waivers.

#### **Conditions of waiver**

The waiver is subject to certain conditions. Under Listing Rule 18.1, these conditions must be complied with for the waiver to be effective.

#### **ASX's power to vary or revoke waiver**

It should be noted that under ASX Listing Rule 18.3, ASX may vary or revoke the waiver at any time