



## **Novita Healthcare Limited**

ACN 108 150 750

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### **NOTICE OF MEETING AND EXPLANATORY STATEMENT**

**Monday, 30 October 2017 at 11.00am (AEST)**

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Notice is given that the 2017 Annual General Meeting of Shareholders (AGM) of Novita Healthcare Limited ACN 108 150 750 (Novita or the Company) will be held at the Governance Institute of Australia, Level 7, 500 Collins Street, Melbourne, Victoria on Monday, 30 October 2017 at 11.00 AM (AEST)

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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 advisors prior to voting. Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on 1300 082 013 or at [info@novitahealthcare.com.au](mailto:info@novitahealthcare.com.au)

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# TABLE OF CONTENTS

## Table of Contents

1.	NOTICE OF MEETING.....	3
1.	ORDINARY BUSINESS .....	3
1.2.	Resolution 1 - Adoption of Remuneration Report.....	3
1.3.	Resolution 2 – Election of Director (Mr Higgins). .....	3
1.4.	Resolution 3 – Issue of Options to Director (Mr Higgins) .....	3
1.5.	Resolution 4 – Issue of Options to Director (Mr Simari) .....	4
1.6.	Resolution 5 – Issue of Options to Director (Mr Harcourt) .....	4
1.7.	Resolution 6 – Approval of prior share issues.....	4
1.8.	Resolution 7 – Approval of Additional 10% Placement Facility.....	5
1.9.	Resolution 8 – Issue of Shares Under the Performance Right and Share Options Plan.....	5
2.	PROXIES AND VOTING NOTES.....	6
3.	EXPLANATORY STATEMENT .....	8
3.1.	Note - Financial Statements and Reports .....	8
3.2.	Note - Adoption of Remuneration Report .....	8
3.3.	Note - Election of Director (Mr Bruce Higgins) .....	9
3.4.	Note - Issue of Options to Mr Higgins .....	10
3.5.	Note - Issue of Options to Mr Simari .....	11
3.6.	Note - Issue of Options to Mr Harcourt.....	12
3.7.	Note - Approval of Prior Issue of Shares.....	13
3.8.	Note - Approval of Additional 10% Placement Facility .....	14
3.9.	Note - Issue of Shares Under the Performance Right and Share Options Plan .....	17
4.	GLOSSARY .....	20

## 1. NOTICE OF MEETING

**NOTICE IS GIVEN** that an Annual General Meeting (AGM) of the Shareholders of Novita Healthcare Limited (ACN 108 150 750) (“the Company” or “Novita”) will be held at 11:00 AM (AEST) on Monday, 30 October 2017 at the Governance Institute of Australia office, Level 7, 500 Collins Street, Melbourne, Victoria for the purposes of transacting the following business.

The Explanatory Statement and Proxy Form accompanying this Notice of Meeting are hereby incorporated in and comprise part of this Notice of Meeting.

## 1. ORDINARY BUSINESS

### 1.1. Financial Statements and Reports

To receive and consider the Financial Report, the Directors’ Report and the Auditor’s Report of Novita Healthcare Limited for the financial year ended 30 June 2017.

**Note:** No resolution will be required to be passed on this matter

### 1.2. Resolution 1 - Adoption of Remuneration Report

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

*“That the Remuneration Report forming part of the Directors’ Report for the financial year ended 30 June 2017 be adopted”*

**Note:** The vote on this resolution is advisory only and does not bind the Company or its Directors. The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the Meeting when reviewing Novita’s remuneration policies.

**Voting Exclusion:** The Company will not accept any votes cast on Resolution 1 by or on behalf of a person who is disclosed in the Remuneration Report as one of the key management personnel of the Company (including the Directors), or a closely related party of that person (as these persons are not entitled to vote on the resolution in their own capacity) unless the vote is cast:

- (a) as a proxy for a person who is entitled to vote, in accordance with a direction on the accompanying proxy form; or
- (b) by the Chairman of the Meeting as a proxy for a person entitled to vote in accordance with an express authority to vote undirected proxies as the Chairman sees fit.

### 1.3. Resolution 2 – Election of Director (Mr Higgins).

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

*“That Mr. Bruce Higgins, a director retiring in satisfaction of rule 5.1 and in accordance with rule 8.2 of the Company’s constitution be elected as a director of the Company.”*

**Note:** Biographical details for Mr. Higgins are set out in the attached Explanatory Statement.

### 1.4. Resolution 3 – Issue of Options to Director (Mr Higgins)

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

*“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders approve the issue by the Company of 6,800,000 options to Mr Bruce Higgins for the purposes of and on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of the Notice of Meeting.”*

**Voting Exclusion:** The Company will disregard any vote cast on this Resolution 3 by Mr Bruce Higgins, a Key Management Person and any associate or closely related party of Mr Higgins or Key Management Person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### 1.5. Resolution 4 – Issue of Options to Director (Mr Simari)

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

*“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders approve the issue by the Company of 3,400,000 options to Mr Mark Simari for the purposes of and on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of the Notice of Meeting.”*

**Voting Exclusion:** The Company will disregard any vote cast on this Resolution 4 by Mr Mark Simari, a Key Management Person and any associate or closely related party of Mr Simari or Key Management Person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### 1.6. Resolution 5 – Issue of Options to Director (Mr Harcourt)

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

*“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders approve the issue by the Company of 3,400,000 options to Mr Jefferson Harcourt for the purposes of and on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of the Notice of Meeting.”*

**Voting Exclusion:** The Company will disregard any vote cast on this Resolution 5 by Mr Jefferson Harcourt, a Key Management Person and any associate or closely related party of Mr Harcourt or Key Management Person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### 1.7. Resolution 6 – Approval of prior share issues

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders of the Company approve the prior issue of 1,000,000 new fully paid ordinary Shares in the capital of the Company, on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”*

**Voting Exclusion:** The Company will disregard any votes cast on Resolution 5 by or on behalf of Dr Hannah Kirk, any associated or other person who may benefit from the issue of 1,000,000 Shares on 14 September 2017. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

## 1.8. Resolution 7 – Approval of Additional 10% Placement Facility

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

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

**Note:** An explanation of the proposed special resolution is set out in the attached Explanatory Statement.

**Voting Exclusion:** The Company will disregard any votes cast on Resolution 7 by a person (and their associates) who may participate in the Additional 10% Placement Facility and a person (and their associates) who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if Resolution 5 is passed and, an associate of that person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

## 1.9. Resolution 8 – Issue of Shares Under the Performance Right and Share Options Plan

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

*“That for the purposes of Listing Rule 7.2 (Exception 9) and for all other purposes, the Novita Healthcare Limited Performance Right and Share Options Plan (the Plan) and the issue of Shares pursuant to the Plan be approved, and the grant of Performance Right or Share Options from time to time under the Plan as an exception to Listing Rule 7.1 be approved, on the terms and conditions in the Explanatory Statement.”*

**Note:** An explanation of the proposed resolution is set out in the attached Explanatory Statement.

**Voting Exclusion:** The Company will disregard any votes cast on Resolution 8 by a director of the Company or by any associate of a director of the Company or a member of the Company's Key Management Personnel or a closely related party of any such member or an employee of the Company who may be eligible to participate in the Plan or by any associate of such an employee. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**By order of the Board**

**John Osborne**  
**Company Secretary**  
**Date: 25 September 2017**

## 2. PROXIES AND VOTING NOTES

### Voting entitlement

The Board has determined, in accordance with regulation 7.11.37 of the Corporations Regulations, that for the purpose of voting at the Annual General Meeting (AGM) of Shareholders, the shares held by each Shareholder will be as they appear on the Company's share register at 7.00 PM AEDT on Friday, 27 October 2017. This means that if you are not the registered holder of a share at that time you will not be entitled to vote in respect of that share.

To vote in person you will need to attend the AGM on the date, time and at the place set out above.

### Voting by proxy

**IMPORTANT:** The Board recommends that shareholders vote in favour of each item of business. **The Chairman intends to vote all available undirected proxies in favour of each item of business.**

Each Shareholder who is entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on behalf of that Shareholder. The proxy may be an individual or a body corporate. A proxy need not be a Shareholder.

A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If a Shareholder appoints two proxies and the appointment does not specify the proportion, or number, of the Shareholder's votes each proxy may exercise, each proxy may exercise half the votes (disregarding fractions). If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.

A proxy appointment form is enclosed with this Notice of Meeting. For the appointment of a proxy to be valid, the proxy form and the power of attorney or other authority (if any) under which it is signed must be received either at Novita's registered office or at the Company's share registry, Automic Registry Services, no later than 24 hours prior to the AGM, being 11:00 AM on Sunday, 29 October 2017:

The completed Proxy Voting Form may be lodged:

Online: <https://investor.automic.com.au>

Email: scan to hello@automic.com.au

By facsimile: +61 2 8583 3040

By mail: Automic, PO Box 2226, Strawberry Hills NSW 2012

By delivery: Automic, Level 3, 50 Holt Street, Surry Hills NSW 2010

Your proxy appointment form is enclosed.

### Further information for proxyholders (directed proxies)

Section 250BB(l) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution- the proxy must not vote on a show of hands; and
- if the proxy is the chair of the Meeting at which the resolution is voted on - the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair- the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
  - (i) the proxy is not recorded as attending the meeting;
  - (ii) the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

### **Undirected Proxies**

If you appoint the Chairman of the Meeting as your proxy and do not direct the Chairman of the Meeting how to vote on Resolution 1 (Adoption of Remuneration Report) (which you may do by marking any one of "For", "Against" or "Abstain" on the proxy form for this item of business), you will be expressly authorising the Chairman of the Meeting to exercise your proxy even if those Items are directly or indirectly connected with the remuneration of a member of the Key Management Personnel for Novita.

### **Bodies corporate**

A Shareholder which is a body corporate and entitled to attend and vote at the AGM, or a proxy which is a body corporate and is appointed by a Shareholder entitled to attend and vote at the AGM, may appoint an individual to act as its representative at the AGM.

If a representative of a corporate Shareholder or a corporate proxy is to attend the AGM, a certificate of appointment of the representative must be produced prior to admission to the AGM. A form of certificate of appointment can be obtained from the Company's share registry, Automic Registry Services whose contact details are shown above.

### **Defined Terms**

Capitalised terms in this Notice of Meeting and Explanatory Statement are defined either in the "Glossary" in section 4 or where the relevant term is first used.

## 3. EXPLANATORY STATEMENT

**Important Notices.** The purpose of this Explanatory Statement (which accompanies, and forms part of, the Notice of Meeting), is to provide Shareholders with an explanation of the business of the AGM and of the resolutions to be proposed and considered at the AGM at 11.00 AM (AEST) on Monday, 30 October 2017 and to assist shareholders in deciding how they may wish to vote on the resolutions.

Shareholders should read this Explanatory Statement in full before making a decision on how to vote on the proposed resolutions to be considered at the AGM.

### EXPLANATORY NOTES FOR EACH RESOLUTION FOLLOWS

#### 3.1. Note - Financial Statements and Reports

Pursuant to the Corporations Act, the directors of a listed company that is required to hold an Annual General Meeting must table the financial statements and reports of the company (including the Directors' Report, Remuneration Report and Auditor's Report) for the previous financial year before the members at that Annual General Meeting.

Shareholders have been provided with all relevant information concerning the Company's financial statements, the Directors' Report, Remuneration Report and Auditor's Report in the Annual Report of the Company for the year ended 30 June 2017. The Company will not provide a hard copy of the Annual Report unless specifically requested to do so. The Annual Report can also be viewed, printed and downloaded from the Company's website [www.novitahealthcare.com.au](http://www.novitahealthcare.com.au). A copy of the financial statements, the Directors' Report, the Remuneration Report and the Auditor's Report will also be tabled at the Meeting.

Shareholders should note that the sole purpose of tabling the financial statements and the relevant reports of the Company at the AGM is to provide shareholders with the opportunity to be able to ask questions or discuss matters arising from the financial statements and/or reports at the Meeting. It is not the purpose of the Meeting that the financial statements or the reports be accepted, rejected or modified in any way. Further, as it is not required by the Corporations Act, no resolution to adopt, receive or consider the Company's financial statements or the reports will be put to the shareholders at the Meeting.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on the financial statements and the reports. The Company's auditor will also be available to receive questions and comments from shareholders about the preparation and content of the financial statements and the Auditor's Report and the conduct of the audit generally.

Shareholders may submit written questions to the Company's auditor in advance of the Meeting. Any such questions must be submitted to the Company by no later than 5.00pm on 23 October 2017, addressed to the Company Secretary, Novita Healthcare Limited, Suite G02, 1 Crescent Road, Glen Iris VIC 3146 or [info@novitahealthcare.com.au](mailto:info@novitahealthcare.com.au).

A reasonable opportunity will be allowed at the Meeting for a representative of the Company's Auditor to answer any written questions submitted in accordance with the above procedure.

#### 3.2. Note - Adoption of Remuneration Report

The Corporations Act requires a non-binding resolution be put to shareholders for the adoption of the Remuneration Report. The Remuneration Report is set out in the 2017 Annual Report. During this item of business there will be an opportunity for shareholders at the Meeting to comment on or ask questions about the Remuneration Report.

Shareholder votes on this resolution is advisory only and will not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company



**Board Recommendation:** The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this resolution.

The Chairman of the Meeting intends to vote all available proxies in favour of the adoption of the Remuneration Report.

As set out in the section on Appointing a Proxy, if you have appointed the Chairman of the Meeting as your proxy and you do not mark any of "For", "Against" or "Abstain" on the proxy form, you will be expressly authorising the Chairman to vote any proxies held by him in favour of Resolution 1 (Adoption of Remuneration Report), even if that item is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for Novita.

The Chairman of the Meeting intends to vote any available undirected proxies held by him in favour of Resolution 1 (Adoption of Remuneration Report).

### 3.3. Note - Election of Director (Mr Bruce Higgins)

#### Background

Mr Bruce Higgins retires in satisfaction of rule 5.1 and in accordance with 8.2 of the Constitution. In the Constitution rule 5.1 states that at each annual general meeting of the Company, one third (1/3) of the directors for the time being or, if their number is not 3 or a multiple of 3, then the number nearest to but not exceeding 1/3, must retire from office. Rule 8.2 means a director appointed by the directors holds office only until the termination of the next annual general meeting of the Company and is eligible for re-election at that annual general meeting.

It is noted that at the end of the 2017 Annual General Meeting the Chairman, Mr Iain Kirkwood will be retiring as a Director of the Company and will not be standing for re-election. Mr Tan has been a Director of the Company since December 2010 and his fellow Directors are most grateful his contribution to the Board and development of the Company.

#### Mr Higgins's experience

Mr Higgins joined the Board on 15 September 2017 as a Non-Executive Director of the Company and, being eligible, offers himself for election.

Mr Bruce Higgins (B Eng. CP Eng., MBA, FAICD) is an experienced non-executive director, chairman and former chief executive of both private and listed companies within Australia and internationally, spanning over 25 years in diverse companies ranging from engineering, manufacturing and professional services to larger contracting businesses. His experience includes software engineering and e-learning businesses, start-ups and successful commercialisation, including senior roles in larger companies such as, Raytheon and Honeywell.

Bruce was the recipient of the Ernst & Young Entrepreneur of the Year award in Southern California region, in June 2005 and has a Bachelor Degree in Electronic Engineering and an MBA in Technology Management. He is a Chartered Professional Engineer and Fellow of the Australian Institute of Company Directors. Bruce is currently Chairman and Non-Executive Director of ASX listed companies Hub24 Limited and Legend Corporation Limited

**Board Recommendation:** The Directors (with Mr Higgins abstaining given his personal interest in the matter) consider that Mr Higgins is an independent director and recommend that Shareholders vote in favour of Resolution 2.

### 3.4. Note - Issue of Options to Mr Higgins

#### General

ASX Listing Rule 10.11 requires the Company to obtain Shareholder approval prior to the issue of securities to a related party of the Company. As a Director of the Company, Mr Bruce Higgins is a related party of the Company and, accordingly, Shareholder approval of the issue of securities to Mr Higgins is required.

Pursuant to ASX Listing Rule 7.2 (Exception 14), approval under ASX Listing Rule 7.1 is not required where approval is obtained under ASX Listing Rule 10.11. Therefore, the issue of securities to Mr Bruce Higgins will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1 if approval of the grant of options to Mr Higgins is obtained under Listing Rule 10.11.

The purpose of Resolution 3 is to seek Shareholder approval for the proposed issue of 6,800,000 options to Mr Bruce Higgins, the Company's Chairman elect, for the purposes of ASX Listing Rule 10.11.

By obtaining Shareholder approval to the issue of the options to Mr Higgins, the Company is able to issue the options (without breaching the ASX Listing Rules) and maintains the ability to issue further securities up to the 15% annual placement capacity within the next twelve months without the requirement to obtain further Shareholder approval under ASX Listing Rule 7.1.

The Board considers that the issue of these options to Mr Higgins constitutes 'reasonable remuneration' for the purposes of section 211(1) of the Corporations Act, having regard to the services Mr Higgins is expected to provide to the Company, meaning that the approval of shareholders for the issue of these options to Mr Higgins is not also sought for the purposes of Chapter 2E of the Corporations Act.

If Resolution 3 is passed, the Directors expect that the 6,800,000 options will be issued to Mr Higgins shortly following the date of the Meeting and, in any event, not later than one month after the date of the Meeting.

The Directors presently expect that the funds raised by the Company from the issue of shares on the exercise of options will be used for continuing the investment in working capital.

#### Terms of the options

The terms of the 6,800,000 options to be issued to Mr Higgins are as follows:

- (a) The options will be issued within 30 days of Shareholder approval.
- (b) The options will be issued for nil monetary consideration and will not be listed on the ASX.
- (c) The exercise price of each of the options will be \$0.03 (Exercise Price). This is the same as the price of the most recent capital raising of the company completed on 24 August 2017.
- (d) The expiry date of the options is five years after the date of issue. The options will not be subject to forfeiture on Mr Higgins ceasing to be Chairman or a Director of the Company.
- (e) Vesting conditions based on share price hurdles will apply to the options, with the options subject to, and vesting on, performance of a hurdle of a 150% share price increase (on the Exercise Price  $\$0.03 \times 150\% = \$0.075$ ) in any consecutive 20 day period occurring at any time after the date that is 36 months after the date of issue of the options and before the expiry of the term of the options.
- (f) Sale of the shares or options will be restricted for a period of one year after their date of issue. However, the sale of a portion of shares to fund taxation obligations directly arising from the exercise of the options will be permitted, subject to compliance with legal obligations in respect of the sale of Company shares.
- (g) All outstanding options will vest, and any restrictions on the disposal of the shares will cease to apply, where there is an acquisition by a person or entity (whether directly or indirectly) of not less than 90% of the issued shares of the Company, whether by treaty, takeover or a members' scheme of arrangement in accordance with the Corporations Act, or on the occurrence of some other form of 'change of control' event in respect of the Company as determined by the Board.
- (h) The options may be converted to fully paid ordinary shares in the capital of the Company ranking equally with the Company's existing ordinary shares. The Company will apply to ASX for quotation of the new shares issued on the exercise of the options.

**Board Recommendation:** The Board recommends that shareholders vote in favour of Resolution 3. Mr. Higgins has abstained from this recommendation.

### 3.5. Note - Issue of Options to Mr Simari

#### General

ASX Listing Rule 10.11 requires the Company to obtain Shareholder approval prior to the issue of securities to a related party of the Company. As a Director of the Company, Mr Mark Simari is a related party of the Company and, accordingly, Shareholder approval of the issue of securities to Mr Simari is required.

Pursuant to ASX Listing Rule 7.2 (Exception 14), approval under ASX Listing Rule 7.1 is not required where approval is obtained under ASX Listing Rule 10.11. Therefore, the issue of securities to Mr Mark Simari will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1 if approval of the grant of options to Mr Simari is obtained under Listing Rule 10.11.

The purpose of Resolution 4 is to seek Shareholder approval for the proposed issue of 3,400,000 options to Mr Mark Simari, a Non-executive Director of the Company, for the purposes of ASX Listing Rule 10.11.

By obtaining Shareholder approval to the issue of the options to Mr Simari, the Company is able to issue the options (without breaching the ASX Listing Rules) and maintains the ability to issue further securities up to the 15% annual placement capacity within the next twelve months without the requirement to obtain further Shareholder approval under ASX Listing Rule 7.1.

The Board considers that the issue of these options to Mr Simari constitutes 'reasonable remuneration' for the purposes of section 211(1) of the Corporations Act, having regard to the services Mr Simari is expected to provide to the Company, meaning that the approval of shareholders for the issue of these options to Mr Simari is not also sought for the purposes of Chapter 2E of the Corporations Act.

If Resolution 4 is passed, the Directors expect that the 3,400,000 options will be issued to Mr Simari shortly following the date of the Meeting and, in any event, not later than one month after the date of the Meeting.

The Directors presently expect that the funds raised by the Company from the issue of shares on the exercise of options will be used for continuing the investment in working capital.

#### Terms of the options

The terms of the 3,400,000 options to be issued to Mr Simari are as follows:

- (a) The options will be issued within 30 days of Shareholder approval.
- (b) The options will be issued for nil monetary consideration and will not be listed on the ASX.
- (c) The exercise price of each of the options will be \$0.03 (Exercise Price). This is the same as the price of the most recent capital raising of the company completed on 24 August 2017.
- (d) The expiry date of the options is five years after the date of issue. The options will not be subject to forfeiture on Mr Simari ceasing to be a Director of the Company.
- (e) Vesting conditions based on share price hurdles will apply to the options, with the options subject to, and vesting on, performance of a hurdle of a 150% share price increase (on the Exercise Price  $\$0.03 \times 150\% = \$0.075$ ) in any consecutive 20 day period occurring at any time after the date that is 36 months after the date of issue of the options and before the expiry of the term of the options.
- (f) Sale of the shares or options will be restricted for a period of one year after their date of issue. However, the sale of a portion of shares to fund taxation obligations directly arising from the exercise of the options will be permitted, subject to compliance with legal obligations in respect of the sale of Company shares.
- (g) All outstanding options will vest, and any restrictions on the disposal of the shares will cease to apply, where there is an acquisition by a person or entity (whether directly or indirectly) of not less than 90% of the issued shares of the Company, whether by treaty, takeover or a members' scheme of arrangement in accordance with the Corporations Act, or on the occurrence of some other form of 'change of control' event in respect of the Company as determined by the Board.

- (h) The options may be converted to fully paid ordinary shares in the capital of the Company ranking equally with the Company's existing ordinary shares. The Company will apply to ASX for quotation of the new shares issued on the exercise of the options.

**Board Recommendation:** The Board recommends that shareholders vote in favour of Resolution 4. Mr. Simari has abstained from this recommendation.

### 3.6. Note - Issue of Options to Mr Harcourt

#### General

ASX Listing Rule 10.11 requires the Company to obtain Shareholder approval prior to the issue of securities to a related party of the Company. As a Director of the Company, Mr Jefferson Harcourt is a related party of the Company and, accordingly, Shareholder approval of the issue of securities to Mr Harcourt is required.

Pursuant to ASX Listing Rule 7.2 (Exception 14), approval under ASX Listing Rule 7.1 is not required where approval is obtained under ASX Listing Rule 10.11. Therefore, the issue of securities to Mr Jefferson Harcourt will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1 if approval of the grant of options to Mr Harcourt is obtained under Listing Rule 10.11.

The purpose of Resolution 5 is to seek Shareholder approval for the proposed issue of 3,400,000 options to Mr Jefferson Harcourt, a Non-executive Director of the Company, for the purposes of ASX Listing Rule 10.11.

By obtaining Shareholder approval to the issue of the options to Mr Harcourt, the Company is able to issue the options (without breaching the ASX Listing Rules) and maintains the ability to issue further securities up to the 15% annual placement capacity within the next twelve months without the requirement to obtain further Shareholder approval under ASX Listing Rule 7.1.

The Board considers that the issue of these options to Mr Harcourt constitutes 'reasonable remuneration' for the purposes of section 211(1) of the Corporations Act, having regard to the services Mr Harcourt is expected to provide to the Company, meaning that the approval of shareholders for the issue of these options to Mr Harcourt is not also sought for the purposes of Chapter 2E of the Corporations Act.

If Resolution 5 is passed, the Directors expect that the 3,400,000 options will be issued to Mr Harcourt shortly following the date of the Meeting and, in any event, not later than one month after the date of the Meeting.

The Directors presently expect that the funds raised by the Company from the issue of shares on the exercise of options will be used for continuing the investment in working capital.

#### Terms of the options

The terms of the 3,400,000 options to be issued to Mr Harcourt are as follows:

- (a) The options will be issued within 30 days of Shareholder approval.
- (b) The options will be issued for nil monetary consideration and will not be listed on the ASX.
- (c) The exercise price of each of the options will be \$0.03 (Exercise Price). This is the same as the price of the most recent capital raising of the company completed on 24 August 2017.
- (d) The expiry date of the options is five years after the date of issue. The options will not be subject to forfeiture on Mr Harcourt ceasing to be a Director of the Company.
- (e) Vesting conditions based on share price hurdles will apply to the options, with the options subject to, and vesting on, performance of a hurdle of a 150% share price increase (on the Exercise Price  $\$0.03 \times 150\% = \$0.075$ ) in any consecutive 20 day period occurring at any time after the date that is 36 months after the date of issue of the options and before the expiry of the term of the options.
- (f) Sale of the shares or options will be restricted for a period of one year after their date of issue. However, the sale of a portion of shares to fund taxation obligations directly arising from the exercise of the options will be permitted, subject to compliance with legal obligations in respect of the sale of Company shares.

- (g) All outstanding options will vest, and any restrictions on the disposal of the shares will cease to apply, where there is an acquisition by a person or entity (whether directly or indirectly) of not less than 90% of the issued shares of the Company, whether by treaty, takeover or a members' scheme of arrangement in accordance with the Corporations Act, or on the occurrence of some other form of 'change of control' event in respect of the Company as determined by the Board.
- (h) The options may be converted to fully paid ordinary shares in the capital of the Company ranking equally with the Company's existing ordinary shares. The Company will apply to ASX for quotation of the new shares issued on the exercise of the options.

**Board Recommendation:** The Board recommends that shareholders vote in favour of Resolution 5. Mr. Harcourt has abstained from this recommendation.

### 3.7. Note - Approval of Prior Issue of Shares

#### General

Resolution 6 seeks Shareholder approval for the issue of 1,000,000 new fully paid ordinary Shares being issued to the Chief Research Officer (Dr Kirk) following the achievement the vesting conditions of the performance incentive scheme in the year to 30 June 2017 and subsequent conversion of the performance rights to shares. This issue was made pursuant to the capacity to issue Shares without prior Shareholder approval under ASX Listing Rules 7.1 and 7.1A and Resolution 5 seeks subsequent approval of these issues under ASX Listing Rule 7.4

The effect of Resolutions 6 will be to allow the Company to refresh its capacity to issue shares without Shareholder approval under ASX Listing Rule 7.1.

#### ASX Listing Rules 7.1 and 7.4

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 allows a company in general meeting to subsequently approve previous issues of shares made pursuant to and not in breach of ASX Listing Rule 7.1. The approval, if granted, allows the shares subject to the approval to be deemed to have been made with shareholder approval for the purposes of ASX Listing Rule 7.1.

#### Information required by ASX

Pursuant to and in accordance with ASX Listing Rules 7.1, 7.4 and 7.5, the following information is provided in relation to the approval of prior issues:

Resolution 5	Chief Research Officer issue
Shares Issued	1,000,000
Issue price (per Share)	\$0.00
Terms of Shares	Rank equally with existing ordinary shares
Persons to whom Shares issue to	Chief Research Officer – Dr Kirk.
Use of funds raised	Shares issued as an incentive payment as disclosed in the Remuneration Report
Voting exclusion statement	A voting exclusion statement is included in the Notice of Meeting accompanying the Explanatory Statement

The above Shares were the only Shares issued pursuant to the Company's capacity under Listing Rule 7.1 and 7.1A as at the date of this Notice.

**Board Recommendation:** The Board recommends that shareholders vote in favour of Resolution 6.

### 3.8. Note - Approval of Additional 10% Placement Facility

#### Background

ASX Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12 month period without requiring shareholder approval. In accordance with new Listing Rule 7.1A, eligible entities (companies that are outside the S&P/ASX 300 index and that also have a market capitalisation of \$300 million or less) can issue a further 10% of share capital in 12 months on a non-pro rata basis. The Company is an eligible entity as at the date of this Notice of Meeting and must remain compliant with the requirements of Listing Rule 7.1A to be able to utilise the additional capacity to issue shares under that Listing Rule.

Approval under Listing Rule 7.1A requires a special resolution be passed and for a special resolution to pass, at least 75% of the votes cast must be in favour

Additional disclosure obligations are imposed when the special resolution is proposed, when securities are issued and when any further approval is sought.

In the past twelve months the Company issued 16,666,667 shares at \$0.030 per share under Listing Rule 7.1A. These were shares were the Placement (Tranche1) shares issued on 19 July 2017.

#### 1.1 Information required by ASX Listing Rule 7.3A

For the purposes of Listing Rule 7.3A the Company provides the following information.

Minimum price at which the equity securities may be issued	<p>The issue price of each Share must be no less than 75% of the volume weighted average price for the Shares calculated over the 15 trading days on which trades in that class were recorded immediately before:</p> <ol style="list-style-type: none"> <li>The date on which the price at which the securities are to be issued is agreed; or</li> <li>If the securities are not issued within 5 trading days of the date in paragraph (a), the date on which the securities are issued.</li> </ol>
Risk of economic and voting dilution	<p>An issue of shares under Listing Rule 7.1A involves the risk of economic and voting dilution for existing ordinary security holders. The risks include:</p> <ol style="list-style-type: none"> <li>The market price for Shares may be significantly lower on the issue date than on the date of the approval under Listing rule 7.1A; and</li> <li>The equity securities may be issued at a price that is at a discount to the market price for the Shares on the issue date.</li> </ol> <p>A table describing the potential dilution is set out below.</p>
Date by which the Company may issue the securities	<p>The period commencing on the date of the annual general meeting (to which this Notice relates) at which approval is obtained and expiring on the first to occur of the following:</p> <ol style="list-style-type: none"> <li>The date which is 12 months after the date of the annual general meeting at which approval is obtained; and</li> <li>The date of the approval by holders of the Company's ordinary securities of a transaction under Listing Rules 11.1.2 or 11.2.</li> </ol> <p>The approval under LR7.1A will cease to be valid in the event that holders of the Company's ordinary securities approve a transaction under Listing Rules 11.1.2 or 11.2.</p>

Purposes for which the equity securities may be issued, including whether the Company may issue them for non-cash consideration	<p>It is the Board's current intention that any funds raised pursuant to an issue of securities would principally include:</p> <ol style="list-style-type: none"> <li>commercialisation activities of the company including the clinical and general development the TALI Technology;</li> <li>expand the Newly platform to commercial scale and support national rollout; and</li> <li>general working capital requirements.</li> </ol> <p>The Company reserves the right to issue shares for non-cash consideration, including as non-cash consideration for any acquisition.</p>
Details of the Company's allocation policy for issues under approval.	<p>The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to Listing Rule 7.1A. The identity of the allottees will be determined on a case-by-case basis having regard to the factors including but not limited to the following:</p> <ol style="list-style-type: none"> <li>The methods of raising funds that are available to the Company including but not limited to, rights issue or other issue in which existing security holders can participate;</li> <li>The effect of the issue of the Listing Rule 7.1A shares on the control of the Company;</li> <li>The financial situation and solvency of the Company; and</li> <li>Advice from corporate, financial and broking advisers (if applicable).</li> </ol> <p>The allottees under the Listing Rule 7.1A facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company. Further, if the Company is successful in its acquisitive growth strategy as outlined above, it is likely that the allottees under the Listing Rule 7.1A facility will be or include the vendors of the relevant target company or companies.</p>
Previous approvals under Listing Rule 7.1A	Approval was granted at the 2016 Annual General Meeting (AGM) on 29 November 2016

## 1.2 Information under Listing Rule 7.3A.6

The table below provides details of the number of fully paid ordinary shares issued that has been previously approved under 7.1A:

Total shares issued in the 12 months prior to date of this Notice of Meeting is 154,605,702 new fully paid ordinary shares, being equal to 75% of the shares on issue as at 25 September 2016.

Date	Purpose	Ordinary Shares issued	Issue Price \$ per Share	Premium / (Discount) to market price	Proportion of Shares on Issue
19 July 2017	Newly acquisition <sup>1</sup>	30,689,095	\$0.0300	0.00%	13%
19 July 2017	Placement T1 <sup>2</sup>	16,666,667	\$0.0300	0.00%	7%
23 August 2017	Placement T2 <sup>3</sup>	66,666,667	\$0.0300	-3.23%	21%
24 August 2017	Rights Issue <sup>4</sup>	12,926,249	\$0.0300	0.00%	4%
24 August 2017	Rights - Top-Up <sup>5</sup>	7,781,509	\$0.0300	0.00%	2%
28 August 2017	Rights – Shortfall <sup>6</sup>	13,208,848	\$0.0300	-6.25%	4%
14-Sep-17	Grey Innovation <sup>7</sup>	5,666,667	\$0.0300	3.45%	1.6%
14-Sep-17	Dr Kirk Performance Rights issue <sup>8</sup>	1,000,000	\$0.0000	-100.00%	0.3%

Notes:

1. Part consideration for the acquisition of Newly Pty Ltd as advised to ASX on 12 July 2017. The five vendors were EJ Invest Pty Ltd, H Kemp Investments Pty Ltd, Mountford PHL Pty Ltd, M & Y Rose Investments Pty Ltd and Portable Australia Pty Ltd. Non-cash consideration is valued at \$920,672.85.
2. Placement to a number of sophisticated and professional investors, being clients of Shaw and Partners the Lead Manager for the Placement (Tranche 1), to funding working capital purposes and support the commercial roll-out of TALI Train in H1FY18. \$500,000 of cash raised before issue expenses.
3. Placement to a number of sophisticated and professional investors, being clients of Shaw and Partners the Lead Manager for the Placement (Tranche 2), to funding working capital purposes and support the commercial roll-out of TALI Train and expand the Newly platform to commercial scale and support national rollout.in H1FY18. \$2,000,000 of cash raised before issue expenses.
4. A 1 for 6 non-renounceable rights issue ("Rights Issue") to existing shareholders. \$387,787 of cash raised before issue expenses for the same purpose as noted in 3 above.
5. A Top-Up facility offered to existing shareholders participating in the Rights Issue. \$233,445 of cash raised before issue expenses for the same purpose as noted in 3 above.
6. Placement of the shortfall to the Rights Issue to sophisticated and professional investors, being clients of Shaw and Partners the Lead Manager for the Rights Issue. \$396,265 of cash raised before issue expenses for the same purpose as noted in 3 above.
7. The Placement (Tranches 1 & 2), the Rights Issue, Top-Up Facility and shortfall placement detailed in footnotes 2 to 6 above raised a total of \$3.5 million in cash of which \$0.2 million was spent on capital raising/issue expenses and in the two months to the end of September 2017 a total of approximately \$0.5 million will have been spent on other administrative and operating expenditure. The remaining \$2.8 million of the cash will be applied to funding working capital requirements and to support the commercial roll-out of TALI Train and expand the Newly platform to commercial scale and support national rollout.in H1FY18 noted above.
8. An issue to Grey Innovation as part consideration for work on the development of TALI technology as approved by the EGM on 18 August 2017. Non-cash consideration valued at \$170,000.
9. An issue to Dr Kirk pursuant to the issue of new shares upon the vesting of incentive Performance Rights and acquisition of fully paid ordinary shares under the Company's Performance Right and Share Options Plan. The Share were issued for nil consideration.

**Information under Listing Rule 7.3A.2**

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

The table also shows:

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



		<b>Dilution</b>		
<b>Variable 'A' in 7.1A.2</b>		<b>\$0.015 50% Decrease in Issue Price</b>	<b>\$0.030 Issue Price</b>	<b>\$0.060 100% Increase in Current Issue Price</b>
<b>Current Variable "A" - 359,444,132 Shares</b>	<b>10% Voting Dilution</b>	35,944,413 shares	35,944,413 shares	35,944,413 shares
	<b>Funds raised</b>	\$539,166	\$1,078,332	\$2,156,665
<b>50% increase in Variable "A" - 539,166,198 Shares</b>	<b>10% Voting Dilution</b>	53,916,620 shares	53,916,620 shares	53,916,620 shares
	<b>Funds raised</b>	\$808,749	\$1,617,499	\$3,234,997
<b>100% increase in Variable "A" - 718,888,264 Shares</b>	<b>10% Voting Dilution</b>	71,888,826 shares	71,888,826 shares	71,888,826 shares
	<b>Funds raised</b>	\$1,078,332	\$2,156,665	\$4,313,330

The table has been prepared on the following assumptions:

- a. The Company issues the maximum number of Shares available under the 10% Listing Rule 7.1A approval.
- b. No options are exercised to convert into Shares before the date of the issue of the Shares available under Listing Rule 7.1A.
- c. 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%.
- d. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of share issue under Listing Rule 7.1A, based on that Shareholder's holding at the date of the Meeting.
- e. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- f. The issue of Shares under Listing Rule 7.1A consists only of Shares. If the issue includes listed options, it is assumed that those listed options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- g. The issue price is \$0.030 being an indicative price of the Shares as at the date of this Notice of Meeting.

**Board Recommendation:** The Board recommends that shareholders vote in favour of Resolution 7.

### 3.9. Note - Issue of Shares Under the Performance Right and Share Options Plan

#### Background

ASX Listing Rule 7.1 effectively limits the number of ordinary shares the Company may issue without the approval of its shareholders to 15% of issued capital unless the issue can be brought within one of the exceptions set out in ASX Listing Rule 7.2. ASX Listing Rule 7.2 Exception 9(b) permits issues under an employee incentive scheme if within three years before the date of issue the scheme has been approved by shareholders.

#### Summary of Novita Healthcare Limited Performance Right and Share Options Plan.

The Novita Healthcare Limited Performance Right and Share Options Plan (the Plan) is governed by the Plan Rules. Set out below is a summary of the Plan Rules and the full Plan Rules may be found on the Company's website at <http://novitahealthcare.com.au/investors-centre/governance/>

It is intended that the Plan will enable the Company and its subsidiaries (Group) to:

- (i) provide incentive to participants by enabling them to participate in the profits and financial performance of the Company;

- (ii) attract, motivate and retain eligible executives; and
- (iii) align the interests of participants more closely with Shareholders in the Company and provide greater incentive for the Participants to focus on longer-term goals of the Company..

Under the Plan, a Performance Right is a right, subject to the terms and conditions of the Plan Rule, to subscribe or apply for and acquire fully paid ordinary shares in the capital of the Company (Share) and similarly a Share Option is a right, subject to the terms and conditions of the Plan Rule, to subscribe or apply for and acquire fully paid ordinary Share

The Board at its absolute discretion may invite an eligible person to complete an application to participate in the Plan for a specified number of Performance Right or Share Options allocated to that eligible person by the Board. An invitation shall specify the date of grant, the total number of Performance Rights or Share Options granted, the exercise price (if any) to apply for shares upon exercise of the Performance Rights or Share Option after vesting and exercise period for the Performance Right or Share Option including the vesting date and expiry date, and any other matters the Board determines, including exercise or vesting performance conditions attaching to the Performance Rights or Share Options.

Persons eligible to participate in the Plan are, in relation to the Company or an associated body corporate of the Company, full-time or part-time employees that the Board considers needs an incentive to encourage retention and succession planning; and has demonstrated capacity to add primary equity value to the Company.

The Plan has been prepared to comply with ASIC Class Order [CO14/1000]. As such, offers under the Plan that are made in reliance on the Class Order are limited to the 5% capital limit set out in the Class Order.

Unless otherwise determined by the Board, no payment is required for the grant of Performance Rights or Share Options under the Plan.

Performance Rights or Share Options granted under the Plan are not transferable and must not be encumbered or otherwise deal with by a Participant, unless the Board determines otherwise.

Performance Rights or Share Options do not carry any voting or dividend rights. Shares issued or transferred to Participants on exercise of a Performance Right or Share Option carry the same rights and entitlements as other issued Shares, including dividend and voting rights.

The Company has no obligation to apply for quotation of the Performance Right or Share Options on the ASX.

In general terms, Performance Right or Share Options granted under the Plan may only be exercised if the exercise or vesting conditions have been met, the exercise price has been paid to the Company and the Performance Right or Share Options are exercised within the exercise period relating to the Performance Right or Share Option. A Performance Right or Share Option granted under the Plan may not be exercised once it has lapsed.

A Performance Right or Share Option may be exercised, whether or not any or all applicable exercise conditions have been met, on the occurrence of a Takeover Bid for the Company or a scheme of arrangement for reconstruction or amalgamation with another company.

The Company will apply to ASX for official quotation of Shares issued upon vesting of Performance Rights or Share Options granted under the Plan and the subsequent issue of Shares, so long as the Shares are quoted on the official list of ASX at that time.

The Company may financially assist a person to pay any exercise price for an Performance Right, subject to compliance with the provisions of the Corporations Act and the ASX Listing Rules relating to financial assistance.

If a Participant ceases to be an employee of any member of the Group due to his or her resignation, dismissal for cause or poor performance, fraud, dishonesty or other serious misconduct, or other serious misconduct or neglect of duty which would justify summary dismissal in any other circumstances determined by the Board, the Board may deem that the Participant's Performance Right or Share Options to have lapsed.

If a Participant ceases to being an employee of any member of the Group for any other reason such as death, permanent disability, or the Participant being an employee of a company that ceases to be a member of the Group, or in any other circumstances determined by the Board:

- (i) all Performance Rights or Share Options held by the relevant Participant as at the date of cessation which are vested Performance Rights or Share Options may be exercised by that Participant in the 30 days period following the date of cessation (and the exercise period is amended accordingly), after which those vested Performance Rights or Share Options will immediately lapse; and

(ii) all other Performance Rights or Share Options granted to that Participant will lapse as at the date of cessation.

On liquidation of the Company, all Performance Rights or Share Options which are not vested Performance Rights or Share Options will automatically lapse.

If, in the opinion of the Board, a Participant has acted fraudulently or dishonestly, the Board may determine that any Performance Right or Share Option granted to that Participant should lapse, and the Performance Right Share Option will lapse accordingly.

If a Performance Right Share Option has not lapsed earlier, it will lapse at the end of the exercise period.

In the event of any reconstruction of the share capital of the Company, the number of s to which each Participant is entitled and/or the exercise price of those Performance Rights or Share Options must be reconstructed in accordance with the ASX Listing Rules. Performance Rights or Share Options must be reconstructed in a manner which will not result in any additional benefits being conferred on Participants which are not conferred on other shareholders of the Company.

Holders of Performance Rights or Share Options issued under the Plan may only participate in new issues of securities by the Company if they have first exercised their Performance Rights or Share Options within the relevant exercise period and become a shareholder of the Company prior to the relevant record date and are then only entitled to participate in relation to Shares of which they are the registered holder.

If there is a bonus issue the number of Shares over which a Performance Right or Share Option can be exercised will be increased by the number of Shares which the holder would have received if the Performance Right or Share Option had been exercised before the record date for the bonus issue.

A Performance Right or Share Option may not be granted and/or Shares may not be allotted and issued, acquired, transferred or otherwise dealt with under the Plan if to do so would contravene the Corporations Act or any other applicable laws or regulations.

If and to the extent any rule of the Plan is inconsistent with the ASX Listing Rules, if the ASX Listing Rules apply to the Company at the relevant time, the ASX Listing Rules will prevail in all respects to the extent of the inconsistency.

The Board may terminate or suspend the operation of the Plan at any time. In passing a resolution to terminate or suspend the operation of the Plan or to supplement or amend these rules, the Board must consider and endeavour to ensure that there is fair and equitable treatment of all Participants.

On termination of the Plan, no compensation under any contract of employment, consultancy or directorship between an eligible person and a member of the Group will arise as a result.

The Plan Rules also contain customary and usual terms having regard to Australian law for dealing with administration and costs of the Plan.

If Resolution 4 is passed at the Annual General Meeting, the directors may issue securities under the Plan under ASX Listing Rule 7.2 Exception 9(b) until 30 October 2020.

The last time the Company sought approval from shareholders in relation to the Plan was in 2004 and the approval granted lapsed three years later.

In the past four years there have been no Share Options issued and the only Performance Rights issued were the granting of 3,000,000 Performance Rights to the Chief Research Officer (Dr Kirk) in the year ended 30 June 2017. Each Performance Rights entitles the Chief Research Officer to acquire one fully paid share in the Company for a nil exercise price upon meeting the vesting conditions. As at 30 August 2017 it was determined the vesting conditions for 1,000,000 Performance Rights were satisfied and on 15 September 2017 the Company issued 1,000,000 new fully paid shares to the Chief Research Officer for nil consideration.

Voting restrictions in respect of this Resolution are set out in the Notice of Annual General Meeting, which this Explanatory Statement accompanies.

## **Recommendation**

The directors recommend that shareholders vote in favour of Resolution 8.

## 4. GLOSSARY

<b>\$</b>	Australian Dollars
<b>AEST</b>	Australian Eastern Standard Time (Melbourne, ACT and Sydney time)
<b>AGM</b>	the Meeting convened by this Notice of AGM.
<b>ASIC</b>	Australian Securities and Investments Commission
<b>Associate and Related Party</b>	have the meanings they have in the Corporations Act.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.
<b>Auditor's Report</b>	the auditor's report required to be prepared and laid before the AGM in accordance with section 317 of the Corporations Act.
<b>Board</b>	the board of Directors of the Company.
<b>Company or Novita</b>	Novita Healthcare Limited ACN 108 150 750
<b>Constitution</b>	the constitution of the Company.
<b>Corporations Act</b>	Corporations Act 2001 (Cth).
<b>Directors</b>	the directors of the Company
<b>Directors' Report</b>	the directors' report required to be prepared and laid before the AGM in accordance with section 317 of the Corporations Act.
<b>Explanatory Statement or Explanatory Notes</b>	the explanatory memorandum to the Notice of Meeting.
<b>Financial Report</b>	the financial report required to be prepared and laid before the AGM in accordance with section 317 of the Corporations Act.
<b>Listing Rules</b>	ASX Listing Rules.
<b>Meeting</b>	The AGM to be convened on 30 October 2017 by this Notice.
<b>Meeting Time and Date</b>	11:00 AM (AEST) on Monday, 30 October 2017.
<b>New Shares</b>	Shares offered under this Offer Document.
<b>Notice or Notice of Meeting</b>	this notice of the Annual General Meeting of Shareholders including the Explanatory Statement
<b>Share Options</b>	a right to subscribe for or acquire a Share subject to the terms and conditions of the Plan Rules.
<b>Participant</b>	an employee who has been granted Performance Rights in the Plan
<b>Performance Rights</b>	a right to subscribe for or acquire a Share subject to the terms and conditions of the Plan Rules.
<b>Plan</b>	the Novita Healthcare Limited Performance Right and Share Options Plan
<b>Plan Rules</b>	the rules governing the operation of the Plan
<b>Remuneration Report</b>	the remuneration report required to be prepared in accordance with section 300A of the Corporations Act.
<b>Share</b>	a fully paid ordinary share in the capital of the Company.
<b>Share Registry</b>	Automatic Registry Services, Level 3, 50 Holt Street, Surry Hills NSW 2010.
<b>Shareholder</b>	a holder of Shares in the Company as recorded on the Share Registry.

# AGM Registration Card

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

[BARCODE]

Holder Number:  
[HolderNumber]

[Name/Address 1]  
[Name/Address 2]  
[Name/Address 3]  
[Name/Address 4]  
[Name/Address 5]  
[Name/Address 6]

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## Vote by Proxy: NHL

Your proxy voting instruction must be received by **11.00am (AEDT) on Sunday, 29 October, 2017**, being **not later than 24 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

#### 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.

**STEP 1: Please appoint a Proxy**

**Complete and return this form as instructed only if you do not vote online**

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of the Company, to be held at **11.00 am (AEDT) on Monday, 30 October 2017 at the Governance Institute of Australia, Level 7, 500 Collins Street, Melbourne, Victoria** hereby:

**Appoint the Chairman of the Meeting (Chair)** OR if you are not appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.**  
Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

**AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**  
Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution(s) 1, 3, 4, 5 and 8 (except where I/we have indicated a different voting intention below) even though Resolution(s) 1, 3, 4, 5 and 8 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

**STEP 2: Your Voting Direction**

Resolutions	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Director (Mr Higgins)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Issue of Options to Director (Mr Higgins)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Issue of Options to Director (Mr Simari)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Issue of Options to Director (Mr Harcourt)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of prior share issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval of Additional 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Issue of Shares Under the Performance Right and Share Options Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.*

**STEP 3: Sign**

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Individual or Securityholder 1	Securityholder 2	Securityholder 3
<div style="border: 1px solid black; width: 200px; height: 30px;"></div>	<div style="border: 1px solid black; width: 200px; height: 30px;"></div>	<div style="border: 1px solid black; width: 200px; height: 30px;"></div>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary


Contact Name..... Contact Daytime Telephone..... Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_


Email Address \_\_\_\_\_

**By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).**


**STEP 4: Return**


**Return your completed form:**


 **BY MAIL**  
Automatic Registry Services  
PO Box 2226  
Strawberry Hills NSW 2012

 **IN PERSON**  
Automatic Registry Services  
Level 3, 50 Holt Street,  
Surry Hills NSW 2010

**Contact us – All enquiries to Automic:**

 **WEBCHAT**  
<https://automic.com.au/>

 **EMAIL**  
hello@automic.com.au

 **PHONE**  
1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)