



**ADMEDUS LTD
ACN 088 221 078**

**NOTICE OF ANNUAL GENERAL MEETING
OF SHAREHOLDERS**

AND

EXPLANATORY MEMORANDUM

TO BE HELD AT 11AM (WST) ON 13 NOVEMBER 2015

AT

**DUXTON HOTEL
1 ST GEORGES TERRACE PERTH
WESTERN AUSTRALIA**

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

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 (0)8 6240 6100.

ADMEDUS LTD

ACN 088 221 078

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting of shareholders of Admedus Ltd (**Company**) will be held at Duxton Hotel, 1 St Georges Terrace, Perth, Western Australia on 13 November 2015 at 11am (WST) (**Meeting**).

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

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company on 11 November 2015 at 5pm (WST).

Terms and abbreviations used in this Notice, including the Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Annual Report

To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2015, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. Resolution 1 – Adoption of Remuneration Report

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

"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

A vote on this Resolution must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or

- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Re-election of Mr Peter Turvey as Director

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

"That, pursuant to and in accordance with article 15.2 of the Constitution and for all other purposes, Mr Peter Turvey, Director, retires and being eligible pursuant to article 15.3 of the Constitution is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."

4. Resolution 3 – Re-election of Mr Michael Bennett as Director

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

"That, pursuant to and in accordance with article 15.2 of the Constitution and for all other purposes, Mr Michael Bennett, Director, retires and being eligible pursuant to article 15.3 of the Constitution is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."

5. Resolution 4 – Consolidation of Capital

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

"That, for the purposes of section 254H(1) of the Corporations Act and for all other purposes, approval is given for the consolidation of the Company's issued capital, on the basis that

(a) every existing 10 Shares be consolidated into 1 Share; and

(b) every existing 10 Options be consolidated into 1 Option and the option price to be amended on the inverse proportion to this ratio in accordance with Listing Rule 7.22.1,

with the consolidation to take effect in accordance with the timetable set out in the Explanatory Memorandum, and where this consolidation results in a fraction of a Share or Option being held by a securityholder, the Directors be authorised to round that fraction up to the nearest whole Share or Option".

6. Resolution 5 – Ratification of Placement

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

"That for the purposes of Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 171,500,000 Placement Shares at an issue price of \$0.07 per Placement Share and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any person who participated in the Placement and any associates of that person (or those persons), unless:

- (a) it is cast by the person as proxy for a person who is entitled to vote (in accordance with directions on the Proxy Form); or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote (in accordance with a direction on the Proxy Form to vote as the proxy decides).

7. Resolution 6 – Approval of 10% Placement Facility

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

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

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons).

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. Resolution 7 - Approval to Issue Shares to Mr Lee Rodne

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

"That, pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of Shares to Mr Lee Rodne (and/or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Lee Rodne and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

9. Resolution 8 - Approval to Issue Shares to Mr Michael Charles Bennett

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

"That, pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of Shares to Mr Michael Charles Bennett (and/or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Michael Charles Bennett and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

10. Resolution 9 - Approval to Issue Shares to Mr Christopher Catlow

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

"That, pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue Shares to Mr Christopher Catlow (and/or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Christopher Catlow and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

11. Resolution 10 - Approval to Issue Shares to Mr Wayne Paterson

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

"That, pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of Shares to Mr Wayne Paterson (and/or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Wayne Paterson and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

12. Resolution 11 - Approval to Issue Shares to Mr Graeme Rowley

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

"That, pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue Shares to Mr Graeme Rowley (and/or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Graeme Rowley and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

13. Resolution 12 - Approval to Issue Shares to Mr John Seaberg

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

"That, pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of Shares to Mr John Seaberg (and/or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr John Seaberg and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (a) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

14. Resolution 13 - Approval to Issue Shares to Mr Peter Turvey

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

"That, pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of Shares to Mr Peter Turvey (and/or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Peter Turvey and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (c) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (d) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

15. Resolution 14 – Approval of the Admedus Ltd Employee Option Plan

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

"That in accordance with Listing Rule 7.2, exception 9 and for all other purposes, Shareholders approve the Employee Option Plan and the grant of Options pursuant to the Employee Option Plan and the issue of the underlying Shares of such Options on the terms and conditions in the Explanatory Memorandum".

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a Director, except one who is ineligible to participate in the Employee Option Plan, and any associate of that person (or persons).

However, the Company will not disregard a vote if:

- (a) it is cast by the person as a proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form to vote as the proxy decides.

16. Resolution 15 – Approval to Grant Options to Mr John Seaberg

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

"That in accordance with Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of Options to Mr John Seaberg (or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a Director and any associate of a Director.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairperson and the appointment does not specify how the Chairperson is to vote but expressly authorises the Chairperson to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

17. Resolution 16 – Approval to grant Options to Mr Wayne Paterson

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

"That in accordance with Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of Options to Mr Wayne Paterson (or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a Director and any associate of a Director.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (c) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (d) the person appointed as proxy is the Chairperson and the appointment does not specify how the Chairperson is to vote but expressly authorises the Chairperson to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

18. Resolution 17 – Deeds of Indemnity, Access and Insurance

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

"That, subject to Resolution 18 being passed, pursuant to and in accordance with chapters 2D and 2E of the Corporations Act and for all other purposes approval be given to the Company to:

- (a) *indemnify each Officer during their Office and after the cessation of that Office, in respect of certain claims made against that Officer in relation to the period of their Office;*
- (b) *use its reasonable endeavours to procure an insurance policy and pay the premiums of insurance as assessed at market rates for each Officer in respect of certain claims made against such Officer in*

relation to the period of their Office (except to the extent such insurance cannot be procured at a reasonable cost or is otherwise unavailable to the Company);

- (c) *use its reasonable endeavours to ensure that each Officer is at all times covered under an insurance policy for the period of seven years from the date that such Officer ceases to hold Office (**Insurance Run-Off Period**), which will be on terms not materially less favourable to such Officer than the terms of insurance applicable at the date of termination of their Office, and to continue to pay those premiums during that Insurance Run-Off Period (except to the extent such insurance cannot be procured at a reasonable cost or is otherwise unavailable to the Company); and*
- (d) *provide each Officer with access, upon the termination of their Office, for a period of not less than seven years following that termination, to any Company records which are either prepared or provided by them during the period of their Office,*

on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by the Directors and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

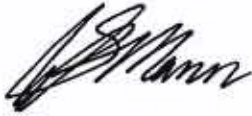
- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

19. Resolution 18 – Section 195 Approval

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

"That, pursuant to and in accordance with subsection 195(4) of the Corporations Act and for all other purposes, Shareholders approve the transactions contemplated in Resolution 17."

BY ORDER OF THE BOARD



Stephen Mann
CFO/Company Secretary
Dated: 24 September 2015

ADMEDUS LTD

ACN 088 221 078

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Duxton Hotel, 1 St Georges Terrace, Perth, Western Australia on 13 November 2015 at 11am (WST).

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3:	Annual Report
Section 4:	Resolution 1 – Adoption of Remuneration Report
Section 5:	Resolution 2 – Re-election of Mr Peter Turvey as Director
Section 6:	Resolution 3 – Re-election of Mr Michael Bennett as Director
Section 7:	Resolution 4 – Consolidation of Capital
Section 8:	Resolution 5 – Ratification of Placement
Section 9:	Resolution 6 – Approval of 10% Placement Facility
Section 10:	Resolutions 7 to 13 (inclusive) - Approval to Issue Shares to Directors
Section 11:	Resolution 14 - Approval of the Admedus Ltd Employee Option Plan
Section 12:	Resolutions 15 and 16 - Approval to Grant Options to Directors
Section 13:	Resolution 17 - Deeds of Indemnity, Access and Insurance
Section 14:	Resolution 18 - Section 195 Approval
Schedule 1:	Definitions
Schedule 2:	Listing Rule 7.3A.6 Disclosure
Schedule 3:	Terms and Conditions of Employee Option Plan
Schedule 4:	Terms and Conditions of Directors' Options
Schedule 5:	Terms of Deeds of Indemnity, Insurance and Access

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice, including this Explanatory Memorandum, carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Returning the Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

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

Proxy Forms must be received by the Company no later than 11am (WST) on 11 November 2015, being at least 48 hours before the Meeting.

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

2.2 Voting Prohibition by Proxy holders (Remuneration of Key Management Personnel)

A vote on Resolution 1 must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

2.3 Voting Prohibition by Proxy holders (Remuneration of Key Management Personnel)

A vote on Resolutions 7, 8, 9, 10, 11, 12, 13, 15, 16 and 17 must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

3. Annual Report

In accordance with section 317(1) of the Corporations Act the Annual Report must be laid before the annual general meeting. There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <http://www.admedus.com/au/>;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies of 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,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report

contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors of the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Shareholders will have the opportunity to remove the whole Board except the Managing Director if the Remuneration Report receives a 'no' vote of 25% or more (Strike) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2014 annual general meeting. Please note if the Remuneration Report receives a Strike at this Meeting and if a second Strike is received at the 2016 annual general meeting, this may result in the re-election of the Board.

The Chairman will allow reasonable opportunity for Shareholders to ask questions about or comment on the Remuneration Report.

Resolution 1 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

5. Resolution 2 – Re-election of Mr Peter Turvey as Director

Article 15.2 of the Constitution requires one third of all Directors, or if their number is not a multiple of three, then the number nearest one-third (rounded down to the nearest whole number) to retire at each annual general meeting.

A retiring Director is eligible for re-election pursuant to Article 15.3 of the Constitution.

Resolution 2 therefore provides that Mr Peter Turvey retires by rotation and seeks re-election as a Director.

A brief resume of Mr Peter Turvey together with details of any other directorships held by Mr Peter Turvey, his length of service as a Director and a statement with regard to whether Mr Peter Turvey is determined by the Board to be an independent director, are contained in the Annual Report.

Resolution 2 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

The Board (excluding Mr Peter Turvey) supports the re-election of Mr Peter Turvey and recommends that Shareholders vote in favour of Resolution 2.

6. Resolution 3 – Re-election of Mr Michael Bennett as Director

Article 15.2 of the Constitution requires one third of all Directors, or if their number is not a multiple of three, then the number nearest one-third (rounded down to the nearest whole number) to retire at each annual general meeting.

A retiring Director is eligible for re-election pursuant to Article 15.3 of the Constitution.

Resolution 3 therefore provides that Mr Michael Bennett retires by rotation and seeks re-election as a Director.

A brief resume of Mr Michael Bennett together with details of any other directorships held by Mr Michael Bennett, his length of service as a Director and a statement with regard to whether Mr Michael Bennett is determined by the Board to be an independent director, are contained in the Annual Report.

Resolution 3 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

The Board (excluding Mr Michael Bennett) supports the re-election of Mr Michael Bennett and recommends that Shareholders vote in favour of Resolution 3.

7. Resolution 4 – Consolidation of Capital

7.1 Background

Resolution 4 seeks approval from Shareholders to consolidate the number of Shares and Options on issue on a 1 for 10 basis (**Consolidation**).

The Board proposes the Consolidations as the Board believes that the Consolidation will result in a more appropriate and effective capital structure for the Company and a share price that is more appealing to a wider range of investors, particularly institutional global investors.

7.2 Corporations Act and Listing Rule Requirements

Pursuant to section 254H(1) of the Corporations Act, the Company may, by a resolution passed at a general meeting of Shareholders, convert all or any of its Shares into a larger or smaller number of Shares.

The Company has Options on issue. Listing Rule 7.22.1 provides that in a consolidation of capital, the number of options must be consolidated in the same ratio as the ordinary capital and the exercise price must be amended in inverse proportion to that ratio.

If Resolution 4 is passed:

- (a) the number of Shares on issue will be reduced on a 1 for 10 basis; and
- (b) the number of Options on issue will be reduced on a 1 for 10 basis, and the exercise price of those Options will be increased in the inverse proportion to that ratio.

Resolution 4 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 4.

7.3 Fractional entitlements and taxation

Not all Shareholders or Optionholders will hold a number of Shares or Options which can be evenly divided by 10. Where a fractional entitlement occurs, the fractional holding will be rounded up to the nearest whole Share or Option.

It is not considered that any Australian taxation consequences will exist for Shareholders or Optionholders arising from the Consolidation. However, Shareholders and Optionholders are advised to seek their own taxation advice on the effect of the Consolidation and neither the Company nor the Directors (or the Company's advisers) accept any responsibility for the individual taxation consequences arising from the Consolidation.

7.4 Holding Statements

From the date of the Consolidation, all holdings statements for Shares and Options will cease to have any effect, except as evidence of entitlement to a certain number of Shares and Options on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Shares and Options to be issued to holders of those securities.

7.5 Effect on capital structure

The effect of the Consolidation on the capital structure of the Company is as follows:

	Shares	Options
Current capital structure	1,847,163,064	137,859,235 ¹
Capital structure post Consolidation	184,716,306	13,785,924²

Note:

1. Comprising of:

- a. 13,500,000 unlisted Options with an exercise price of \$0.144 per Option and an expiry date of 21 July 2020;
- b. 18,850,000 unlisted Options with an exercise price of \$0.117 per Option and an expiry date of 30 June 2020;
- c. 4,100,000 unlisted Options with an exercise price of \$0.21 per Option and an expiry date of 5 November 2019;
- d. 15,000,000 unlisted Options with an exercise price of \$0.17 per Option and an expiry date of 21 May 2019;
- e. 2,000,000 unlisted Options with an exercise price of \$0.245 per Option with an expiry date of 1 February 2019;
- f. 300,000,000 unlisted Options with an exercise price of \$0.17 per Option with an expiry date of 1 July 2017;
- g. 9,000,000 unlisted Options with an exercise price of \$0.27 per Option with an expiry date of 16 December 2018;
- h. 15,050,067 unlisted Options with an exercise price of \$0.095 per Option with an expiry date of 18 June 2018;
- i. 2,000,000 unlisted Options with an exercise price of \$0.06 per Option with an expiry date of 1 March 2018;

- j. 2,133,334 unlisted Options with an exercise price of \$0.06 per Option with an expiry date of 18 May 2015;
 - k. 2,962,250 unlisted Options with an exercise price of \$0.06 per Option with an expiry date of 10 July 2016;
and
 - l. 50,263,334 unlisted Options with an exercise price of \$0.06 per Option with an expiry date of 10 July 2016.
2. Comprising of:
- a. 1,350,000 unlisted Options with an exercise price of \$1.44 per Option and an expiry date of 21 July 2020;
 - b. 1,885,000 unlisted Options with an exercise price of \$1.17 per Option and an expiry date of 30 June 2020;
 - c. 410,000 unlisted Options with an exercise price of \$2.10 per Option and an expiry date of 5 November 2019;
 - d. 1,500,000 unlisted Options with an exercise price of \$1.70 per Option and an expiry date of 21 May 2019;
 - e. 200,000 unlisted Options with an exercise price of \$2.45 per Option with an expiry date of 1 February 2019;
 - f. 300,000 unlisted Options with an exercise price of \$1.70 per Option with an expiry date of 1 July 2017;
 - g. 900,000 unlisted Options with an exercise price of \$2.70 per Option with an expiry date of 16 December 2018;
 - h. 1,505,007 unlisted Options with an exercise price of \$0.95 per Option with an expiry date of 18 June 2018;
 - i. 200,000 unlisted Options with an exercise price of \$0.60 per Option with an expiry date of 1 March 2018;
 - j. 213,333 unlisted Options with an exercise price of \$0.60 per Option with an expiry date of 18 May 2015;
 - k. 296,250 unlisted Options with an exercise price of \$0.60 per Option with an expiry date of 10 July 2016;
and
 - l. 5,026,333 unlisted Options with an exercise price of \$0.60 per Option with an expiry date of 10 July 2016.

7.6 Timetable for the Consolidation

If the Consolidation is approved by Shareholders, the following indicative timetable of key dates will apply:¹

Event	Date
Meeting	13 November 2015
Notification to ASX of results of Meeting	13 November 2015
Last day for trading in securities on a pre-Consolidation basis	16 November 2015
First day of trading in Consolidated securities on a deferred settlement basis	17 November 2015
Last day to register transfers on a pre-Consolidation basis	19 November 2015
First day for Company to send notice to securityholders of change to holdings as a result of Consolidation	20 November 2015
First day for Company to register securities on a post-Consolidation basis and for issue of holding statements	
Issue Date	26 November 2015
Last day for securities to be entered into the securityholders' security holdings and for Company to send notice to securityholders of change of holdings as a result of the Consolidation	
Deferred settlement ends / normal (T+3) trading resumes on the next business day (provided Company informs ASX by 12 noon that the issue has occurred).	

Note:

1. These dates are indicative only and may change subject to compliance with the requirements of the Corporations Act and Listing Rules.

7.7 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

8. Resolution 5 - Ratification of Placement

8.1 General

On 20 March 2015 the Company announced the successful placement to institutional and sophisticated investors to raise approximately \$12,000,000 (**Placement**).

Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the issue of 171,500,000 Shares (**Placement Shares**) issued under the Placement.

8.2 Listing Rule 7.4

In accordance with Listing Rule 7.1, the Company must not, without obtaining Shareholder approval, subject to specified exceptions, issue or agree to issue more 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.

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1.

The effect of passing Resolution 5 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 5 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 5.

8.3 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the Placement as follows:

- (a) 171,500,000 Placement Shares were issued to institutional and sophisticated investors in two tranches. 170,075,000 Placement Shares were issued on 25 March 2015 and 1,425,000 Placement Shares were issued on 1 April 2015.
- (b) The Placement Shares were issued at an issue price of \$0.07 per Placement Share.
- (c) The Placement Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue and were issued on the same terms and conditions as the Company's existing Shares.
- (d) The Placement Shares were issued to institutional and sophisticated investors.

- (e) Funds raised from the Placement have been and will be used for general working capital purposes and to support ongoing programmes within the Company, specifically:
 - (i) to expand the sales teams in Europe and North America;
 - (ii) for post-market studies and further product development to expand the use of CardioCel[®] being used in 60 centres globally;
 - (iii) for expansion of the ADAPT[®] regenerative tissue product portfolio; and
 - (iv) to fund the human papillomavirus therapeutic vaccine phase Ib study supporting research activities for the Company's vaccine programmes.
- (f) A voting exclusion statement is included in the Notice for Resolution 5.

8.4 Director Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

9. Resolution 6 - Approval of 10% Placement Facility

9.1 General

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

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

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.2(c) below).

The Directors of the Company believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chairman intends to exercise all available proxies in favour of Resolution 6.

9.2 Listing Rule 7.1A

- (a) **Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) **Equity Securities**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the company.

The Company, as at the date of the Notice, has on issue one quoted classes of Equity Securities, being Shares.

(c) **Formula for calculating 10% Placement Facility**

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

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement:

(A) plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2;

(B) plus the number of partly paid shares that became fully paid in the 12 months;

(C) plus the number of Shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of Shares under the entity's 15% placement capacity without Shareholder approval;

(D) less the number of fully paid shares cancelled in the 12 months.

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

D is 10%

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

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of the Notice, the Company has on issue 1,847,163,064 Shares and therefore has a capacity to issue:

- (i) 277,074,459 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 6, 184,716,306 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.2(c) above).

(e) Minimum Issue Price

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

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

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX,

(the **10% Placement Period**).

9.3 Listing Rule 7.1A

The effect of Resolution 6 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

9.4 Specific information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Listed Options, only if the Listed Options are exercised). There is a risk that:
- (iii) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (iv) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

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

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

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.033 50% decrease in Issue Price	\$0.067 Issue Price	\$0.134 100% increase in Issue Price
Current Variable A 1,675,519,868 Shares	10% Voting Dilution	167,551,986 Shares	167,551,986 Shares	167,551,986 Shares
	Funds raised	\$5,529,215	\$11,225,983	\$22,451,966
50% increase in current Variable A 2,513,279,802 Shares	10% Voting Dilution	251,327,980 Shares	251,327,980 Shares	251,327,980 Shares
	Funds	\$8,293,823	\$16,838,974	\$33,677,949

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.033 50% decrease in Issue Price	\$0.067 Issue Price	\$0.134 100% increase in Issue Price
	raised			
100% increase in current Variable A 3,351,039,736 Shares	10% Voting Dilution	335,103,973 Shares	335,103,973 Shares	335,103,973 Shares
	Funds raised	\$11,058,431	\$22,451,966	\$44,903,932

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
 - (iii) 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%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (v) 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.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities 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.
 - (vii) The issue price is \$0.067, being the closing price of the Shares on ASX on 23 September 2015.
- (e) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 6 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (f) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of the new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised:
 - (A) to expand the sales teams in Europe and North America;
 - (B) for post-market studies and further product development to expand the use of CardioCel[®] being used on 60 centres globally;

- (C) for expansion of the ADAPT[®] regenerative tissue product portfolio; and
 - (D) to fund the human papillomavirus therapeutic vaccine phase Ib study supporting research activities for the Company's vaccine programmes.
- (g) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (h) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the subscribers of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).
- (i) The subscribers under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.
- (j) In the 12 months preceding the date of the Meeting the Company issued a total of 404,549,273 (Placement, Rights Issue and exercise of Options) Equity Securities which represent 28% of the total number of Equity Securities on issue at 13 November 2014. Further detail as required under Listing Rule 7.3A.6 in respect of these Share issues is set out in Schedule 2.
- (k) A voting exclusion statement is included in the Notice for Resolution 6.
- (l) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

9.5 Director Recommendation

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

10. Resolutions 7 to 13 (inclusive) - Approval to Issue Shares to Directors

10.1 General

Resolutions 7 to 13 (inclusive) seek Shareholder approval pursuant to Listing Rule 10.11 for the issue of up to \$227,766 worth of shares to the Directors (or their nominees) in lieu of directors' fees payable to the Directors during the current financial year (together the **Directors' Shares**).

Subject to Shareholder approval of Resolutions 7 to 13 (inclusive), the maximum number of Shares which may be issued to each of Director (or their nominee) will be calculated in accordance with the formula in the table:

Director (or nominee)	No. of Shares
Mr Lee Rodne	No. of Shares = $\frac{\$90,046}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.
Mr Michael Charles Bennett	No. of Shares = $\frac{\$54,120}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.
Mr Christopher Catlow	No. of Shares = $\frac{\$22,000}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.
Mr Wayne Paterson	No. of Shares = $\frac{\$15,400}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.
Mr Graeme Rowley	No. of Shares = $\frac{\$15,400}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.
Mr John Seaberg	No. of Shares = $\frac{\$15,400}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.
Mr Peter Turvey	No. of Shares = $\frac{\$15,400}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.

The issue price of each Share will be equal to the 5 day VWAP of Shares immediately before the date of the issue.

No funds will be raised from the issue of the Directors' Shares as they are being issued for nil cash consideration but as part of the consideration for the services to be provided by the Directors during the current financial year.

The Company has sought a waiver of Listing Rule 10.13.5 from ASX in order to permit the Company to include a formula for calculating the issue price of the Directors' Shares which is based on a future average market price.

In the event ASX does not grant the waiver of Listing Rule 10.13.5, the Company intends to set the issue price of the Directors' Shares prior to the date of the Meeting.

10.2 Section 208 of Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

The issue of the Directors' Shares constitutes giving a financial benefit and Messrs Rodne, Bennett, Catlow, Paterson, Rowley, Seaberg and Turvey are related parties of the Company by virtue of being directors of the Company.

10.3 Listing Rule 10.11

In accordance with Listing Rule 10.11, the Company must not issue securities to a related party of the Company unless it obtains Shareholder approval.

Messrs Rodne, Bennett, Catlow, Paterson, Rowley, Seaberg and Turvey are Directors of the Company and as such are related parties of the Company.

Pursuant to Listing Rule 7.2, exception 14, the effect of passing Resolutions 7 to 13 (inclusive) will be to allow the Company to issue up to \$227,766 worth of Shares to the Directors (or their nominees) without using up the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders do not approve Resolutions 7 to 13 (inclusive), the Company will not issue the Directors' Shares to the Directors (or their nominees).

Resolutions 7 to 13 (inclusive) are ordinary resolutions. The Directors have an interest in Resolutions 7 to 13 (inclusive) and therefore believe it inappropriate to make a recommendation.

The Chairman intends to exercise all available proxies in favour of Resolutions 7 to 13 (inclusive).

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on any of Resolutions 7 to 13, by signing and returning the Proxy Form, you are giving your express authorisation to allow the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

10.4 Specific information required by Listing Rule 10.13 and Section 219 of the Corporations Act

Information must be provided to Shareholders for the purposes of obtaining Shareholder approval as follows:

- (a) The Directors' Shares will be issued to Messrs Rodne, Bennett, Catlow, Paterson, Rowley, Seaberg and Turvey (or their nominees).

- (b) The maximum number of Shares that may be issued to Messrs Rodne, Bennett, Catlow, Paterson, Rowley, Seaberg and Turvey (or their nominees) will be calculated as follows:

Director (or nominee)	No. of Shares
Mr Lee Rodne	No. of Shares = $\frac{\$90,046}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.
Mr Michael Charles Bennett	No. of Shares = $\frac{\$54,120}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.
Mr Christopher Catlow	No. of Shares = $\frac{\$22,000}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.
Mr Wayne Paterson	No. of Shares = $\frac{\$15,400}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.
Mr Graeme Rowley	No. of Shares = $\frac{\$15,400}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.
Mr John Seaberg	No. of Shares = $\frac{\$15,400}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.
Mr Peter Turvey	No. of Shares = $\frac{\$15,400}{\text{Issue price}}$ Issue price = 5 day VWAP of Shares immediately before the date of the issue.

- (c) The Directors' Shares will be issued no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- (d) The Directors' Shares will be issued at an issue price equal to the 5 day VWAP of Shares immediately before the date of the issue.
- (e) No funds will be raised from the issue of the Directors' Shares as they are being issued for nil cash consideration.
- (f) The Directors' Shares will rank equally in all respects with the Company's existing Shares on issue.
- (g) The primary purpose for the grant of the Directors' Shares is in lieu of fees and remuneration for the services to be provided by the Directors during the current financial year. Each Director's dollar value entitlement to receive Shares was determined by multiplying, in respect of non-executive

Directors their respective director fees and in respect of executive Directors their respective total fixed remuneration (plus the sum of pro rata superannuation payments made to such Director) for the financial year ending 30 June 2015, by 20%.

- (h) Each Director received the following remuneration and emoluments from the Company (including share based payments) in the financial year ending 30 June 2015:

Name of Officer	Salary and fees (\$)	Superannuation (\$)	Share based payments	Other	Total remuneration (\$)
Christopher Catlow	100,000	10,000		-	110,000
Lee Rodne	400,209	50,021		100,000	550,230
Peter Turvey	70,000	7,000		-	77,000
Michael Bennett	240,000	24,000		-	264,000
John Seaberg	57,750	-		-	57,750
Wayne Paterson	57,750	-		-	57,750
Graeme Rowley	70,000	7,000		-	77,000

- (i) Each Director may receive the following remuneration and emoluments from the Company (including share based payments) in the financial year ending 30 June 2016. The share based payments in the table below represent the maximum amount of shares each Director may elect to take in lieu of salary. Where a Director does not elect to take some or all of their share based allocation, the value of the share based allocation not taken up will instead be paid by way of salary or fees (as applicable)

Name of Officer	Salary and fees (\$)	Superannuation (\$)	Share based payments (\$ value)	Other	Total remuneration (\$)
Christopher Catlow	78,000	10,000	22,000	-	110,000
Lee Rodne	400,209	50,021	90,046	100,000	550,230
Peter Turvey	54,600	7,000	15,400	-	77,000
Michael Bennett	191,880	24,600	54,120	-	270,600
John Seaberg	61,600	-	15,400		77,000
Wayne Paterson	61,600	-	15,400		77,000
Graeme Rowley	54,600	7,000	15,400	-	77,000

- (j) The current relevant interests in security holdings of each Director is as follows:

Name of Officer	Shares	Options	Performance Rights
Christopher Catlow	17,807,411	16,900,000	-
Lee Rodne	26,993,684	23,000,000	-
Peter Turvey	3,172,039	833,334	-
Michael Bennett	12,574,000	3,800,000	-
John Seaberg	-	-	-
Wayne Paterson	-	-	-
Graeme Rowley	20,059,215	8,500,000	-

(k) Assuming that Shareholders approve Resolutions 7 to 13 and assuming an issue price of \$0.067, being the 5 day VWAP of Shares on 23 September 2015, a total of 3,399,492 Shares will be issued under Resolutions 7 to 13. On this basis the Shares issued under Resolutions 7 to 13 will increase the number of Shares on issue from 1,847,163,064 (as at the date of this Notice) to 1,850,562,556 (assuming that no other Shares are issued, including by way of exercise of Options). The effect of this increase is that the shareholding of existing Shareholders would be diluted by an aggregate of approximately 0.2%.

(l) The trading history of the Shares on the ASX in the 12 months before the date of this Notice is as follows:

Shares	Price	Date
Highest	\$0.162	23 September 2014
Lowest	\$0.057	10 June 2015
Last	\$0.067	23 September 2015

(m) Each Director has an interest in the Resolutions 7 to 13 and therefore believes it inappropriate to make a recommendation.

(n) A voting exclusion statement is included in the Notice for each of Resolutions 7 to 13 (inclusive).

(o) Other than the information above and otherwise set out in the Notice, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolutions 7 to 13 (inclusive).

(p) As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required.

11. Resolution 14 – Approval of the Employee Option Plan

11.1 Background

Resolution 14 seeks Shareholder approval, in accordance with Listing Rule 7.2 exception 9(b), for the establishment of, and issue of Options, under the Admedus Ltd Employee Option Plan (**Employee Option Plan**) on the terms and conditions set out in Schedule 3.

The terms and conditions of the Employee Option Plan are based on the employee option plan previously adopted by the Company in November 2012.

The two main purposes of the Employee Option Plan are to give an incentive to the Eligible Employees to provide dedicated and ongoing commitment and effort to the Company aligning the interests of both employees and Shareholders and for the Company to reward Eligible Employees for their efforts. The Employee Option Plan contemplates the issue to Eligible Employees of Options to subscribe for Shares.

11.2 Listing Rule 7.2 Exception 9

Listing Rule 7.1 prohibits a Company (unless if it falls within one of the exceptions contained in Listing Rule 7.2) from issuing more than 15% of its securities on issue in any 12 month period, without obtaining shareholder approval.

Listing Rule 7.2 exception 9(b) provides that an issue of securities to persons participating in an employee option plan where shareholders have approved the issue of securities under the plan is an exception to Listing Rule 7.1. Shareholder approval must be given in a general meeting held not more than 3 years before the date of issue where the Notice contains or is accompanied by certain prescribed information (set out below).

The purpose of Resolution 14 is for Shareholders to approve the renewal of the Employee Option Plan for a further 3 years period to enable the Company to issue Options under the Employee Option Plan without reducing the 15% capacity.

This approval will be effective for a period of 3 years from the date Shareholders pass Resolution 14.

Resolution 14 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 14

11.3 Specific Information Required by Listing Rule 7.2

In accordance with the requirements of Listing Rule 7.2 exception 9(b) the following information is provided:

- (a) The material terms and conditions of the Employee Option Plan are summarised in Schedule 3.
- (b) No Options have been issued under the Employee Option Plan. However, the Company has issued 82,550,000 Options under the employee option plan approved on 20 November 2012.
- (c) A voting exclusion statement has been included for the purposes of Resolution 14.

12. Resolutions 15 and 16 – Approval to Grant Options to Directors

Resolutions 15 and 16 seek Shareholder approval pursuant to Listing Rule 10.14 for the grant of Options to Messrs Seaberg and Paterson (or their nominees) as part of the consideration for the services to be provided by the Directors during the current financial year pursuant to the terms of the Employee Option Plan (together, the **Directors' Options**).

The grant of the Director's Options is consistent with the Company's past practice of issuing 1,000,000 Options to non-executive Directors as part of the consideration for the services to be provided by the Directors.

Subject to Shareholder approval of Resolutions 15 and 16, the number of Directors' Options to be issued to each of Messrs Seaberg and Paterson (or their nominees) shall be as set out in the table below and the terms of such Options shall be as set out in Schedule 4.

Director (or nominee)	Number of Options
Mr John Seaberg	1,000,000
Mr Wayne Paterson	1,000,000
Total	2,000,000

No funds will be raised from the grant of the Directors' Options as they are being granted for nil cash consideration as part of the consideration for the services to be provided by the Directors during the current financial year.

12.1 Section 208 of Corporations Act

Section 208 of the Corporations Act provides that for 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:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within fifteen (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 Board has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed grant of the Directors' Options as the exception in section 211 of the Corporations Act applies. The Directors' Options are being granted as part of the consideration for employee services received by the Company from each of Messrs Seaberg and Paterson and the grant is considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

12.2 Listing Rule 10.14

In accordance with Listing Rule 10.14, the Company must not permit a Director and any of his associates to acquire securities under an employee incentive scheme unless it obtains Shareholder approval.

The effect of passing Resolutions 15 and 16 will be to allow the Company to grant up to (in aggregate) 2,000,000 Options to Messrs Seaberg and Paterson (or their nominees) without using up the Company's 15% placement capacity under Listing Rule 7.1. Pursuant to Listing Rule 7.2, exception 14, as Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required.

If Shareholders do not approve Resolutions 15 and 16, the Company will not issue the Directors' Options to Messrs Seaberg or Paterson (or their nominees).

Resolutions 14 and 15 are ordinary resolutions.

The Chairman intends to exercise all available proxies in favour of Resolutions 14 and 15.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 13 or Resolution 14, by signing and returning the Proxy Form, you are giving your express authorisation to allow the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

12.3 Specific information required by Listing Rule 10.15

Listing Rule 10.15 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.14 as follows:

- (a) The Directors' Options will be granted to Messrs Seaberg and Paterson (and/or their nominees).
- (b) The number of Directors' Options to be issued to each of Messrs Seaberg and Paterson (or their nominees) shall be as set out in the table below and the terms of such Directors' Options shall be as set out in Schedule 4.

Director (or nominee)	Number of Options
Mr John Seaberg	1,000,000
Mr Wayne Paterson	1,000,000
Total	2,000,000

- (c) No Options have been issued under the Employee Option Plan to Directors or any of their associates as defined in Listing Rule 10.14.2. However, the Company issued 7,000,000 Options to Directors and their associates as defined in Listing Rule 10.14.2 under the employee option plan approved on 20 November 2012.
- (d) Each of the Directors and any nominee of a Director (approved by the Board) is eligible to participate in the Employee Option Plan. The Directors as at the date of this Notice are:

- (i) Mr Christopher Catlow;
 - (ii) Mr Lee Rodney;
 - (iii) Mr Michael Charles Bennett;
 - (iv) Mr Wayne Paterson;
 - (v) Mr Graeme Rowley;
 - (vi) Mr John Seaberg; and
 - (vii) Mr Peter Turvey.
- (e) The Directors' Options will be granted for nil consideration. The exercise price of the Directors' Options will be 167% of the issue price, where the issue price is the 5 day VWAP on the date of the grant of the applicable Directors' Option. As a result no funds will be raised from the grant of the Directors' Options as they are being granted as part of the consideration for the services to be provided by the Directors during the current financial year.
- (f) A voting exclusion statement is included in the Notice for Resolutions 15 and 16.
- (g) The Directors' Options will be granted no later than twelve months after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).

13. Resolution 17 – Deeds of Indemnity, Access and Insurance

13.1 General

The purpose of Resolution 17 is to enable the Company to provide Officers with a reasonable level of protection in relation to claims made against them in relation to the period of their Office.

Resolution 17 is an ordinary resolution.

Given the duties and responsibilities of Officers and their potential liabilities, the Board considers it appropriate that each Officer of a Group Company be suitably protected from certain claims made against them. The proposed protection will not extend to the extent it is prohibited by the Corporations Act.

As a person may be called to account for his or her actions several years after ceasing to hold Office, it is considered reasonable that suitable protection should extend for a period of time after an Officer has ceased to hold Office.

It is generally recognised that an officer or former officer of a company may face considerable difficulty in properly answering or defending any claim made against him or her, particularly, as is often the case, where the claim is brought after the officer ceases to hold office. Difficulties may arise by reason of the following:

- (a) **No indemnity after cessation of Office**

While a company's constitution provides officers with an indemnity in respect of claims made while they hold office, the indemnity arguably ceases if they cease to hold office and does not extend to cover roles as an office of a bodies corporate associated with the company. Without the benefit of an indemnity, the cost of defending such a claim in respect of the actions of an officer or former officer, even if the claim is ultimately proven to be without merit, can be considerable and beyond the financial resources of the individual officer.

(b) **Maintenance of insurance policies**

Officers' insurance policies generally only provide cover for claims made during the currency of the insurance policy. Generally, unless insurance premiums continue to be paid after the time an officer ceases to hold office, claims made after cessation of office will not be covered by the insurance policy. The cost to a former officer of personally maintaining insurance cover after ceasing to hold office can be prohibitive, particularly given the number of years for which insurance must be maintained and given the former officer is unlikely to be receiving income from the company.

(c) **Access to Board papers**

In accordance with section 198F of the Corporations Act, officers have a right to inspect the books of the Company:

- (i) whilst they hold office; and
- (ii) for seven years after ceasing to hold office,

at all reasonable times for the purposes of a legal proceeding to which the officer is a party, that the person proposes in good faith to bring or that the person has reason to believe will be brought against him or her.

Despite this statutory right, officers may require access to company documents which are relevant to the officer's office and not strictly required for the purpose of anticipated, threatened or commenced legal proceedings. Furthermore, although a proceeding may be instituted within six years after a cause of action arises, that six year period is calculated from the date the damage is found to have occurred – this may be long after the conduct which allegedly caused the damage occurred.

Given these difficulties a person may be unwilling to become or to remain as an officer of a company without suitable protection being provided by the company. The benefit to such company in providing such protection is that it will continue to be able to attract persons of suitable expertise and experience to act as officers.

Resolution 17 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 17.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 17, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

13.2 Summary of the Deed of Indemnity, Insurance and Access

The Company has entered into deeds of indemnity, access and insurance (together, the **Deeds of Indemnity**) which, subject to Shareholder Approval, require:

- (a) the Company to indemnify each Officer during their Office and after the cessation of that Office, in respect of certain claims made against such in relation to the period of their Office to the extent allowable under the Corporations Act;
- (b) the Company to use its reasonable endeavours (subject to cost and availability) to maintain an insurance policy and pay the premiums of insurance as assessed at market rates for each Officer to the extent available under the Corporations Act, in respect of certain claims made against such Officer in relation to the period of their Office (except to the extent such insurance cannot be procured at a reasonable cost or is otherwise unavailable to the Company) and to continue to pay those premiums for a period of up to seven years following the termination of their Office;
- (c) the Company to provide each Officer with access, upon ceasing for any reason to hold Office and for a period of up to seven years following that cessation, to any Company records which are either prepared or provided by the director during the period which the person held Office.

The Deeds of Indemnity will also require each Officer to maintain confidentiality and to protect the Company's intellectual property.

A summary of the key terms of the Deeds of Indemnity is set out in Schedule 5.

Resolution 17 seeks Shareholder approval for the Deeds of Indemnity.

13.3 Summary of indemnity and insurance provisions in the Corporations Act

In considering Resolution 17, please note the following limitations in the Corporations Act concerning the provision of indemnities and insurance to Company officers. The Deeds of Indemnity for which Shareholder approval is sought under Resolution 17 complies with these limitations.

(a) Section 199A of the Corporations Act

The Corporations Act sets out specific prohibitions to the Company's ability to grant indemnities for liabilities and legal costs.

The Company is prohibited from indemnifying its officers against a liability if it is a liability:

- (i) to the Company and any of its related bodies corporate;
- (ii) to a third party that arose out of conduct involving a lack of good faith; or
- (iii) for a pecuniary penalty order or a compensation order under the Corporations Act (such orders being made for breaches such as breaches of director's duties, the related party rules and insolvent trading rules).

The Company is also prohibited from indemnifying its officers against legal costs incurred:

- (i) in defending actions where an officer is found liable for a matter for which he or she cannot be indemnified by the Company as set out immediately above;
- (iv) in defending criminal proceedings where the officer is found guilty;
- (v) in defending proceedings brought by the ASIC or a liquidator for a court order if the grounds for making the order are found by the court to be established; or
- (vi) in connection with proceedings for relief to the director under the Corporations Act where the court denies the relief.

(b) Section 199B of the Corporations Act

If the Company, or a related body corporate of the Company, pays the premium on an insurance policy in favour of a Director, section 199B of the Corporations Act requires the Company to ensure that the relevant contract of insurance does not cover liabilities incurred by the officer arising out of conduct involving either:

- (i) a wilful breach of duty in relation to the Company; or
- (ii) contravention of the provisions relating to an officer making improper use of information or improper use of his or her position for his or her advantage or gain, or to the detriment of the Company.

13.4 Section 200B of the Corporations Act

In accordance with section 200B of the Corporations Act, to give a benefit in connection with a person's retirement from an office, the Company must obtain Shareholder approval in the manner set out in section 200E of the Corporations Act.

Section 200B applies where the benefit is given to a person whose details are included in the Director's Report for the previous financial year. Details for Christopher Catlow, Lee Rodne, Graeme Rowley, Peter Turvey, Wayne Paterson, John Seaberg, Michael Bennet, Stephen Mann and Julian Chick were included in the 2015 Director's Report.

The Directors consider that as the:

- (a) proposed payment of insurance premiums;
- (b) benefit of the indemnity in relation to liabilities incurred during the period an Officer holds Office; and
- (c) Director's and Officer's access to Company records,

which continue period of up to 7 years after the Officer ceases to hold Office, each may be viewed as the provision of a benefit given "in connection with" the retirement for the purposes of section 200B of the Corporations Act.

13.5 Section 208 of the Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

For the purposes of section 208 of the Corporations Act, each Director is considered to be a related party of the Company.

The provision of insurance and indemnity to Directors may involve the provision of a financial benefit to related parties of the Company within the prohibition in chapter 2E of the Corporations Act. The Directors consider that, although the payment of insurance premiums and the provision of indemnities by the Company are "reasonable in the circumstances" of the Company and therefore are exceptions from the prohibition in Chapter 2E of the Corporations Act, consideration of the reasonable nature of the provision of any indemnity or insurance is an appropriate matter for the Shareholders of the Company.

13.6 Specific Information required by sections 200E and 219 of the Corporations Act

In accordance with section 200E and section 219 of the Corporations Act, the following information is provided to Shareholders to allow them to assess the proposed Resolution 14:

- (a) The Company has taken out an insurance policy which will provide insurance cover for each Officer against all permitted liabilities incurred by Officers (except to the extent such insurance cannot be procured at a reasonable cost or is otherwise unavailable to the Company).
- (b) The annual insurance premium is calculated at market rates applicable at the time of renewal, and will be \$38,348.18 per annum (inclusive of GST and stamp duty).
- (c) Each Director of the Company is a related party of the Company to whom the proposed Resolution would permit the giving of a benefit.
- (d) The nature of the benefit to be given to each of the Directors is the benefit under the Deeds of Indemnity, the terms of which are summarised in Section 13.2 and Schedule 5.
- (e) Each Director received the following remuneration and emoluments from the Company (including share based payments) in the financial year ending 30 June 2015:

Name of Officer	Salary and fees (\$)	Superannuation (\$)	Share based payments	Other	Total remuneration (\$)
Christopher Catlow	100,000	10,000		-	110,000
Lee Rodne	400,209	50,021		100,000	550,230
Peter Turvey	70,000	7,000		-	77,000
Michael Bennett	240,000	24,000		-	264,000
John Seaberg	57,750	-	-	-	57,750
Wayne Paterson	57,750	-	-	-	57,750

Graeme Rowley	70,000	7,000	-	-	77,000
---------------	--------	-------	---	---	--------

- (f) Each Director expects to receive the following remuneration and emoluments from the Company (including share based payments) in the financial year ending 30 June 2016:

Name of Officer	Salary and fees (\$)	Superannuation (\$)	Share based payments (\$ value)	Other	Total remuneration (\$)
Christopher Catlow	78,000	10,000	22,000	-	110,000
Lee Rodne	400,209	50,021	90,046	100,000	550,230
Peter Turvey	54,600	7,000	15,400	-	77,000
Michael Bennett	191,880	24,600	54,120	-	270,600
John Seaberg	61,600	-	15,400	-	77,000
Wayne Paterson	61,600	-	15,400	-	77,000
Graeme Rowley	54,600	7,000	15,400	-	77,000

- (g) The current relevant interests in security holdings of each Director is as follows:

Name of Officer	Shares	Options	Performance Rights
Christopher Catlow	17,807,411	16,900,000	-
Lee Rodne	26,993,684	23,000,000	-
Peter Turvey	3,172,039	833,334	-
Michael Bennett	12,574,000	3,800,000	-
John Seaberg	-	-	-
Wayne Paterson	-	-	-
Graeme Rowley	20,059,215	8,500,000	-

- (h) Each Director has an interest in Resolution 17 and therefore believes it inappropriate to make a recommendation.
- (i) A voting exclusion is contained in the Notice for this Resolution 17.
- (j) Other than the information above and otherwise set out in the Notice, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolution 17.

14. Resolution 18 – Section 195 Approval

In accordance with section 195 of the Corporations Act, a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a “material personal interest” are being considered.

The Directors may have a material personal interest in the outcome of Resolution 17.

In the absence of this Resolution 18, the Directors may not be able to form a quorum at directors meetings necessary to carry out the terms of Resolution 17.

The Directors accordingly exercise their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

Resolution 18 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 18.

Schedule 1 - Definitions

In the Notice, including this Explanatory Memorandum:

\$ means Australian dollars.

10% Placement Facility has the meaning given in Section 9.1.

10% Placement Period has the meaning given in Section 9.2.

Access Period means the date commencing on the date the Director was appointed as a director of that Relevant Company, and expiring on the date which is 7 years after the date of retirement.

Annual Report means the Directors' Report, the Financial Report and the Auditors' Report in respect to the financial year ended 30 June 2015.

ASIC means the Australian Securities and Investment Commission.

ASX means ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditors' Report means the auditors report on the Financial Report.

Board means the board of Directors from time to time.

Chairman means the person appointed to chair the Meeting, or any part of the Meeting, convened by this Notice.

Closely Related Party means:

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

Company means Admedus Ltd ACN 088 221 078.

Consolidation has the meaning given in Section 7.1.

Constitution means the constitution of the Company.

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

Deeds of Indemnity has the meaning given in Section 13.1.

Director mean a director of the Company.

Directors' Options has the meaning given in Section 10.

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

Directors' Shares has the meaning given in Section 10.1.

Eligible Employee has the meaning given in Schedule 3.

Employee Option Plan has the meaning given in Section 11.1.

Equity Securities has the same meaning as the Listing Rules.

Excluded Liabilities means any liability arising out of the conduct of the Director involving a wilful breach of duty in relation to the Company or a contravention of sections 182 or 183 of the Corporations Act.

Explanatory Memorandum means this explanatory memorandum.

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

Group means the Company, its Subsidiaries and the Outside Entities.

Group Company means any member of the Group and Group Companies has the corresponding meaning.

GST means Goods and Services Tax.

Insurance Run-off Period has the meaning given in Resolution 14.

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

Listed Option means an Option listed on ASX.

Listing Rules means the listing rules of the ASX.

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

Notice means this notice of meeting.

Office means office as an Officer.

Officer means a current officer of the Company as defined in section 9 of the Corporations Act.

Option means an option to acquire a Share.

Optionholder means the holder of an Option.

Outside Entity means a body corporate or other entity of which an Officer has been appointed as an officer either at the request of the Company or any of its Subsidiaries or in connection with the Officer's role as an officer of the Company or any of its Subsidiaries.

Placement has the meaning given in Section 8.1.

Placement Share has the meaning given in Section 8.1.

Proxy Form means the proxy form attached to the Notice.

Relevant Company means the Company and subsidiary of the Company, within the meaning of section 9 of the Corporations Act and refers to any corporation of that kind whenever it becomes a subsidiary.

Retention Period means a period:

- (a) commencing on the later of:
 - (i) the date being 7 years before the date of the Deeds of Indemnity; and

- (ii) the date of registration of the Company; and
- (b) expiring on the date 7 years after the date of retirement as a director.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution in the Notice.

Schedule means the schedule to the Notice.

Section means a section of this Explanatory Memorandum.

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

Shareholder means a holder of a Share.

Strike has the meaning given in Section 4.

Subsidiary has the meaning given in section 9 of the Corporations Act and refers to any corporation of that kind whenever it becomes a subsidiary.

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

VWAP means volume weight average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

In the Notice including this Explanatory Memorandum, words importing the singular include the plural.

Schedule 2 – Listing Rule 7.3A.6 Disclosure

No.	Date of Issue	Number	Class	Persons to whom the securities were issued	Issue price (A\$)	Discount to market price (per cent.)	Consideration
1.	24 March 2015	333,333	Fully paid ordinary shares ranking equally with the Company's existing shares	Option holders upon the exercise of options	0.06	21.1	Total consideration(A\$): \$20,000.00
							Amount of consideration spent (A\$): \$20,000.00
2.	25 March 2015	170,075,000	Fully paid ordinary shares ranking equally with the Company's existing shares	Sophisticated investors	0.07	7.9	What consideration was spent on: Working Capital
							Intended use for remaining consideration: N/A
							Total consideration(A\$): \$11,905,250.00
							Amount of consideration spent (A\$): \$4,254,914.00
							What consideration was spent on: Expanding the sales teams in Europe and North America. Post-market studies and further product development to expand the use of CardioCel [®] being used on 60 centres globally. Expansion of the ADAPT [®]

No.	Date of Issue	Number	Class	Persons to whom the securities were issued	Issue price (A\$)	Discount to market price (per cent.)	Consideration
							regenerative tissue product portfolio. Fund the human papillomavirus therapeutic vaccine phase Ib study supporting research activities for the Company's vaccine programmes.
							Expansion of the ADAPT [®] regenerative tissue product portfolio. Fund the human papillomavirus therapeutic vaccine phase Ib study supporting research activities for the Company's vaccine programmes.
							Intended use for remaining consideration:
3.	1 April 2015	1,425,000	Fully paid ordinary shares ranking equally with the Company's existing shares	Sophisticated investors	0.07	4.2	\$99,750.00 Total consideration(A\$): \$99,750.00 Amount of consideration spent (A\$): What consideration was spent on:
							Expanding the sales teams in Europe and North America. Post-market studies and further product development to expand the use of CardioCel [®] being used on 60 centres globally. Expansion of the ADAPT [®] regenerative tissue product

No.	Date of Issue	Number	Class	Persons to whom the securities were issued	Issue price (A\$)	Discount to market price (per cent.)	Consideration
							<p>portfolio.</p> <p>Fund the human papillomavirus therapeutic vaccine phase Ib study supporting research activities for the Company's vaccine programmes.</p>
							N/A
							Intended use for remaining consideration:
4.	20 April 2015	230,631,911	Fully paid ordinary shares ranking equally with the Company's existing shares	Shareholders of the company pursuant to a non-renounceable pro-rata offer of shares	0.07	9.1	<p>Total consideration(A\$): \$16,144,233.77</p> <p>Amount of consideration spent (A\$): \$6,144,233.77</p>
							<p>What consideration was spent on:</p> <p>Expanding the sales teams in Europe and North America.</p> <p>Post-market studies and further product development to expand the use of CardioCel[®] being used on 60 centres globally.</p> <p>Expansion of the ADAPT[®] regenerative tissue product portfolio.</p> <p>Fund the human papillomavirus therapeutic vaccine phase Ib study supporting research activities for the Company's vaccine</p>

No.	Date of Issue	Number	Class	Persons to whom the securities were issued	Issue price (A\$)	Discount to market price (per cent.)	Consideration
							programmes. Expansion of the ADAPT [®] regenerative tissue product portfolio. Fund the human papillomavirus therapeutic vaccine phase Ib study supporting research activities for the Company's vaccine programmes.
5.	26 June 2015	320,000	Fully paid ordinary shares ranking equally with the Company's existing shares	Option holders upon the exercise of options	0.06	14.3%	Intended use for remaining consideration: Total consideration(A\$): \$19,200.00 Amount of consideration spent (A\$): \$19,200.00 What consideration was spent on: Working Capital Intended use for remaining consideration: N/A
6.	30 June 2015	18,650,000	Unlisted Options	New employees and executives under the Company's employee option plan.	0.117	N/A	Total consideration(A\$): Nil Amount of consideration spent (A\$): N/A

No.	Date of Issue	Number	Class	Persons to whom the securities were issued	Issue price (A\$)	Discount to market price (per cent.)	Consideration	
							What consideration was spent on:	Intended use for remaining consideration:
							What consideration was spent on:	N/A
							Intended use for remaining consideration:	N/A
7.	21 July 2015	13,500,000	Unlisted options	Employees under the Company's employee option plan.	0.144	N/A	Total consideration(A\$):	Nil
							Amount of consideration spent (A\$):	N/A
							What consideration was spent on:	N/A
							Intended use for remaining consideration:	N/A
8.	3 August 2015	1,016,667	Fully paid ordinary shares ranking equally with the Company's existing shares	Option holders upon the exercise of options	0.06	28.6%	Total consideration(A\$):	\$61,000.02
							Amount of consideration spent (A\$):	\$61,000.02
							What consideration was spent on:	Working Capital
							Intended use for remaining consideration:	N/A

No.	Date of Issue	Number	Class	Persons to whom the securities were issued	Issue price (A\$)	Discount to market price (per cent.)	Consideration	
							What consideration was spent on:	Total consideration(A\$):
9.	13 August 2015	143,196	Fully paid ordinary shares ranking equally with the Company's existing shares	Executive of the company for achievement of the key performance indicators stipulated in their contracts in lieu of bonuses	0.077	Nil	Working Capital	\$11,026.13
							Amount of consideration spent (A\$):	\$11,026.13
10.	13 August 2015	604,166	Fully paid ordinary shares ranking equally with the Company's existing shares	Executives of the company for achieving the key performance indicators stipulated in their contracts in lieu of bonuses	0.06	22.1%	N/A	\$36,250.00
							Intended use for remaining consideration:	36,250.00
							Working Capital	N/A
							Intended use for remaining consideration:	N/A

Schedule 3 Terms and Conditions of Employee Option Plan

In this Schedule:

ASX means Australian Stock Exchange Limited (ACN 008 624 691);

Board means the Board of Directors of the Company;

Business Day means a day on which banks are open for general banking business in Perth, Western Australia;

Company means Admedus Ltd (ABN 35 088 221 078).

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

Director means a validly appointed executive or non-executive director and/or alternate director of the Company, from time to time.

Eligible Employee means any full time or part time employee (including a director) of the Company or any nominee of such party (if approved by the Board) who is declared by the Board to be an eligible employee for the purposes of the Plan.

Exercise Condition means the performance, vesting or other conditions (as applicable) determined by the Board and specific in an invitation to apply for Options which are, subject to these Rules, required to be satisfied, reached or met before the Options can be exercised.

Exercise Period means, , subject to Rule 10, the period commencing on the Grant Date and ending at 5.00pm (WST) on the Expiry Date.

Exercise Price means the amount determined by the Board as being payable by an Optionholder to acquire one Share upon exercise of an Option but shall not be less than the average Market Price on ASX on the five trading days prior to the day that the Board resolves to grant the Option.

Expiry Date means a date being 4 years from the date of grant of each respective Option unless otherwise determined by the Board in accordance with the Plan.

Grant Date in relation to an Option means the date when the Board determines that an Option takes effect.

Listing Rules means the Official Listing Rules of the ASX as they apply to the Company from time to time.

Market Price means the price quoted for buyers of Shares at the close of trading as published by the ASX in the National Trading Statistics.

Option means a right to acquire a Share whether by purchase or subscription and the corresponding obligation of the Company and the Eligible Employee in the manner set out in the Plan.

Optionholder means a person who holds Options under this Plan.

Plan means the Admedus Ltd Employee Option Plan as set out in the Rules, subject to any additions or amendments made under the Rules.

Rules means the terms and conditions set out in the Plan.

Shares means a fully paid ordinary shares in the capital of the Company.

Unless the context otherwise requires any word or phrase used in these Rules which is not defined but which is defined in the Listing Rules has the same effect as that contained in the Listing Rules.

- (a) Words importing gender include all genders.
- (b) The singular includes the plural and vice versa.
- (c) Headings are included for convenience only and do not affect the construction of these Rules.

1. Purpose

The purpose of the Plan is to:

- (a) provide an incentive to directors and employees and officers to achieve the long term objectives of the Company; and
- (b) attract as employees persons of experience and ability to employment with the Company and foster and promote loyalty between the Company and its employees.

2. Limit to number of Options issued

The total number of Options that may be granted under the Plan shall not exceed 5% of the total number of Shares on issue in the capital of the Company as of the date of this Plan.

3. Commencement

Subject to the passing of an ordinary resolution of Shareholders in general meeting authorising its establishment, this Plan shall take effect from such date subsequent to that meeting as is resolved by the Board (**Commencement Date**).

4. Invitation

The Board may from time to time, at its absolute discretion, issue a written invitation (in such form as the Board decides from time to time) to an Eligible Employee to apply for up to a specified number of Options.

- (a) The number of Options an Eligible Employee may be allocated shall be determined by the Board in its discretion and having regard (but not limited to) performance and seniority within the Company and the relative performance of the Company.
- (b) The Board will, together with the invitation referred to in this Rule advise each Eligible Employee of the following regarding the Options:
 - (i) the method of calculation of the Exercise Price;
 - (ii) the number of Options being offered and the maximum number of Shares over which each Option is granted;
 - (iii) the Exercise Period;

- (iv) any Exercise Condition;
- (v) the dates and times when the Options lapse;
- (vi) the date and time by which the application for Options must be received by the Company; and
- (vii) such other matters as the Directors at any time determine.

5. Application for Options

Following receipt of an invitation, an Eligible Employee may take up their entitlements, or part of them, to Options under the Plan in the form specified in the invitation referred to in Rule 4.

6. Grant of Options

- (a) The Company shall be obliged to accept any application made under Rule 5, provided the application accords, in all respects, with these Rules and is for such number of Options, or part thereof, to which the Eligible Employee is entitled under the Plan. Upon acceptance of a duly signed and completed application for Options, the Board, may in its complete discretion and only where the Eligible Employee remains an employee of the Company, within 10 Business Days, deliver an Option Certificate in respect of Options applied for.
- (b) An Option is only transferable:
 - (i) with the consent of the Board; or
 - (ii) by force of law upon the death to the Optionholder's legal personal representative or upon bankruptcy to the Optionholder's trustee in bankruptcy.
- (c) Where the Optionholder purports to transfer an Option other than in accordance with Rule 6(b) the Option immediately lapses.

7. General Terms and Conditions of Options

The terms and conditions in this Rule apply to the Options:

- (a) no monies will be payable for the issue of the Options;
- (b) each Option shall carry the right to subscribe for one Share;
- (c) Shares allotted to Eligible Employees on exercise of Options shall be issued at a price determined by the Board in its absolute discretion (subject to the application of the Listing Rules);
- (d) the issue price of Shares the subject of the Options will be payable in full on exercise of the Options;
- (e) the Company will apply to the ASX within a reasonable time, after they have allotted those Shares under the Plan for those Shares to be listed on the ASX;
- (f) subject to Rule 10, the Options may be exercised any time during the Exercise Period;

- (g) the Options will not be listed for Official Quotation on the ASX;
- (h) Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with existing Shares of the Company in all respects;
- (i) there will be no transfer restrictions on Shares allotted under the Plan unless the sale by the holder of the Shares issued on exercise of the Options would require the Company to prepare a disclosure document (as defined in the Corporations Act). If a disclosure document is required that holder will enter into such arrangements with the Company as the Company considers appropriate to prevent the holder from dealing with the Shares for the period during which the disclosure document would be required;
- (j) in the event of any reconstruction (including consolidation, subdivisions, reductions or return) of issued capital of the Company, the rights of an Optionholder will be changed to the extent necessary to comply with the Listing Rules applying to a re-organisation of the capital at the time of the re-organisation.
- (k) an Optionholder may participate in new issues of the Company provided that it has first exercised its Options given under the Plan;
- (l) Options may not be offered to a Director or his or her associates except where approval is given by the Shareholders of the Company in accordance with the Listing Rules;
- (m) if an Optionholder ceases to be an Eligible Employee of the Company (for any reason, but otherwise than by reason of his or her death) before an Option is exercised:
 - (i) subject to Rule 10, the Option continues and may be exercised by the Optionholder, during any period determined by the Board until the Option lapses; or
 - (ii) the Option will automatically lapse one month after the date of cessation of employment with the Company, unless the Board determines otherwise,
- (n) if an Optionholder dies before an Option has been exercised and at that time the Optionholder was an Eligible Employee of the Company:
 - (i) subject to Rule 10, the Option may be exercised by the Optionholders personal representative, during any period determined by the Board, until the Option lapses; or
 - (ii) the Option will automatically lapse one month after the death of an Optionholder, unless the Board determines otherwise,
- (o) if, in the opinion of the Board, an Optionholder acts fraudulently or dishonestly or is in breach of his or her obligations to the Company, then the Board may deem any unexercised Options of the Optionholder to have lapsed;
- (p) where the Optionholder is a director of the Company and ceases to hold such office by reason of removal pursuant to a resolution duly passed by the members of the Company, then the Board may deem any unexercised Options held by that director to have lapsed.

8. Amendments

- (a) Subject to Rule 8(b), the Board may amend these Rules at any time and from time to time.
- (b) At any time while the Company is included in the official list of the ASX, no amendment may be made to these Rules except in accordance with the Listing Rules or as otherwise permitted by the ASX.

9. Powers of Directors

The Plan shall be administered by the Board who shall have the power to:

- (a) determine procedures from time to time for the administration of the Plan consistent with these Rules;
- (b) resolve conclusively all questions of fact or interpretation in connection with the Plan; and
- (c) delegate to any one or more persons, for such period and on such conditions as it may determine, the exercise of any of the Board's powers or discretions arising under the Plan.

10. Conditions of Exercise of Options

Save for in the event of an offer being made for all or part of the Shares in the Company within the meaning of Chapter 6 of the Corporations Act or unless otherwise agreed by the Board, an Optionholder may not exercise any Option unless the Exercise Conditions (if any) have been satisfied, reached or met.

11. Termination

The Plan may at any time be terminated by the Board but such termination shall not affect the rights of holders of Options issued prior to termination.

12. Laws Governing Plan

This Plan and any Options issued under it are governed by the laws of Western Australia.

13. Cancellation

The Options granted under this Plan may be cancelled by mutual consent of the Company and the Optionholder.

14. Takeover Provisions

- (a) If a person makes a takeover bid (as defined in the Corporations Act) to acquire Shares and the takeover bid extends to Shares issued and allotted after the date of the takeover bid then the Optionholder may exercise all Options granted.
- (b) However, if the person referred to in Rule 14(a) becomes entitled to proceed to compulsory acquisition of the Shares under Part 6A.1 of the Corporations Act (or its successor) then the Options will expire 30 days (or such later date as the Board determines in its sole discretion) after the person becomes so entitled.

- (c) In such event, the Company shall notify (in writing) the Optionholder of the Expiry Date as soon as possible after the Company becomes aware that the person has become entitled to proceed to compulsory acquisition.

15. Listing Rules

The Plan and the Rules must at all times comply with the Listing Rules. If there is any inconsistency between the Rules or the Plan and the Listing Rules will prevail.

16. Dividend and Voting Rights

An Optionholder has no right to vote at meetings of the Company until those Options are exercised in accordance with the Plan.

17. Taxation

Neither the Company nor any director, officer, employee, representative or agent take any responsibility or assume any liability for the taxation liabilities of Eligible Employees.

Schedule 4
Terms and Conditions of Directors' Options

1. Summary

The contents of this Schedule 4 are provided by way of summary only. The Directors' Options are granted pursuant to, and governed by the terms of the Employee Share Option Plan. In the event of any inconsistency between the contents of this Schedule and the terms of the Employee Option Plan, the latter shall prevail.

2. Entitlement

The Directors' Options entitle the Director Option holder to subscribe for one Share upon the exercise of each Director Option.

3. Exercise Price

The exercise price of each Director Option is 167 per cent of the Issue Price, where the Issue Price is the 5 day VWAP on the date of the grant of the applicable Director Option (**Exercise Price**). The Exercise Price calculation formula is fixed and not subject to adjustment upon the occurrence of any particular contingencies.

4. Expiry Date

Each Director Option that has not been exercised expires at 5pm (WST) on the date that is 5 years after the date that the Director Option is granted (**Expiry Date**), subject to any prior forfeiture in the event of a takeover as set out below under paragraph 11.

5. Exercise Period

The Directors' Options are exercisable following satisfaction of the vesting conditions in paragraph 6 of this Schedule 4 (as applicable) and prior to the Expiry Date.

6. Vesting Conditions

Subject to paragraph 7 of this Schedule 4, each Director Option holder's Directors' Options shall vest and become exercisable as follows:

Number	Vesting Date⁽¹⁾
1/3 of Directors' Options	first anniversary of the date of grant
1/3 of Directors' Options	second anniversary of the date of grant
1/3 of Directors' Options	third anniversary of the date of grant

7. Forfeiture of Options

Any Directors' Options which have not vested in accordance with clause 6 of this Schedule 4 and been duly exercised:

- (a) at the time the applicable holder of the Directors' Options ceases to be Eligible Employee, as defined in the Employee Option Plan; or
- (b) ceases to be a Director by reason of removal pursuant to a resolution of the shareholders of the Company; or
- (c) at the time of a determination by the Board that a holder of Directors' Options had acted fraudulently or dishonestly or was in breach of his obligations to the Company,

may lapse, as determined by the Board, in accordance with the terms of the Employee Option Plan.

8. Notice of Exercise

The Directors' Options may be exercised by notice in writing to the Company and payment of the Exercise Price for each Employee Option being exercised. Any notice of exercise of an Employee Option received by the Company will be deemed to be a notice of the exercise of that Employee Option as at the date of receipt.

9. Shares issued on exercise

Shares issued on exercise of the Directors' Options rank equally with the Shares of the Company.

10. Timing of issue of Shares

After an Employee Option is validly exercised the Company must as soon as possible issue the Share.

11. Takeover

The Directors' Options may be exercised in the event of a takeover bid which extends to Shares issued and allotted after the date of the bid. In the event that a bidder becomes entitled to exercise compulsory acquisition rights under section 701 of the Corporations Act, the Directors' Options will expire within 30 days thereof.

12. Participation in new issues

There are no participation rights or entitlements inherent in the Directors' Options and the Employee Option holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Directors' Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least ten business days after the issue is announced. This will give the Employee Option holder the opportunity to exercise their Directors' Options prior to the date for determining entitlements to participate in any such issue.

13. Adjustments for reorganisation

In the event of any reorganisation of the issued capital of the Company (including consolidation, subdivision, reduction or return) the number of Shares attaching to each Employee Option or the Exercise Price or both will be reorganised at the time of the reorganisation in accordance with the Listing Rules.

14. Directors' Options not transferable

The Directors' Options are not transferable.

Schedule 5

Terms of Deeds of Indemnity, Insurance and Access

1. Summary

The contents of this Schedule 5 are provided by way of summary only. In the event of any inconsistency between the contents of this Schedule, and the terms of the Deeds of Indemnity, the latter shall prevail.

2. Indemnity

Subject to the terms of the Deeds of Indemnity, the Company agrees to indemnify and keep indemnified the Director against all liabilities and all legal expenses incurred by the Director as an Officer of a Relevant Company (**Indemnity**).

3. Limitations on Indemnity

The Indemnity granted does not extend to any liability owed to a Relevant Company, a pecuniary penalty or a compensation order under the Corporations Act, or liability that is owed to someone other than a Relevant Company that did not arise out of good faith.

In addition, Indemnity granted for legal expenses will not apply where the legal costs are incurred as a result of a defending or resisting:

- (a) a proceeding where the Director is found guilty;
- (b) a proceeding brought by ASIC or a liquidator of a court order;
- (c) proceedings for relief to the Director under the Corporations Act where the Court denies relief; or
- (d) proceedings where the Director is liable due reasons set out in the previous paragraph.

4. Payment under the Indemnity

The liability of the Company under the Indemnity arises simultaneously with the liability of the Director and upon demand by the Director, the Company must pay the Director any sum due and payable by it pursuant to the Indemnity.

5. Liability not affected

The liability of the Company under the Deeds of Indemnity will not be affected by any act, omission, matter or thing that would otherwise operate in law or in equity to reduce or release the Company from such liability.

6. Insurance

Subject to the terms of the Deeds of Indemnity, the Company undertakes to ensure that throughout the term of the Directors Office and the Insurance Run-Off Period, that it will procure and pay the premium for, an insurance policy which insures the Director against all liabilities other than Excluded Liabilities.

7. Particulars of insurance

The insurance policy must be with a reputable and solvent insurer, and the Company must insure the Director for costs incurred by the Director in defending proceedings whether civil or criminal, except to the extent that the Company:

- (a) may be unable to obtain insurance to defend criminal proceedings where the Director is not acquitted; and
- (b) cannot insure for Excluded Liabilities.

8. Insurance Run-off Period

During the Insurance Run-off Period, the Company must ensure that the Director is at all times covered under the insurance policy, or a further insurance policy being on terms not materially less favourable to the Director than the terms of the previous insurance policy.

9. Ownership

The Director acknowledges that a Relevant Company retains full ownership of copies of all records provided to the Director by a Relevant Company during the Director's term of Office, and the Director agrees to return to a Relevant Company, or provide a written undertaking that the Director has destroyed, all copies of such company records in accordance with Board policy as applying from time to time.

10. Confidentiality

The Director acknowledges and covenants that the Director will not disclose information contained in the Company's records that may be confidential to third parties without the prior written consent of the Company.

11. Exceptions to confidentiality

Under the terms of the Deeds of Indemnity, the Director may only disclose confidential information under the following circumstances:

- (a) to the Director's expert, including legal and financial advisers for the purpose of obtaining advice or conducting proceedings provided that the Director obtain an undertaking of confidentiality from those advisers, and/or insurer or prospective insurer in connection with the effecting, maintaining and complying with the terms of an insurance policy;
- (b) if required by a contract to which the Company is a party or under compulsion of law;
- (c) if required by any Listing Rule;
- (d) to other Officers of the Company;
- (e) for the purpose of allowing the Director to perform his duties as an Officer of the Company; or
- (f) to any person for the purpose of conducting or defending proceedings.

12. Director's right to have access

Under the terms of the Deeds of Indemnity, the Director is entitled to have access to and inspect the Company records throughout the Access Period, which have either

been prepared or provided to the Director during the Retention Period and are relevant to:

- (a) the Director's holding of Office in respect of a Relevant Company; or
- (b) any claim which the Director reasonable anticipates may be made against the Director.

13. Obligations of Director

The Director is obliged to:

- (a) notify the Company if proceedings are anticipated, threatened or commenced against the Director which may give rise to a liable of any Relevant Company;
- (b) not settle any claim in paragraph (a) or make any admission or payment in relation to such a claim without prior written consent of the Company;
- (c) provide the Company with a copy of any originating proceedings or other materials served on, supplied to, or in the possession of the Director in connection with the proceeding, unless the Director receives legal advice that it may cause substantial or material prejudice to the interests of the Director;
- (d) at the direction and cost of the Company, take such action as the Company may reasonably require to avoid, dispute, defend or appeal any action connected with a possible claim under the Deeds of Indemnity; and
- (e) assist a Relevant Company to the best of the Director's abilities in any action a Relevant Company takes to avoid, dispute, defend or appeal any action connected with a possible claim under the Deed of Indemnity.

14. Obligations of Company

The Company is obliged to notify the Director if:

- (a) proceedings are anticipated, threatened or commenced against any Relevant Company; and
- (b) such proceedings or the facts giving rise to them may:
 - (i) result in a claim against the Director; or
 - (ii) require the Director to consider his or her legal position.

15. Merger

Where the Company merges with another entity by way of scheme of arrangement or in any other way where the Company ceases to exist, the Company will ensure that the merged entity succeeds and assumes the Company's obligations under the Deeds of Indemnity.

16. Shareholder Approval

Provisions of the Deeds of Indemnity which would contravene the Corporations Act or any other law but for the approval of Shareholders will not become operative until such approval has been obtained.



Admedus Ltd
ABN 35 088 221 078



H 000001 000 AHZ
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:

Online:
www.investorvote.com.au

By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: 19999999999 PIN: 99999

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

For your vote to be effective it must be received by 11am (WST) Wednesday, 11 November 2015

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

Attending the Meeting

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

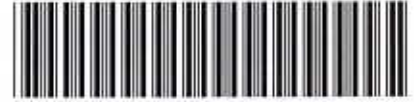
Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

This Document is printed on Greenhouse Friendly™ ENVI Laser Carbon Neutral Paper

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

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



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Admedus Ltd hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Admedus Ltd to be held at the Duxton Hotel, 1 St Georges Terrace, Perth, Western Australia on Friday, 13 November 2015 at 11am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

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

	For	Against	Abstain		For	Against	Abstain
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 10 Approval to Issue Shares to Mr Wayne Paterson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Mr Peter Turvey as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 11 Approval to Issue Shares to Mr Graeme Rowley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Mr Michael Bennett as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 12 Approval to Issue Shares to Mr John Seaberg	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 13 Approval to Issue Shares to Mr Peter Turvey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Ratification of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 14 Approval of the Admedus Ltd Employee Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 15 Approval to grant Options to Mr John Seaberg	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Approval to Issue Shares to Mr Lee Rodne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 16 Approval to grant Options to Mr Wayne Paterson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 Approval to Issue Shares to Mr Michael Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 17 Deeds of Indemnity, Access and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 Approval to Issue Shares to Mr Christopher Catlow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 18 Section 195 Approval	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

SIGN Signature of Securityholder(s) This section must be completed.

Individual or Securityholder 1 <input type="text"/>	Securityholder 2 <input type="text"/>	Securityholder 3 <input type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name _____ Contact Daytime Telephone _____ Date / /