



ACN 084 464 193

**NOTICE OF ANNUAL GENERAL MEETING TO BE HELD
AT 10 AM (SYDNEY TIME) ON 25 NOVEMBER 2019
IN THE BOARD ROOM OF RSM AUSTRALIA PTY LIMITED LEVEL 13
60 CASTLEREAGH STREET SYDNEY NSW 2000**

IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE, PLEASE CONSULT YOUR STOCKBROKER,
SOLICITOR, ACCOUNTANT, OR OTHER PROFESSIONAL ADVISER.

TO BE VALID, FORMS OF PROXY FOR USE AT THE MEETING MUST BE COMPLETED AND RETURNED TO THE COMPANY NO
LATER THAN 10 AM (SYDNEY TIME) ON 23 NOVEMBER 2019

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IMPORTANT NOTICE

You should read the Notice of Meeting in its entirety before making a decision as to how to vote at the Meeting. A copy of the Notice of Meeting has been lodged with ASX.

KEY DATES

Date and time for lodgement of proxies:	10 am (Sydney Time) on 23 November 2019
Date and time of Meeting:	10 am (Sydney Time) on 25 November 2019

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of Bioxyne Limited (ACN 084 464 193) will be held in the Board Room of RSM Australia at Level 13, 60 Castlereagh Street, New South Wales, Australia on 25 November 2019 at 10 am (Sydney Time).

The “**Explanatory Memorandum**” provides additional information on matters to be considered at the Annual General Meeting and forms part of this Notice. Terms and abbreviations used in this Notice are defined in the Glossary.

ORDINARY BUSINESS

1 ANNUAL ACCOUNTS

To receive and consider the reports of the Directors and the Auditors, the Statement of Financial Performance, Statement of Financial Position, and the Statement of Cash Flows for the year ended 30 June 2019.

2 RESOLUTION 1 - REMUNERATION REPORT

To receive and consider the Remuneration Report for the year ended 30 June 2019 in accordance with Section 250R(2) of the *Corporations Act 2001* and if thought fit to pass, with or without amendment, the following Ordinary Resolution:

“That the Remuneration Report and the amounts paid to the Directors and Officers of the Company as set out in the Directors’ report be adopted”.

3 RESOLUTION 2 - RE-ELECTION OF DIRECTOR - MR ANTHONY HO

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

“That, for the purpose of clause 8.1(e)(2) of the Company’s Constitution and for all other purposes, Mr Anthony Ho, a Director who retires by rotation, be re-elected as a Director of the Company.”

4 RESOLUTION 3 - CANCELLATION OF PERFORMANCE RIGHTS

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

“that the 40,000,000 performance rights previously approved by shareholders on 3 August 2017 and issued to Mr N H Chua be hereby cancelled”.

5 RESOLUTION 4 - ISSUE OF PERFORMANCE RIGHTS TO MANAGING DIRECTOR - MR N H CHUA

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval be given for the grant to N H Chua of up to a maximum of 36,000,000 performance rights and the issue of Shares to him on the vesting of those performance rights, pursuant to the Company's Executive Performance Rights Plan and in accordance with the terms and conditions summarised in the Explanatory Memorandum."

SPECIAL BUSINESS

6 RESOLUTION 5 - APPROVAL OF 10% PLACEMENT CAPACITY

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

"That, for the purposes of ASX Listing Rule 7.1A and all other purposes, approval is given for the Company to allot and issue Equity Securities up to 10% of the Company's issued share capital (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum."

7 VOTING EXCLUSION STATEMENTS

The Company will disregard any votes cast on the Resolutions by or on behalf of the following persons:

RESOLUTION	PERSONS EXCLUDED FROM VOTING
1. Remuneration Report	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> (a) a member of the Key Management Personnel¹, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
	<p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

3. Approval of issue of performance rights	<p>Voting Exclusion:</p> <p>The Company will disregard any votes cast in favour of the resolution by or on behalf of:</p> <ul style="list-style-type: none"> • the Director (or his nominee); • any director of the Company, in the case of a trust, the responsible entity - who is eligible to participate in the employee incentive scheme in respect of which the approval is sought and, if ASX has expressed an opinion under rule 10.14.3 that approval is required for participation in the employee incentive scheme by anyone else, that person; or • any of their associates; <p>However, the Company will not disregard a vote if:</p> <ul style="list-style-type: none"> • It is cast by a person as a proxy for a person who is entitled to vote, in accordance with the discretions on the proxy form; or • It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides. <p>Voting Prohibition Statement:</p> <p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <ul style="list-style-type: none"> (i) a member of the Key Management Personnel¹; or (ii) a Closely Related Party of such a member; and <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (c) the proxy is the Chair; and (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
4. Approval of 10% Placement Capacity	<p>The Company will disregard any votes cast in favour of the resolution by or on behalf of a person who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any associate of those persons.</p>
	<p>However, the Company will not disregard a vote if:</p> <ul style="list-style-type: none"> • It is cast by a person as a proxy for a person who is entitled to vote, in accordance with the discretions on the proxy form; or • It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

¹A closely related party of a member of the Key Management Personnel means any of the following:

- a spouse, child or dependent of the member;
- a child or dependent of the member's spouse;
- anyone else who is one of the member's family and may be expected to influence, or be influenced by, the member in the member's dealings with the Company;
- a company the member controls; or
- a person prescribed by regulations (as at the date of this notice of meeting, no additional persons have been prescribed by regulation).

Determination of Membership and Voting Entitlement

For the purpose of determining a person's entitlement to vote at the Meeting, a person will be recognised as a Shareholder and the holder of Shares if that person is registered as a holder of those Shares at 12noon (Sydney Time) on 19 November 2019.

How to Vote

You may vote at the Meeting by attending the Meeting in person or by proxy.

- To vote in person you must attend the Meeting on 25 November 2019 at 10 am, which is to be held in the Board Room in the Offices of RSM Australia Pty Limited Level 13, 60 Castlereagh Street, Sydney.
- If you wish to vote by proxy, your proxy form must be received by the Company no later than 10am (Sydney Time) on 23 November 2019.

Proxies

Please note that:

- (a) A Shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of the Shareholder;
- (b) Where the Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise;
- (c) If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholders votes each proxy may exercise half of the votes. Any fractions of votes brought about by the apportionment of a proxy will be disregarded;
- (d) A proxy need not be a Shareholder;
- (e) If your proxy chooses to vote, he/she must vote in accordance with your directions. If you have directed your proxy to vote, and they fail to attend the meeting or they choose not to vote on a poll, then the Chairman of the meeting will vote your proxies as directed by you.
- (f) If you do not mark a box, your proxy may vote as they choose on that item. However, if you intend to appoint a member of the KMP as your proxy, please ensure that you direct them how to vote on resolution 1.
- (g) If the Chairman of the Meeting is your proxy (or he becomes your proxy by default), you will be taken to have expressly authorised him to exercise your proxy in relation to resolution 1 (Adoption of the Remuneration Report), and even though the Chairman is connected directly or indirectly with the remuneration of a member of the key management personnel of the Bioxyne

Group. Shareholders will be informed of the proxy position and the manner in which the Chairman intends to vote undirected proxies at the meeting.

- (h) Any instrument of proxy deposited or received at the registered office of the Company in which the name of the appointee is not filled in, will be deemed to be given in favour of the Chairman of the Meeting;
- (i) Completed proxy forms (together with any authority under which the proxy was signed or a certified copy of the authority) must be returned before 12 noon on 19 November 2019 in one of the following 4 ways:
 - By mail to: Security Transfer Australia
PO Box 52 Collins Street West
VIC 8007
Australia
 - By facsimile: Security Transfer Australia
+61 (8) 3 9315 2233
 - By email: registrar@securitytransfer.com.au
 - Online: as provided for on the proxy form.

At the meeting, the Chairman will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the management of the Company and the Remuneration Report. Shareholders will also be given a reasonable opportunity at the meeting to ask the Company's auditor, RSM Australia, questions about the content of its report, and the conduct of its audit of the Company, for the year.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

Enquiries

If you have any questions in relation to the Resolutions to be considered at the Meeting, please call the Company Secretary, Mr Guy Robertson on +61 2 9078 8180.



By order of the Board
Guy Robertson
Company Secretary
25 October 2019

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business specified to be conducted at the Annual General Meeting to be held in the Board Room of RSM Australia Pty Ltd at Level 13, 60 Castlereagh Street, Sydney NSW 2000 on 25 November 2019 at 10 am (Sydney Time).

The Directors recommend that Shareholders read this Explanatory Memorandum in full in conjunction with the accompanying Notice of which this Explanatory Memorandum forms a part.

1.

Annual Report

As required under Section 317 of the Corporations Act, the annual financial report (which includes the financial statements and Directors' declarations) for the year ended 30 June 2019 will be tabled at the Annual General Meeting.

Shareholders will be given the opportunity to ask questions and make comments about the reports or the Company generally, but there will be no formal resolution submitted to the Meeting.

2. Resolution 1 - Adoption of Remuneration Report (non-binding vote)

The Corporations Act requires that at a listed company's Annual General Meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

If at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2020 Annual General Meeting, the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the Company's 2020 Annual General Meeting. All of the Directors who were in office when the Company's 2020 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2019.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

Proxy Restrictions

If the Chairman of the Meeting is your proxy (or he becomes your proxy by default), you will be taken to have expressly authorised him to exercise your proxy in relation to resolution 1 (Adoption of the Remuneration Report) even though the Chairman is, and those items are, connected directly or indirectly with the remuneration of a member of the key management personnel of the Bioxyne Limited. Shareholders will be informed of the proxy position and the manner in which the Chairman intends to vote undirected proxies at the meeting.

Definitions

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those 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.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2019.

Directors' Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board recommends that Shareholders vote in favour of this resolution.

3. Resolution 2 - Re-election of Director - Mr Anthony Ho

Pursuant to clause 8.1(e)(2) of the Company's Constitution, Mr Anthony Ho retires at the 2019 Annual General Meeting but, being eligible, offers himself for re-election.

A brief profile of Mr Anthony Ho is set out in the Annual Report of the Company.

Directors' Recommendation

The Board (other than Mr Anthony Ho) recommends that Shareholders vote in favour of this resolution.

4. Resolution 3 - cancellation of performance rights previously approved by shareholders on 3 August 2017 to Mr N H Chua

On 3 August 2017 shareholders approved the issue of 40,000,000 performance rights to Mr N H Chua. This resolution seeks shareholders' approval for their cancellation and the re-issue of 36,000,000 performance rights and shares pursuant to the approved Employee Incentive Plan. See Resolution 4.

The independent Directors have determined that the performance rights structure proposed for the Managing Director are more appropriately aligned to the current business.

5. Resolution 4 - Approval of issue of performance rights and shares to the Managing Director, Mr N H Chua

5.1 Background

No performance rights have vested subsequent to the Performance Rights Plan being approved by the shareholders on 3 August 2017.

ASX Listing Rule 10.14 provides that the acquisition of securities under an employee incentive scheme by a director requires shareholder approval. Shareholder approval is therefore sought for the issue of up to a maximum of 36,000,000 Rights (*Rights*) under the Plan to Mr N H Chua, the Managing Director of the Company, and to the issue of shares on the exercise of such of those Rights which vest upon satisfaction of the applicable vesting conditions.

Mr N H Chua is the Managing Director responsible for the development of the Company.

In deciding on the quantum of Rights to be issued to Mr N H Chua, the Board considered that the number of shares equivalent to 100% of his base salary over a period of 3 years, based on a share price of 2 cents (being the 30 day VWAP at the date of Board approval of the offer of Rights) would be appropriate. Given the Company's circumstances and having regard to the performance hurdles for vesting of the Rights, the Board considers that the allocation of Rights is reasonable and appropriate.

5.2 Other Information for the purposes of Listing Rule 10.15

The Rights and Shares are to be issued to Mr N H Chua, the Managing Director of the Company.

The maximum number of Rights and Shares which may be issued to Mr N H Chua is 36,000,000.

No consideration is payable for the Rights, or upon issue of shares upon satisfaction of the vesting conditions associated with the Rights. Subject to the satisfaction of the vesting conditions described below and any adjustments made in accordance with the Rights Plan, Mr N H Chua will receive one share in the Company for each Right granted.

To be eligible to participate in the Rights Plan, a person must be a full or part time employee, contractor or consultant (approved by the Board) of the Company or any subsidiary of the Company or a director. Directors entitled to participate in the Rights Plan are Anthony Ho, N H Chua, Patrick Ford and Peter Hughes-Hallett.

The following persons have been issued performance rights since the inception of the Rights Plan. No consideration has been paid by any person participating in the Rights Plan for rights granted.

Participant	Date Granted	Number	Status
N H Chua	4/08/2017	40,000,000	To be cancelled
N H Chua	21/12/2018	3,000,000	
Anthony Ho	21/12/2018	1,500,000	
Peter Hughes-Hallett	21/12/2018	1,000,000	
Patrick Ford	21/12/2018	1,000,000	
John Sorensen	21/12/2018	1,000,000	
Guy Robertson	21/12/2018	500,000	
Max Parkin	21/12/2018	1,000,000	Lapsed

A voting exclusion statement is included in the Notice of Meeting to which this Explanatory Statement relates.

No loan will be made to the Director in connection with the acquisition of the Rights.

If the resolution is passed, the Rights will be issued to Mr N H Chua as soon as practicable following shareholder approval, and in any event, not more than twelve months following the date of the Meeting.

5.3 Additional Information

The Rights are subject to the following Vesting Conditions which must be satisfied to the satisfaction of the Board (in its discretion), or waived by the Board:

- (a) Mr Chua remaining employed by the Company or one of its subsidiaries for the duration of the Performance Period; and

- (b) Mr Chua meeting the following performance hurdles during the Performance Period, in respect of the percentage of Rights allocated to each hurdle:
- (1) For the year ended 30 June 2020 - 6 million shares on the basis of:
 - i) Share price hurdle, if the Volume Weighted Average Price is 4 cents for 30 consecutive days in the year to 30 June 2020, the provision of (1)(ii) shall apply.
 - ii) If Export Sales exceed A\$2.0m then 6 million shares plus 4 shares for every A\$ of export revenue up to \$2.5million.
 - iii) The maximum shares issued shall be 8 million shares
 - (2) For the year ended 30 June 2021 - 10 million shares on the basis of:
 - (i) Share price hurdle, if the Volume Weighted Average Price is 6.5 cents for 30 consecutive days in the twenty four months preceding 30 June 2021, the provision of (2)(ii) shall apply.
 - (ii) If Export Sales exceed A\$4m then 9 million shares plus 3 shares for every A\$1 of sales up to A\$5million.
 - (iii) The maximum shares issued shall be 12 million shares
 - (iv) Where cumulative Export Sales for the two years ended 30 June 2021 is more than \$7.5 million; any vesting shortfall of Performance Rights pursuant to clause 1 (ii) and 2 (ii) shall vest.
 - (v) For the avoidance of doubt the maximum vesting of shortfall per 1(ii) and 2 (ii) and 2(iv) shall be 20,000,000 Performance Rights.
 - (3) For the year ended 30 June 2022 - 16 million shares on the basis of:
 - (i) Share price hurdle, if the Volume Weighted Average Price is 9 cents for 30 consecutive days in the thirty six months ended 30 June 2022, the provision of 3(ii) shall apply,
 - ii) If export sales exceed A\$6m then 12 million shares plus 2 shares for every A\$1 of sales up to A\$8million.
 - iii) The maximum shares issued shall be 16 million.

The Performance Period commences on 1 July 2019 and ends on 30 June 2022.

The Rights expire at 5.00pm (Sydney time) on 30 November 2022. Rights will expire before this date if Vesting Conditions are not satisfied or waived.

Performance will be assessed by the Board or a subcommittee of the Board formed for this purpose.

Disposal of Shares allocated following the vesting of Performance Rights will be subject to prior approval of the Company's Board (excluding the Executive Director) and will be subject to observance of the Company's Share Trading Policy in dealing with Shares.

No shares will be issued to satisfy the exercise of Rights if this were to result in the Company exceeding the 10% cap as provided for in the Plan Rules.

Details of any securities issued under the Rights Plan and whether approval for the issue of securities was obtained under Listing Rule 10.14, will be published in each annual report of the Company relating to a period in which securities have been issued.

A summary of the Plan Rules may be requested by contacting the Company Secretary.

5.4 Recommendation of Directors

The Directors may participate in the Rights Plan (subject to Shareholder approval).

Accordingly, the Directors make no recommendation to Shareholders in respect of voting on Resolution 4.

SPECIAL RESOLUTION

6. Resolution 5 - Approval of 10% Placement Capacity

6.1 Background

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities (as that term is defined in the ASX Listing Rules) up to 10% of their issued capital calculated in accordance with LR 7.1A.2 through placements over a twelve 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 ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX 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 effect of Resolution 5 will be to allow the Directors to issue the Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period separate to the Company's 15% placement capacity under ASX Listing Rule 7.1.

As at the date of this Notice of Meeting the Company has the capacity to issue 96,021,809 shares under listing rule 7.1 and 64,014,539 shares under listing rule 7.1A as outlined in the Appendix 3B lodged with the ASX on 20 October 2018.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. Resolution 5 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 exact number of Equity Securities (if any) to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to Section 6.2 (c) below). The Company may use funds raised from any 10% Placement Facility for funding specific projects and/or

general working capital. It may also use the 10% Placement Facility for non cash consideration purposes such as joint venture or project acquisitions (although the Company presently has no intention to do so).

The Directors of the Company believe that Resolution 5 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this resolution.

6.2 ASX Listing Rule 7.1.A

(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 one class of Equity Securities being Shares.

(c) Formula for calculating 10% Placement Facility

ASX 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 fully paid ordinary securities on issue 12 months before the date of the issue or date of agreement to issue:

- (i) plus the number of fully paid ordinary securities issued in the 12 months under an exception in ASX Listing Rule 7.2;
- (ii) plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- (iii) plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of shares under ASX Listing Rules 7.1 or 7.4;
- (iv) less the number of fully paid ordinary securities cancelled in the 12 months.

Note: A has the same meaning in ASX 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 ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.

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

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

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to Section 6.2(c) above).

(e) Minimum Issue Price

Any Equity Securities issued under ASX Listing Rule 7.1A.2 must be in an existing quoted class of the eligible entity's equity securities and the issue price for each such security must be no less than 75% of the volume weighted average price for securities in that class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

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

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX 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 the approval by shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

(the 10% Placement Period)

6.3 Specific Information required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

(a) Minimum Price

Any Equity Securities issued under ASX Listing Rule 7.1A.2 must be in an existing quoted class of the eligible entity's equity securities and the issue price for each such security must be no less than 75% of the volume weighted average price for securities in that class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; 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) Risk of Voting Dilution

If Resolution 5 is approved by the Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company would be diluted as shown in the below table

(in the case of unlisted options, only if the unlisted options are exercised). There is a risk that:

(i) 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 Annual General Meeting; and

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

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

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 shares 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 ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

(ii) two examples of where the price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in ASX Listing Rule 7.1A.2	Issue Price (per Share)	Dilution		
		50% decrease in Current Price 1.05 cents	Current Price 2.1 cents	100% Increase in Current Price 4.2 cents
Current Variable A 640,145,398 Shares	10% Voting Dilution	64,014,539 shares	64,014,539 shares	64,014,539 shares
	Funds Raised	\$672,152	\$1,344,305	\$2,688,611
50% increase in current Variable A 960,218,097 shares	10% Voting Dilution	96,021,809 Shares	96,021,809 Shares	96,021,809 shares
	Funds Raised	\$1,008,229	\$2,016,458	\$4,032,916
100% increase in current Variable A 1,280,290,796 Shares	10% Voting Dilution	128,029,079 Shares	128,029,079 Shares	128,029,079 shares
	Funds Raised	\$ 1,344,305	\$2,688,611	\$5,377,221

The table has been prepared on the following assumptions:

(i) The Company issues the maximum securities available under the ASX Listing Rule 7.1A being 10% of the Company's shares on issue at the date of the Meeting;

(ii) No unlisted options are exercised into fully paid ordinary securities before the date of the issue of securities under ASX Listing Rule 7.1A. The Company has 4,750,000 unlisted options, and 37,500,000 performance rights on issue at the date of this Notice of Meeting;

(iii) The table does not demonstrate an example of dilution that may be caused to a particular shareholder by reason of placements under ASX Listing Rule 7.1A, based on that shareholder's holding at the date of the Meeting;

- (iv) The table only demonstrates the effect of issues of securities under ASX Listing Rule 7.1A. It does not consider placements made under ASX Listing Rule 7.1, the “15% rule”;
- (v) The price of ordinary securities is deemed for the purposes of the table above to be \$0.021, being the closing price of the Company’s listed securities on ASX on 4 October 2019 (**Deemed Price**). The Deemed Price is indicative only and does not consider the 25% discount to market that the securities may be placed at;
- (vi) The table does not demonstrate the effect of unlisted options being issued, or performance rights vesting, under ASX Listing Rule 7.1A. It only considers the issue of the fully paid ordinary securities.
- (vii) The table does not take into account resolutions to be put before this meeting.

(c) Date of Issue

The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

(d) Purpose of the Issue under the 10% Placement Capacity

The Company may seek to issue the Equity Securities for the following purposes:

- (i) non-cash consideration including for joint venture, licensing or collaboration agreements or the acquisition of new projects (although the Company presently has no proposal to do so). In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards the development of its direct sales business and general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

(e) Allocation Policy

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 allottees of Equity Securities will be determined on a case-by-case basis having regard to 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 issues or other issues 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).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company were to pursue an acquisition and were it to be successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

(e) Previous Approval

The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A. at the Annual General Meeting dated 29 November 2018.

The Company has not issued securities under ASX Listing Rule 7.1A during the year.

The Company did not issue shares during the twelve months preceding the date of this meeting.

No options were issued during the twelve months preceding the date of this meeting.

(f) Voting Exclusion Statement

A voting exclusion statement is included in the Notice of Meeting to which this Explanatory Memorandum relates. At the date of that 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.

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

GLOSSARY

The following is a glossary of various words and their meanings used in the Notice and Additional Information:

“**Associate**” has the meaning given by Sections 10 to 17 of the Corporations Act;

“**ASX**” means ASX Limited ACN 008 624 691;

“**Board**” means the Board of Directors of the Company;

“**Business Day**” has the same meaning as in the Listing Rules;

“**Company**” means Bioxyne Limited (ABN 97 084 464 193) of Suite 506 Level 5, 50 Clarence Street, Sydney, NSW 2000;

“**Constitution or Existing Constitution**” means the constitution of the Company;

“**Corporations Act**” means *Corporations Act 2001 (Cth)*;

“**Director**” means a director of the Company;

“**Equity Securities**” has the same meaning as in the Listing Rules;

“**Explanatory Memorandum**” means the explanatory notes and additional information to the Resolutions in the Notice;

“**Export Sales**” means sales through Multi-Level Marketing Channels in Asia Pacific.

“**Fully Paid Share**” means a fully paid ordinary share in the issued capital of the Company;

“**Key Management Personnel**” has the same meaning as in the accounting standards and broadly includes those 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**” means that the Company has applied for listing of the relevant security on the Australian Securities Exchange and has been successful in securing the listing;

“**Listing Rules**” means the listing rules issued and enforced by the ASX as amended from time to time;

“**market price**” has the same meaning as defined in the Listing Rules;

“**Meeting**” means the Annual General Meeting convened by the Notice;

“**Multi-Level Marketing Channel**” means a marketing channel through which products and services are marketed directly to consumers through a sales force of independent contractors based upon a standardised compensation system.

“**Notice**” means this notice of Annual General Meeting;

“**Officer**” has the same meaning as in the Corporations Act;

“**Performance Rights Plan**” means the plan approved by shareholders at the General Meeting held on 3 August 2017;

“**Related Parties**” means, in respect of an individual, an Associate of that individual or which is a company, trust, person or superannuation scheme for the benefit of any member of the family of that individual;

“**Resolution**” means each resolution to be considered at the Meeting;

“**Rights Plan**” means the Performance Rights Plan approved by shareholders at the General Meeting held on 3 August 2017;

“Share” means an ordinary share in the issued capital of the Company; and

“Shareholder” means the holder of a Share.

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BIOXYNE LIMITED

ACN: 084 464 193

REGISTERED OFFICE:

SUITE 2508 LEVEL 25
31 MARKET STREET
SYDNEY NSW 2000

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«EFT_REFERENCE_NUMBER»

«Company_code» «Sequence_number»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

SHARE REGISTRY:

Security Transfer Australia Pty Ltd
All Correspondence to:
PO BOX 52
Collins Street West VIC 8007
Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000
T: 1300 992 916
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code:

BXN

Holder Number:

«HOLDER_NUM

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE
ONLINE**

Lodge your proxy vote securely at www.securitytransfer.com.au

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson 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, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 10.00am (Sydney Time) on Monday 25 November 2019 in the Board Room of RSM Australia Pty Limited, Level 13, 60 Castlereagh Street, New South Wales, Australia and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION

1. REMUNERATION REPORT

2. RE-ELECTION OF DIRECTOR - MR ANTHONY HO

3. CANCELLATION OF PERFORMANCE RIGHTS

4. ISSUE OF PERFORMANCE RIGHTS TO MANAGING DIRECTOR - MR N H CHUA

5. APPROVAL OF 10% PLACEMENT CAPACITY

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Sole Director & Sole Company Secretary

Security Holder 2

Director

Security Holder 3

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 10.00am (Sydney Time) on Saturday 23 November 2019.

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My/Our contact details in case of enquiries are:

Name:

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Number:

(

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1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

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

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

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

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

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia Pty Ltd

Online www.securitytransfer.com.au

Postal Address PO BOX 52
Collins Street West VIC 8007

Street Address Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000

Telephone 1300 992 916

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

