



**JAYEX HEALTHCARE LIMITED**  
**ACN 119 122 477**

# **Notice of Annual General Meeting**

## **Explanatory Statement and Proxy Form**

Date of Meeting:  
**Friday, 25 May 2018**

Time of Meeting:  
**10.00 AM (AEST)**

Place of Meeting:  
**Grant Thornton Australia Ltd**  
**Collins Square Business Centre**  
**Level 6, 727 Collins Street**  
**Melbourne Victoria 3000**

*This Notice of Annual General Meeting and Explanatory Statement 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 advisor without delay*

# JAYEX HEALTHCARE LIMITED

ACN 119 122 477

Registered office: Level 4, 100 Albert Road, South Melbourne, Victoria, 3205

## NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Members of Jayex Healthcare Limited (the "Company") will be held at Grant Thornton Australia Ltd, Collins Square Business Centre, Level 6, 727 Collins Street, Melbourne, Victoria, 3000 at 10.00am (AEST) on Friday, 25 May 2018.

## AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

### ORDINARY BUSINESS

#### Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the period ended 31 December 2017.

*Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly no resolution will be put to shareholders on this item of business.*

#### Resolution 1: Adoption of Remuneration Report

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

*"That for the purpose of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial period ended 31 December 2017 be adopted."*

#### Resolution 2: Election of Mr Michael Chan as a Director of the Company

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

*"That Mr Michael Chan, being a director who retires pursuant to the Constitution of the Company and being eligible for re-election offers himself for re-election, is hereby re-elected as a Director of the Company."*

#### Resolution 3: Renewal of Employee Share Option Plan

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

*"That for the purposes of ASX Listing Rule 7.2 exception 9(b), and for all other purposes, any issue of securities made under the Jayex Healthcare Limited Employee Share Option Plan (ESOP) be approved as an exception to Listing Rules 7.1 and 7.1A."*

#### Resolution 4: Approval to issue Shares in lieu of Directors' Fees – Mr Michael Boyd

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

*"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,481,055 shares to Mr Boyd or a nominee entity of Mr Boyd on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."*

#### Resolution 5: Approval to issue Shares in lieu of Directors' Fees – Mr Michael Chan

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

*"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,005,025 shares to Mr Chan or a nominee entity of Mr Chan on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."*

**Resolution 6: Approval to issue Shares in lieu of Directors' Fees – Mr Agam Jain**

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

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,123,417 shares to Mr Jain or a nominee entity of Mr Jain on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Resolution 7: Approval to issue Shares in lieu of Directors' Fees – Mr Brian Renwick**

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

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,130,653 shares to Mr Renwick or a nominee entity of Mr Renwick on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**SPECIAL BUSINESS:**

**Resolution 8: Renewal of Proportional Takeover Bid Provision in the Constitution**

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

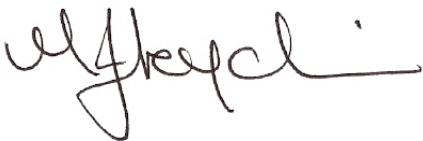
*“That, for the purposes of Section 648G(4) of the Corporations Act 2001(Cth) and for all other purposes the shareholders of the company approve the renewal of Clause 14 of the Company’s Constitution.”*

**Resolution 9: Approval of 10% Placement Facility**

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

*“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities 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.”*

By the order of the Board



Melanie Leydin  
**Company Secretary**  
Dated: 20 April 2018

## Notes

1. **Entire Notice:** The details of the resolution contained in the Explanatory Notes accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm (AEST) on the date 48 hours before the date of the Annual General Meeting will be taken, for the purposes of the Meeting, to be held by the persons who held them at that time. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
  - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
  - b. Each shareholder has a right to appoint one or two proxies.
  - c. A proxy need not be a shareholder of the Company.
  - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution.
  - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
  - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
  - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
  - h. To be effective, proxy forms must be received by the Company's share registry (Boardroom Pty Ltd) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 10.00am (AEST) Melbourne time on Wednesday, 23 May 2018. Any proxy received after that time will not be valid for the scheduled meeting.
4. **Corporate Representative**

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.
5. **Voting Exclusion Statement:**

**Resolution 1 - Adoption of Remuneration Report**  
The Company will disregard any votes on Resolution 1 cast (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a Closely Related Party of such a member unless the vote cast as proxy for a person entitled to vote in accordance with a direction on the proxy form.

Any undirected proxies held by Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 (excluding the Chairman) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the proxy form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

**Resolution 2 - Election of Mr Michael Chan as a Director of the Company**  
There are no voting exclusions on this resolution.

**Resolution 3 - Renewal of Employee Share Option Plan**  
The Company will disregard any votes on Resolution 3 cast in favour by a Director of the entity (except one who is ineligible to participate in any employee incentive scheme in relation to the entity). The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 3.

**Resolution 4, 5, 6 and 7 - Approval to issue Shares in lieu of Directors' Fees**  
In accordance with the Listing Rules, the Company will disregard any votes on Resolutions 4, 5, 6 and 7 cast in favour by each Director as it relates to their participation in the proposed issue. The Company need not disregard a vote if 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 it is cast by the person chairing the meeting 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.

**Resolution 8 - Renewal of Proportional Takeover Bid Provision in the Constitution**  
There are no voting exclusions on this resolution.

**Resolution 9 - Approval of 10% Placement Facility**  
The Company will disregard any votes on Resolution 9 cast in favour by any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), and any associate of such person.

In accordance with Listing Rule 14.11.1 and the relevant Note under that rule concerning Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no security holders are currently excluded.
6. **Enquiries**

Shareholders are invited to contact the Company Secretary, Melanie Leydin on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents

## EXPLANATORY MEMORANDUM

### Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 31 December 2017 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report) and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively, you may access the Annual Report via the Company's announcement platform on ASX. Except for as set out in Resolution 1, no resolution is required on these reports.

### Resolution 1: Adoption of Remuneration Report

Section 250R(3) of the Corporations Act requires that a resolution to adopt the remuneration report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's December 2017 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act 2001, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the remuneration report at the Annual General Meeting.

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

It is noted that at the Company's last Annual General Meeting, the votes cast against the remuneration report represented less than twenty five (25%) per cent of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

### *Directors Recommendation*

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors unanimously recommend that shareholders vote in favour of Resolution 1 to adopt the Remuneration Report.

### *Voting Exclusions*

The Company will disregard any votes on Resolution 1 cast (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a Closely Related Party of such a member unless the vote cast as proxy for a person entitled to vote in accordance with a direction on the proxy form.

Any undirected proxies held by Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 (excluding the Chairman) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the proxy form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

### Resolution 2: Re-election of Mr Michael Chan as a Director of the Company

The Constitution of the Company requires that at every annual general meeting, one-third or the next highest number nearest one-third of the Directors, shall retire from office and provides that such Directors are eligible for re-election at the meeting. Mr Michael Chan retires by rotation and, being eligible, offers himself for re-election.

Mr Chan has extensive experience in broad based financial services for the past 30 years with hands on knowledge in both consumer and commercial segments.

Mr Chan is the founder and Managing Director at AMG Corporate Pty Ltd, a holder of an Australian Credit Licence with responsibility for marketing and distribution programs, client management and corporate relationships.

Prior to establishing AMG Corporate in 1995, he worked in strategic business development and marketing at several companies, both in the private and public sectors. Mr Chan's greatest strengths are his creativity, drive and leadership. He thrives on challenges, particularly those that expand the company's reach.

Mr Chan has had past affiliation with Make a Wish Foundation and more recently is the founder and chairman of The Mate Foundation – a men's health initiative with its principal purpose to help raise awareness of men's health diseases, which is due to launch shortly. He has over the years also undertaken volunteer work for various other charities and causes in his community.

### **Directors Recommendation**

The Board (with Mr Chan abstaining), recommends that shareholders vote in favour of the re-election of Mr Chan. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Chan's re-election.

### **Voting Exclusions**

There are no voting exclusions on this resolution.

### **Resolution 3: Renewal of Employee Share Option Plan**

Resolution 3 seeks Shareholders approval for the renewal of the employee incentive scheme titled the "Jayex Healthcare Limited Employee Share Option Plan" (**ESOP**).

An employee share and option plan or a performance rights plan must be refreshed every three years in order for a company to rely on exception 9 in ASX Listing Rule 7.2.

The Board believes the ESOP forms an important part of a comprehensive remuneration strategy for the Company's employees, aligning their interests with those of Shareholders by linking their rewards to the long-term success of the Company and its financial performance.

ASX Listing Rule 7.2 Exception 9(b) sets out matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 7.2 Exception 9(b). The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.2 Exception 9 (b). The number of securities issued since the ESOP was approved at the 2015 Annual General Meeting of shareholders is summarised below:

<b>Date</b>	<b>Unquoted Options</b>
2 February 2016	2,875,000

### **Directors Recommendation**

The Board believes that, as a matter of good governance, the Company's Shareholders should approve the renewal of the ESOP and, therefore, this Resolution is being put to this Meeting.

A summary of the terms of the ESOP is set out as follows

- The total number of Options that may be offered under the Employee Share Option Plan is limited with reference to the ASIC Class Order applicable to Employee Share Incentive Schemes.
- In making its decision to issue Options the Board may decide which employee or Director is eligible to receive the Options, the number of Options and the conditions which are to apply in respect of the Options.
- If at any time prior to the last date Options are exercisable, a participant ceases to be employed by the Company for any reason, all such Options held by the participant, may be exercised within the 3-month period following the date of cessation of appointment or employment, and if not exercised in that period the Options shall lapse.
- If, in the opinion of the Board, a participant has acted fraudulently or dishonestly, the Board may determine that any Option granted to that participant should lapse, and the Option will lapse accordingly.
- An Option is capable of being transferred by a participant, by the participant giving notice in writing to the Board.
- Despite any unfulfilled vesting or performance conditions Options will be exercisable in the event of a change of control of the Company.
- There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, as required by the Listing Rules, the Company will send a notice to each holder of Options prior to any record date and Optionholders will only be able to participate in a new issue if they have exercised their Options prior to the record date for the new issue.
- In the event of any reorganisation of the issued capital of the Company on or prior to the expiry of the Options, the rights of an Optionholder will be changed to the extent necessary to comply with the applicable Listing Rules in force at the time of the reorganisation.

### **Voting Exclusions**

The Company will disregard any votes on Resolution 3 cast in favour by a Director of the entity (except one who is ineligible to participate in any employee incentive scheme in relation to the entity). The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 3.

The Directors have elected to accrue their fees for services to the Company. This has allowed the Company to apply those funds which would have been applied to Directors' remuneration to its working capital.

The Company is proposing that Directors' fees from January 2017 in the case of Mr Boyd, from February 2017 in the case of Mr Jain, from July 2017 in the case of Mr Renwick and from August 2017 in the case of Mr Chan, to March 2018 be converted into

Shares in the Company. That is, the accrued fees owing to Directors up to March 2018 will be repaid by the issue of Shares to each Director (or their respective nominees) **(Related Parties)** in lieu of cash fees.

The following is a table showing the outstanding Directors' fees payable and the number of Shares to be issued to each of the Directors of the Company if approval is provided:

Director	Total Fees Accrued	Deemed Issue Price (cents)	Maximum No of Shares to be issued if approval is provided
Mr Michael Boyd	\$69,273	\$0.0199	3,481,055
Mr Michael Chan	\$20,000	\$0.0199	1,005,025
Mr Agam Jain	\$62,156	\$0.0199	3,123,417
Mr Brian Renwick	\$22,500	\$0.0199	1,130,653

Shares to be issued to the Directors have been determined based on:

- their respective yearly director fees and are issued in lieu of director fee payments owing for each of the Directors for the relevant period of the accrual; and
- a price of \$0.0199 per share.

The VWAP of shares for the 12 month period preceding this notice of meeting (being 29 March 2017 to 29 March 2018) was \$0.0199 per share.

Under Resolutions 4, 5, 6 and 7 the Company is seeking Shareholder approval under ASX Listing Rule 10.11 for the issue of Shares to each of the Directors in lieu of Director's fees to March 2018.

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party. Mr Boyd, Mr Chan, Mr Jain and Mr Renwick, are considered to be related parties of the Company.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Shares as approval is being obtained under ASX Listing Rule 10.11. The issue of the Shares will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. The following information is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

Required disclosure	
<i>The name of the Director</i>	<ol style="list-style-type: none"> <li>Michael Boyd</li> <li>Michael Chan</li> <li>Agam Jain</li> <li>Brian Renwick</li> </ol>
<i>The Shares will be issued</i>	<ol style="list-style-type: none"> <li>Mr Boyd, or entities associated with Mr Boyd</li> <li>Mr Chan, or entities associated with Mr Chan</li> <li>Mr Jain, or entities associated with Mr Jain</li> <li>Mr Renwick, or entities associated with Mr Renwick</li> </ol>
<i>The maximum number of Shares to be issued</i>	<ol style="list-style-type: none"> <li>3,481,055</li> <li>1,005,025</li> <li>3,123,417</li> <li>1,130,653</li> </ol>
<i>The date by which the Share will be issued</i>	The Shares will be issued as soon as practicable, but in any event will be issued no later than 1 month after the General Meeting.
<i>The issue price of the Shares</i>	Shares: \$0.0199 per Share.
<i>The terms of issue of the Shares</i>	The Shares will be issued as satisfaction for \$173,929 in directors' fees from January 2017 to March 2018. The Shares will rank equally with the ordinary shares already on issue by the Company.
<i>The intended use of funds raised</i>	As the Shares will be issued in exchange for Director's fees outstanding to March 2018, no funds will be raised.

### **Chapter 2E Corporations Act**

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. The issue of Shares contemplated by Resolutions 4, 5, 6 and 7 constitutes the provision of a financial benefit to a related party. The Board has considered the application of Chapter 2E of the Corporations Act (related party provisions) and has resolved that the arm's length and reasonable remuneration exceptions provided by sections 210 and 211 of the Corporations Act are relevant in the circumstances and accordingly, the Company will not also seek approval for the issue of Shares, pursuant to section 208 of the Corporations Act.

## ***Directors Recommendation***

The Board believes that Resolutions 4, 5, 6 and 7 are in the best interests of the Company and unanimously recommend that Shareholders vote in favour of each Resolution.

## ***Voting Exclusions***

In accordance with the Listing Rules, the Company will disregard any votes on Resolutions 4, 5, 6 and 7 cast in favour by each Director as it relates to their participation in the proposed issue. The Company need not disregard a vote if 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 it is cast by the person chairing the meeting 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.

## **Resolution 8: Renewal of Proportional Takeover Bid provision in the Constitution**

Clause 14 of the Company's Constitution contains provisions dealing with shareholder approval requirements if there was to be any proportional takeover bids for the Company's securities (Proportional Bid Provisions).

A "proportional takeover bid" means an off-market bid for a specified proportion of the Company's securities held by each shareholder in a class for which a takeover bid has been made. It is not a bid for all securities held by all shareholders of that class, only part of the securities each holds.

Part 6.5 Subdivision 5C of the Corporations Act provides that these Proportional Bid Provisions cease to apply at the end of 3 years from their adoption (or last renewal), but that they may be renewed by special resolution of the shareholders. The Board believes it is appropriate that the Proportional Bid Provisions of the Company's Constitution (Clause 14) be renewed.

In seeking shareholder approval for the renewal of the Proportional Bid Provisions, the Corporations Act requires the below information to be provided to shareholders.

### ***Effect of provisions proposed to be renewed***

Clause 14 of the Constitution provides that the Company is prohibited from registering any transfer of shares giving effect to a contract of sale pursuant to a proportional takeover bid unless and until after the proposed transfer has been approved by shareholders at a general meeting of the Company (Approving Resolution). The person making the offer for the securities (Offeror) (and their associates) cannot vote on the Approving Resolution and the Approving Resolution requires the approval of more than 50% of shareholders who are entitled to vote at that meeting.

### ***Reason for the resolution***

Clause 14 of the Constitution is required to be renewed as 3 years have passed since the adoption of the Constitution. Section 648(G)(1) of the Corporations Act provides that Proportional Bid Provisions such as provided in Clause 14 cease to apply at the end of 3 years from their adoption (or their last renewal). Section 648(G)(4) enables shareholders to approve a renewal of Proportional Bid Provisions.

The Directors believe that shareholders should continue to have the choice of considering whether to accept a bid for what might become control of the Company without shareholders having the opportunity to dispose of all of their securities (rather than just some of their securities, as would be the case under a proportional takeover bid). To preserve this choice, Clause 14 needs to be renewed. If Clause 14 is renewed and any proportional takeover bid (if any) is subsequently approved by shareholders, each shareholder will still have the right to make a separate decision whether that shareholder wishes to accept the (proportional takeover) bid for their own securities.

### ***Awareness of current acquisition proposals***

As at the date of this Explanatory Note, none of the Directors are aware of any proposal for any person to acquire (or increase the extent of) a substantial interest in the Company from its current level.

### ***Advantages and disadvantages of the Proportional Bid Provisions since last renewed***

As there have been no takeover bids made for any of the shares in the Company since adoption of the Proportional Bid Provisions, there has been no application of Clause 14. It may be argued that the potential advantages and disadvantages described below have also applied for the period since adoption of Clause 14.

### ***Potential advantages and disadvantages of the proposed resolution for both Directors and shareholders***

An advantage to the Directors of renewing the Proportional Bid Provisions is that the Board will be able to assess shareholders acceptance or otherwise of a proportional takeover bid should one be made.

As stated above, renewing Clause 14 provides shareholders with the choice of considering whether to accept a bid for what might become control of the Company without shareholders having the opportunity to dispose of all of their securities (rather than just some of their securities, as would be the case under a proportional takeover bid). If Clause 14 is not renewed, shareholders will not have this opportunity.

On the other hand, it may be argued that the renewal of Clause 14 may make proportional takeover bids more difficult to succeed and therefore effectively discourage proportional takeover bids being made and reduce the freedom for shareholders to sell some of their securities.



### ***Directors Recommendation***

Balancing the above advantages and disadvantages, the Board is of the view that the advantages of renewing the Proportional Bid Provisions outweigh any disadvantages and unanimously recommend the renewal. Accordingly, shareholder approval is sought pursuant to this Resolution 8.

The Chairman in his capacity as proxy holder intends to vote undirected proxies in favour of approving this Resolution 8.

### ***Voting Exclusions***

There are no voting exclusions on this resolution.

### **Resolution 9: Approval of 10% Placement Facility**

Listing Rule 7.1A enables an eligible entity 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 now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact 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 (see below).

The Company expects to review potential investments and opportunities during the forthcoming year. Should the Company utilise the 10% Placement Facility, it intends to use the funds to acquire new investments, to conduct further improvements to its existing businesses, to undertake research and development or to meet additional working capital requirements.

### ***Directors Recommendation***

The Directors of the Company believe that Resolution 9 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 9.

### ***Voting Exclusions***

The Company will disregard any votes on Resolution 9 cast in favour by any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), and any associate of such person.

### **Description of 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. This means it 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).

#### ***(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 this Notice, has on issue the following classes of Equity Securities: Fully Paid Ordinary Shares and Options.

#### ***(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 fully paid 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 fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid 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 is 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 the approval of shareholders 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 this Notice, the Company has on issue 153,622,874 Fully Paid Ordinary Shares and therefore has a capacity to issue:

- (i) 23,043,431 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being obtained under Resolution 10, 15,362,287 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

(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 the approval by shareholders 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),

**(10% Placement Period).**

### **Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility 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 9 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. Shareholders may be exposed to economic risk and voting dilution, including the following:
  - (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 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.

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

The table also shows:

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

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.014 50% decrease in Issue Price	\$0.027 Issue Price	\$0.054 100% increase in Issue Price
<b>Current Variable A</b> 152,872,874 Shares	<b>10% Voting Dilution</b>	153,622,287 Shares	15,362,287 Shares	15,362,287 Shares
	<b>Funds raised</b>	\$215,072	\$245,797	\$829,564
<b>50% increase in current Variable A</b> 229,309,311 Shares	<b>10% Voting Dilution</b>	23,043,431 Shares	23,043,431 Shares	23,043,431 Shares
	<b>Funds raised</b>	\$322,608	\$368,695	\$1,244,345
<b>100% increase in current Variable A</b> 305,745,748 Shares	<b>10% Voting Dilution</b>	30,724,575 Shares	30,724,575 Shares	30,724,575 Shares
	<b>Funds raised</b>	\$430,144	\$491,593	\$1,659,127

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  - No Options (including any Options issued under the 10% Placement Facility) are exercised into Fully Paid Ordinary Shares before the date of the issue of the Equity Securities;
  - 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%.
  - 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 Annual General Meeting.
  - 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.
  - The issue of Equity Securities under the 10% Placement Facility consists only of Fully Paid Ordinary Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Fully Paid Ordinary Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  - No other options are exercised into Shares before the date of the issue of the equity securities.
  - The issue price is **\$0.016** (1.6 cents), being the closing price of the Fully Paid Ordinary Shares on ASX on **[29 March 2018]**.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 9 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).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of the new 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 circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition) and on the Company's current assets and/or general working capital.

- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (f) 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 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).

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

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (g) A voting exclusion statement is included in the Notice. At the date of this 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.

#### **Equity Issues over the Last 12 Months – Listing Rule 7.3A.6**

For the purposes of Listing Rule 7.3A.6(a), the Company advises as follows:

Number of equity securities on issue at commencement of 12 month period	<i>153,872,874</i>
Equity securities issued in the prior 12 month period*	<i>750,000</i>
Percentage of share issues represent of total number of equity securities on issue at commencement of 12 month period	<i>0.49%</i>

\* For full details of the issues of equity securities made by the Company since the date of the last Annual General Meeting, see **Annexure A**.

#### ***Voting Exclusions***

The Company will disregard any votes cast in favour on Resolution 9. by any person who may participate in the proposed issue or any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, and any associate of such person.

In accordance with Listing Rule 14.11.1 and the relevant Note under that rule concerning Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no security holders are currently excluded.

## Annexure A

### NON-CASH ISSUE

Date	Number of Securities	Security Type	Terms	Description	Party or Basis	Price	Discount to 15 day VWAP	Total Consideration	Use of Consideration
29 Nov 2017	750,000	FPO	*See Note	Fully Paid Ordinary Shares	Eligible employees of the Company	Nil	Nil	-	Conversion of employee options

### Glossary

FPO *Fully Paid Ordinary Shares*

### Notes

1. *Ordinary shares issued fully paid pursuant to the exercise of unquoted options expiring 20 February 2018.*

## GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the period ended 31 December 2017;

**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEST**” means Australian Eastern Standard Time.

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the 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 Jayex Healthcare Limited ACN 119 122 477;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

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

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

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Explanatory Memorandum**” means the explanatory memorandum which forms part of the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**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;

**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Statement;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of Jayex Healthcare Limited for the financial period ended 31 December 2017 and which is set out in the December 2017 Annual Report.

“**Resolution**” means a resolution referred to in the Notice;

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

“**Shareholder**” means shareholder of the Company.



#### All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)
- ☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (AEST) on Wednesday 23 May 2018.**

### 🖥 TO VOTE ONLINE

- STEP 1:** VISIT <https://www.votingonline.com.au/jayexagm2018>
- STEP 2:** Enter your Postcode OR Country of Residence (if outside Australia)
- STEP 3:** Enter your Voting Access Code (VAC):

### 📱 BY SMARTPHONE



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.  
If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

#### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the 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 your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

#### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

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

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (AEST) on Wednesday 23 May 2018.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** <https://www.votingonline.com.au/jayexagm2018>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

**Your Address**  
This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Jayex Healthcare Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Grant Thornton Australia Ltd, Collins Square Business Centre, Level 6, 727 Collins Street, Melbourne VIC 3000 on Friday 25 May 2018 at 10:00am (AEST)** and at any adjournment of that meeting, to act 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.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of Resolutions 1, 2, 3, 8 and 9. The Chair of the Meeting is not entitled to vote undirected proxies on Resolutions 4, 5, 6 and 7. If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

**STEP 2 VOTING DIRECTIONS**  
\* 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 vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Mr Michael Chan as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Renewal of Employee Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to issue Shares in lieu of Directors' Fees – Mr Michael Boyd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to issue Shares in lieu of Directors' Fees – Mr Michael Chan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to issue Shares in lieu of Directors' Fees – Mr Agam Jain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval to issue Shares in lieu of Directors' Fees – Mr Brian Renwick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Renewal of Proportional Takeover Bid Provision in the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 SIGNATURE OF SECURITYHOLDERS**  
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary