



29 October 2018

Dear Shareholder

On behalf of the Board I am pleased to invite you to attend the 2018 Annual General Meeting (**AGM**) of Genetic Signatures Limited. The following information is enclosed:

- the "Notice of Annual General Meeting" and Explanatory Memorandum;
- a proxy form; and
- a reply paid envelope for lodging your proxy form.

### **AGM**

The AGM will be held on Thursday, 29 November 2018 at 11:00am (Sydney time) at the offices of BDO, Level 11, 1 Margaret Street, Sydney NSW 2000. You are invited to join the Board for refreshments after the meeting.

### **Business of the AGM**

The business of the AGM is set out in the "Notice of Annual General Meeting" (**Notice**). The Notice and Explanatory Memorandum set out important information in relation to the matters to be considered by shareholders at the meeting, and I encourage you to read these materials carefully.

### **Attendance**

If you are attending the AGM, please bring your personalised proxy form to allow the Share Registry to promptly register your attendance at the meeting. The registration desk will be open from 10:30am (Sydney time).

If you are unable to attend in person, you may wish to appoint a proxy to attend and vote at the meeting in your place. Please refer to the Notice and proxy form regarding the appointment of a proxy.

I look forward to seeing as many shareholders as possible at the AGM.

Yours sincerely,

A handwritten signature in black ink, appearing to read "N Samaras", written in a cursive style.

**Dr Nick Samaras**  
**Chairman**  
**Genetics Signatures Limited**

**GENETIC SIGNATURES LIMITED ACN 095 913 205**

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the Annual General Meeting (**AGM** or **Meeting**) of Genetic Signatures Limited (**GSS** or **Company**) will be held at:

<b>Date</b>	Thursday, 29 November 2018
<b>Time</b>	11:00am (Sydney time)
<b>Location</b>	BDO Level 11, 1 Margaret Street Sydney NSW 2000

The Explanatory Memorandum accompanying this Notice of Meeting provides additional information on the matters to be considered at the AGM. The Explanatory Memorandum and the proxy form are part of this Notice of Meeting.

**A. CONSIDERATION OF REPORTS**

To receive and consider the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company for the financial year ended 30 June 2018.

Unless the Company's Share Registry has been notified otherwise, shareholders have not been sent a hard copy of the Annual Report. All shareholders can view the Annual Report which contains the Financial Report for the year ended 30 June 2018 on the Company's website at <http://geneticsignatures.com/>.

**B. QUESTIONS AND COMMENTS**

Following consideration of the Reports, the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- a. the conduct of the audit;
- b. the preparation and content of the Independent Auditor's Report;
- c. the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- d. the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit. A list of written questions submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the Meeting.

## **C. ITEMS FOR APPROVAL**

### **Resolution 1: Re-election of Director – Mr Michael Aicher**

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

*“That, Mr Michael Aicher, who retires in accordance with clause 6.7 of the Company’s Constitution, having offered himself for election and being eligible, is re-elected as a Director of the Company.”*

### **Resolution 2: Remuneration Report**

To consider and, if thought fit, to pass the following as an advisory resolution of the Company:

*“That, the Company’s Remuneration Report for the financial year ended 30 June 2018, as set out in the Directors’ Report, is adopted.”*

The Remuneration Report is set out in the 2018 Annual Report (available at <http://geneticsignatures.com/investors/reports/>). Please note that, in accordance with section 250R(3) of the Corporations Act 2001 (Cth) (the **Act**), the vote on this resolution is advisory only and does not bind the Directors or the Company.

#### **Voting Exclusion Statement**

A vote on Resolution 2 must not be cast (in any capacity) by, or on behalf of, the following persons:

- a. a member of the Key Management Personnel (**KMP**) whose remuneration details are included in the 2018 Remuneration Report; or
- b. a closely related party of such a KMP (including close family members and companies the KMP controls).

However, a person described above may cast a vote on Resolution 2 as a proxy if the vote is not cast on behalf of a person described above and either:

- a. the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or
- b. the vote is cast by the chair of the meeting and the appointment of the chair as proxy:
  - i. does not specify the way the proxy is to vote on the resolution; and
  - ii. expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

In accordance with section 250BD of the Corporations Act 2001 (Cth), a vote must not be cast on Resolution 2 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

*“Key management personnel” and “closely related party” have the same meaning as set out in the Corporations Act 2001 (Cth).*

### **Resolution 3: Approval for the issue of Options to Dr John Melki**

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

*“That, for the purposes of ASX Listing Rule 10.14, and for all other purposes, the issue of 200,000 Options in the capital of the Company under the Genetic Signatures Limited Equity Incentive Plan to Dr John Melki,*

*the terms of which are set out in the Explanatory Memorandum accompanying this Notice of Meeting, is approved.”*

#### Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- a. a Director of the Company who is eligible to participate in the Genetic Signatures Limited equity Incentive Plan; or
- b. an associate of any of those Directors.

However, the Company need not disregard a vote cast on Resolution 3 if:

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

In accordance with section 250BD of the Corporations Act 2001 (Cth), a vote must not be cast on Resolution 3 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

#### **Resolution 4: Approval of Additional Share Issue Capacity under ASX Listing Rule 7.1A**

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

*“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, the shareholders of the Company approve the issue of equity securities up to 10% of the issued capital of Genetic Signatures Limited (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 described in the Explanatory Memorandum which forms part of the Notice of Meeting.”*

#### Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 4 by a 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 reason of being a holder of ordinary securities in the Company), if this resolution is passed and any associates of those persons. At this point in time, there are no potential allottees to whom shares may be issued under this resolution.

However, the Company need not disregard a vote cast on Resolution 4 if:

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

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read "Anna Sandham". The signature is written in a cursive style with a large initial 'A'.

**Anna Sandham  
Company Secretary  
11 October 2018**

## ENTITLEMENT TO ATTEND AND VOTE

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth) the Board has determined that persons eligible to attend and vote at the Meeting as a shareholder, are those who are registered shareholders of the Company as at 7.00pm (Sydney time) on Tuesday, 27 November 2018 (**Entitlement Time**) being two days before the Meeting.

This means that if you are not the registered holder of a share in the Company at the Entitlement Time, you will not be entitled to vote at the Meeting.

If more than one joint holder of shares is present at the Meeting (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

### *Voting by Proxy*

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act 2001 (Cth) (the **Act**) to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

### *Proxy Forms*

To be effective, the Proxy Form must be completed, signed and lodged (together with the relevant original power of attorney or a certified copy if the proxy is signed by an attorney) with the Company's share registry, as an original or by facsimile, **no later than 11:00am (Sydney time) on Tuesday, 27 November 2018 (Proxy Deadline)**.

Proxy forms may be submitted in one of the following ways:

- a. **Online** (preferred) via the Company's Share Registry website at [www.votingonline.com.au/gssagm2018](http://www.votingonline.com.au/gssagm2018). Please refer to the Proxy Form for information; or
- b. **By fax** to Boardroom Pty Ltd on +61 2 9290 9655; or
- c. **By mail** to Boardroom Pty Ltd using the reply paid envelope or GPO Box 3993, Sydney NSW 2001. Please allow sufficient time so that it reaches Boardroom Limited by the Proxy Deadline; or
- d. **By hand delivery** to **Boardroom Pty Ltd** at Level 12, 225 George Street, Sydney, NSW 2000 (during business hours, Monday to Friday 9.00am – 5.00pm).

Proxy Forms and Powers of Attorney must be received by the Proxy Deadline.

### *Voting by Attorney*

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 11:00am (Sydney time) on Tuesday, 27 November 2018 being 48 hours before the AGM.

### *Corporate Representatives*

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Act. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the company's representative.

IMPORTANT: If you appoint the Chairman of the Meeting as your proxy, or the Chairman becomes your proxy by default, and you do not direct your proxy how to vote on resolutions 3, 4 and 5 then by submitting the proxy form you will be expressly authorising the Chairman to exercise your proxy on the relevant resolution, even though the resolution is connected, directly or indirectly, with the remuneration of the KMP.

#### Shareholder Questions

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. If you wish to submit a question in writing to the Chairman or the Auditor, please email them to the Company Secretary, Anna Sandham ([sandham@companymatters.com.au](mailto:sandham@companymatters.com.au)) **by 5:00pm (Sydney time) on Thursday, 22 November 2018.**

Questions will be collated and, during the AGM, the Chairman will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

## **EXPLANATORY MEMORANDUM**

This Explanatory Memorandum has been prepared for the information of shareholders of the Company in relation to the business to be conducted at the Company's AGM to be held on Thursday, 29 November 2018.

The purpose of this Explanatory Memorandum is to provide shareholders with information that is reasonably required by shareholders to decide how to vote upon the resolutions.

The Directors unanimously recommend shareholders vote in favour of all Resolutions. For reasons of good governance, each Director respectively abstains where that Director has an interest in the outcome of a particular resolution and these interests are identified throughout this Explanatory Memorandum.

Resolutions 1 and 3 are ordinary resolutions, which require a simple majority of votes cast by Shareholders present and entitled to vote on the resolution. Resolution 2, relating to the Remuneration Report, is advisory and does not bind the Directors or the Company. Resolution 4 is to be voted on as a special resolution. For a special resolution to be passed, at least 75% of the votes cast by Shareholders present and entitled to vote on the resolution must be in favour of the resolution.

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### **Resolution 1: Re-Election of Director – Mr Michael Aicher**

In accordance with clause 6.7 of the Constitution, Mr Michael Aicher retires and, being eligible, offers himself for re-election as a Director.

Mr Aicher was appointed as a non-independent Executive Director of the Company in May 2014.

Mr Aicher has over 30 years of industry experience, and was CEO and founder of National Genetics Institute (NGI) and acquired by Laboratory Corporation of America, Inc (Labcorp) in 2000.

More recently, Mr Aicher led LabCorp's Western Division and was previously responsible for the Company's Esoteric Business Units, which generated more than \$1 billion in annual revenue. Prior to NGI, Mr Aicher served in a number of executive leadership roles at Central Diagnostics Laboratory.

He currently serves as a director and on boards of Alveo Technologies and Fabric Genomics (formerly known as Omicia, Inc.) He is certified by the University of California at Berkeley as a Global Biotechnology Executive and is a recipient of Ernst & Young's "Entrepreneur of the Year" award for emerging technologies. Mr Aicher received a B.S. in Business Administration from the University of Redlands and an M.B.A. in Economics from Columbus University.

*The Directors, excluding Mr Michael Aicher, unanimously recommend that shareholders vote in favour of this Resolution 1.*

### **Resolution 2: Remuneration Report**

Section 250R(2) of the Corporations Act 2001 (Cth) (**Act**) requires that the section of the Directors' Report dealing with the remuneration of directors and key management personnel (**Remuneration Report**) be put to the vote of shareholders for adoption by way of a non-binding vote.

The Remuneration Report details the remuneration policies for the Company and:

- reports the remuneration arrangements for Directors and Key Management Personnel (**KMP**) of the Company;
- explains Board policies in relation to the nature and value of remuneration paid to KMP; and
- discusses the relationship between the policy and Company performance.



The Report is available in the Company's 2018 Annual Report (available on the GSS website at <http://geneticsignatures.com/>).

The Chairman will give shareholders a reasonable opportunity to ask questions about or make comments on the Remuneration Report. A resolution that the Remuneration Report be adopted will then be put to the vote.

This is an advisory resolution only (as stipulated by section 250R(3) of the Act) and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into account in setting remuneration policy for future years.

A voting exclusion statement is set out under Resolution 3 in the Notice of Meeting.

*The Directors abstain, in the interests of good governance, from making a recommendation in relation to this Resolution 2.*

### **Resolution 3: Grant of Options to Managing Director**

#### Background

Resolution 3 seeks shareholder approval for the grant of options to the Company's Managing Director (or his nominee) on the terms set out in this resolution (**Options**). The Company has agreed, subject to obtaining shareholder approval, to grant a total of 200,000 Options to Dr John Melki under the terms and conditions of the Genetic Signatures Limited Equity Incentive Plan (**EIP**) which was approved by Shareholders at the 2016 AGM.

No price will be payable by Dr Melki on grant or vesting of the Options. The Exercise Price of the Options will be due and payable at the time Dr Melki exercises any vested Options. The Exercise Price payable for the Options has been calculated as \$0.53, which is the volume weighted average market price at which the Shares traded on the ASX for the 30 days immediately preceding 28 August 2018 (being the date of the offer) (**Invitation**).

Dr Melki is a Director of the Company and therefore a related party under the Corporations Act 2001 (*Cth*) (**Act**).

The ASX Listing Rules (Listing Rules) and the Act set out a number of regulatory requirements which must be satisfied. These are summarised below:

#### ASX Listing Rule 10.14

Listing Rule 10.14 requires the approval of ordinary shareholders to issue securities under an employee incentive scheme to a director of the Company. Accordingly, approval for the issue of the Options to Dr Melki is required. Approval of this resolution will result in the grant of options under the EIP to Dr Melki falling within exception 14 in Listing Rule 7.2 (in addition to exception 9 which already applies). Therefore, the issue of securities to Dr Melki will not be included in the 15% calculation for the purposes of Listing Rule 7.1. The issue of shares in the Company on the exercise of EIP Options will also be excluded from Listing Rule 7.1.

### Options – terms and conditions

Shareholder approval is sought for the Company to grant Options to Dr Melki under the EIP. The vesting conditions are as follows:

Tranche	% of Options available to vest	Vesting Date
Tranche 1	25	12 months after Grant Date
Tranche 2	25	24 months after Grant Date
Tranche 3	25	36 months after Grant Date
Tranche 4	25	48 months after Grant Date

In general, Dr Melki must remain employed to remain eligible to participate in the EIP on the vesting date for the Options to vest. This generally means that Options will be subject to tenure conditions but there will generally be no other performance or vesting conditions.

Once vested, Options must be exercised within 15 years of the award of the Options. In the event of cessation of employment, a Participant will have up to 30 days to exercise any vested Options, otherwise all unexercised vested Options and unvested Options are forfeited.

If Dr Melki ceases to be an employee prior to any relevant Vesting Date, Options will lapse.

### Price payable

No price will be payable by Dr Melki on grant or vesting of the Options. The Exercise Price of the Options will be due and payable at the time Dr Melki exercises any vested Options. The Exercise Price payable for the Options has been calculated as \$0.53, which is the volume weighted average market price at which the Shares traded on the ASX for the 30 days immediately preceding 28 August 2018 (being the date of the offer) (**Invitation**).

Participants must comply with GSS' Share Trading Policy, however no other post vesting disposal restrictions will apply to any shares allocated on exercise of any vested Options.

### Change of control

In the event of a change of control, that number of Options determined on a pro-rata basis from the date of grant will automatically become exercisable, regardless of whether or not the Vesting Conditions have been met.

### Information provided for the purpose of the ASX Listing Rules 10.14 and 10.15

The following information is provided to shareholders in relation to Resolution 3:

- Dr Melki is the Managing Director and Chief Executive Officer of the Company.
- Approval is being sought for the issue of 200,000 Options to Dr John Melki (or his nominee) under the company's EIP for nil financial consideration, which subject to the achievement of vesting conditions, may convert to ordinary shares in the capital of GSS.
- Each Option carries the right, but not the obligation to acquire a certain amount of shares in GSS at a predetermined price (**exercise price**) and will be subject to the terms and conditions of the EIP.
- It is anticipated that the Options will be issued by the Company within one (1) month of the AGM and no later than twelve (12) months after the AGM.
- No amount will be payable on the grant of an Option.
- The predetermined price of the Options will be due and payable at the time the Participant exercises any vested options. The predetermined price payable for the Options will be the volume weighted average price at which the shares have traded on the ASX for the 30 days immediately preceding 28 August 2018 and has been calculated at \$0.53 per vested Option.

- All Directors are entitled to participate in the Plan. At the date of the Notice, the Directors of the Company are Dr Nickolaos Samaras, Mr Phillip Isaacs, Dr Anthony Radford AO, Mr Michael Aicher and Dr John Melki.
- The EIP was approved by shareholders at the 2016 AGM.
- Since the EIP was approved by shareholders, the Directors have received the following grant of options under the EIP:
  - Dr John Melki – 100,000 (approved by shareholders at the 2016 AGM)
- All funds raised on payment of the exercise price of the Options will be used as working capital.
- There is no loan attaching to the offers of Options.
- A voting exclusion statement is set out under Resolution 3.
- If approval is given for the issue of securities under Listing Rule 10.14, approval is not required under Listing Rule 7.1

*The Directors (apart from Dr Melki) who do not have an interest in the outcome of the relevant resolution, unanimously recommend that shareholders vote in favour of Resolution 3 for the reasons set out below:*

- *the Company wishes to maximise the use of its cash resources towards the Company's development and equity based incentives, such as options, are used to supplement cash based remuneration; and*
- *the granting of the Options package proposed is commensurate with market practice.*

#### **Resolution 4. Approval of Additional Share Issue Capacity under ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A enables mid to small cap listed companies to seek shareholder approval by special resolution to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue over a 12 month period (**10% Placement Facility**). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

A company is eligible to seek shareholder approval for this additional placement capacity if it satisfies both of the following criteria at the date of its Annual General Meeting:

- a. it has a market capitalisation of \$300 million or less; and
- b. it is not included in the S&P/ASX 300 Index.

The Company currently satisfies both the above criteria, and it is anticipated that it will satisfy both these criteria at the date of the AGM.

For illustrative purposes, the Company's market capitalisation was \$60.28mill based on a closing price of \$0.58 on 10 October 2018.

Accordingly, Resolution 4 is seeking approval of ordinary Shareholders by special resolution for the issue of such number of equity securities as calculated under the formula in ASX Listing Rule 7.1A.2, at an issue price as permitted by ASX Listing Rule 7.1A.3 to such persons as the Board may determine, on the terms as described in this Explanatory Memorandum.

At the date of this Notice, the Company has on issue 103,926,937 fully paid ordinary shares and, as at the date of this notice of meeting is finalised, have a capacity to issue:

- a. 15,589,041 equity securities under ASX Listing Rule 7.1; and
- b. 10,392,694 equity securities under ASX Listing Rule 7.1A.

The actual number 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 following formula prescribed in ASX Listing Rule 7.1A.2:

$(A \times D) - E$

Where:

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

- Plus the number of fully paid ordinary securities issued in the 12 months under an exception in ASX Listing Rule 7.2;
- Plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- Plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under ASX Listing Rules 7.1 or 7.4;
- Less the number of fully paid ordinary securities cancelled in the 12 months.

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 issue date or date of agreement to issue that are *not* issued with the approval of holders of ordinary securities under ASX Listing Rules 7.1 or 7.4.

The effect of Resolution 4 will be to allow the Directors to issue equity securities under ASX Listing Rule 7.1A during a 10% placement period, in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

### Information required by ASX Listing Rule 7.3A

For the purposes of ASX Listing Rule 7.3A, the following information is provided:

- **The minimum price at which the equity securities will be issued** – the minimum price at which the equity securities will be issued will be no less than 75% of the volume weighted average price for ordinary shares calculated over the 15 trading days on which trades are recorded immediately before:
  - a. the date on which the price at which the shares are to be issued is agreed; or
  - b. if the shares are not issued within 5 trading days of the date in paragraph a., the date on which the shares are issued.
- **Risk of economic and voting dilution** – if Resolution 4 is approved by Shareholders and the Company issues equity securities under the 10% Placement Facility, the existing ordinary Shareholders face the risk of economic and voting dilution as a result of the issue of equity securities which are the subject of this Resolution, to the extent that such equity securities are issued, including:
  - a. the market price of equity securities may be significantly lower on the issue date than on the date on which this approval is being sought; and
  - b. the equity securities may be issued at a price that is at a discount to the market price for those 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 following table gives examples of the potential dilution of existing ordinary 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. This table demonstrates various examples as to the number of equity securities that may be issued under the additional 10% Placement Facility.

The table also shows:

- a. two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. 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
- b. two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

No. of Shares on Issue <sup>1</sup>	Dilution			
	Issue price (per Share)	\$0.29 50% decrease in Issue Price	\$0.58 Issue Price	\$1.16 100% increase in Issue Price
103,926,937 (Current)	Shares issued	10,392,694	10,392,694	10,392,694
	Funds raised	\$3,013,881	\$6,027,762	\$12,055,525
155,890,405 (50% increase)	Shares issued	15,589,041	15,589,041	15,589,041
	Funds raised	\$4,520,822	\$9,041,644	\$18,083,287
207,853,874 (100% increase)	Shares issued	20,785,387	20,785,387	20,785,387
	Funds raised	\$6,027,762	\$12,055,525	\$24,111,049

- The table has been prepared on the following assumptions:
  - a. the Company issues the maximum number of equity securities available under the 10% Placement Facility in ASX Listing Rule 7.1A;
  - b. no unlisted Options in ordinary shares are exercised before the date of issue of ordinary shares under ASX Listing Rule 7.1A;
  - c. the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
  - d. the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the AGM;
  - e. the table shows only the effect of issues of equity securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1;
  - f. the issue of equity securities under the 10% Placement Facility consists only of shares; and
  - g. the issue price is \$0.58 per share, being the closing price of the shares on ASX on 10 October 2018.

<sup>1</sup> Variable "A" in Listing Rule 7.1A.2

- **Date by which the company may issue the securities** – if any of the shares being approved by this Resolution are issued, they will be issued during the placement period, that is, within 12 months of the date of the AGM (i.e. by 29 November 2019) and the approval being sought under Resolution 4 will cease to be valid if ordinary Shareholders approve 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) prior to 29 November 2019.
- **Purpose for which the equity securities may be issued** – the Company may use the funds raised primarily for commercial expansion in Australia, the European Union and the USA, obtaining further regulatory approvals to GSS' products, further product development and working capital purposes.
- 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 under Listing Rule 7.1A.
- **Details of the Company's allocation policy for issues under approval** – 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 allottees of any equity securities that may be issued have not been determined as at the date of this Notice, but may include existing Shareholders and/or parties who are not currently Shareholders and are not related parties or associates of the Company. Any potential allottees will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:
  - a. the methods of raising funds available to the Company (including but not limited to, rights issue or other issues in which existing security holders can participate), while balancing interest from potential allottees with the interests of existing Shareholders;
  - b. the effect of the issue of equity securities on the control of the Company and balancing the interests of existing Shareholders. Allocation will be subject to takeover thresholds;
  - c. the financial situation and solvency of the Company and its need for working capital at any given time; and
  - d. advice from corporate, financial and broking advisors (if applicable).

Previous Approval under ASX Listing Rule 7.1A

- The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its 2017 Annual General Meeting held on Tuesday, 28 November 2017.
- In the twelve months preceding the date of the proposed 2018 Annual General Meeting, the Company has issued Nil (0) fully paid ordinary shares and 705,000 unquoted options (a total of 705,000 equity securities) which represents 0.68% of the total number of equity securities on issue at the commencement of the 12 month period (being 29 November 2017), details of which are as follows:
  - a total of 705,000 unquoted options were issued to senior GSS staff in December 2017. The specific disclosure required under ASX Listing Rule 7.3A.6 is also included in the table below.

<b>Date of Issue</b>	<b>11 December 2017</b>
Number issued	705,000
Class of equity securities	Unlisted Options
Names of persons to whom equity securities were issued or the basis on which those persons were determined	Senior Staff

Issue price and discount to market price (if any)	Nil
Total cash consideration	Not applicable
Use of cash consideration	Not applicable
Non-cash consideration	Not applicable

- A Voting Exclusion Statement is set out under Resolution 4 in the Notice of Meeting. Potential allottees under the 10% Placement Facility (should it be approved) have not been identified as at the date of this Notice, but may include existing shareholders and/or parties who are not currently shareholders and are not related parties or associates of the Company.

Resolution 4 is a special resolution. For a special resolution to be passed, at least 75% of the votes cast by shareholders present and entitled to vote on the resolution must be in favour of the resolution.

*The Directors unanimously recommend shareholders vote in favour of this Resolution 4.*

## 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 11:00am (Sydney Time) on Tuesday 27 November 2018.**

### 🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/gssagm2018>
- 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 **11:00am (Sydney Time) on Tuesday, 27 November 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/gssagm2018>
- 📠 **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.



# Genetic Signatures Limited

ACN 095 913 205

## 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 **Genetic Signatures 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 **BDO, Level 11, 1 Margaret Street, Sydney NSW 2000 on Thursday, 29 November, 2018 at 11:00am (Sydney Time)** 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 Resolutions 2 and 3, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 2 and 3 are 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 all Items of business (including Resolutions 2 and 3). 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	Re-election of Director – Mr Michael Aicher	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval for the issue of Options to Dr John Melki	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Adoption of Additional Share Issue Capacity under ASX Listing Rule 7.1A	<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

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2018