



Notice of Annual General Meeting and Explanatory Statement

The Annual General Meeting of

GENERA BIOSYSTEMS LIMITED
ABN 69 098 663 837

*Will be held at
1.00pm on Thursday, 26 November 2015*

*At the offices of
Grant Thornton, The Rialto
Level 30, 525 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

GENERA BIOSYSTEMS LIMITED

ABN 69 098 663 837

Registered office: Small Technologies Cluster, 1 Dalmore Drive, Scoresby, Victoria, 3179

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Members of Genera Biosystems Limited (the "Company") will be held at the offices of Grant Thornton, Level 30, 525 Collins Street, Melbourne, Victoria at 1.00pm (AEDT) on 26 November 2015.

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 year ended 30 June 2015.

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 year ended 30 June 2015 be adopted."

Resolution 2: Re-election of Mr Richard Hannebery as a Director of the Company

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

"That Mr Richard Hannebery, 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: Re-election of Mr David Symons as a Director of the Company

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

"That Mr David Symons, 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 4: Approval to Grant Performance Rights to Mr Richard Hannebery (or his nominee)

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

"That pursuant to and in accordance with the ASX Listing Rule 10.14 and all other purposes, approval be given to grant up to 2,000,000 Performance Rights (being a right to acquire up to 2,000,000 fully paid ordinary shares in the Company subject to satisfaction of relevant performance conditions) for no consideration to Mr Richard Hannebery (a Director of the Company), or his nominee, as described in the Explanatory Statement accompanying this Notice of Meeting"

Resolution 5: Re-approval of Employee Share Option Plan

To consider and, if thought fit, to 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, re-approval is given to the issue of securities under the Genera Biosystems Limited Employee Share Option Plan (Plan) as an exception to ASX Listing Rule 7.1 on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of the Notice of Meeting."

Resolution 6: Ratification of Prior Issue of Securities

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

"That for the purpose of Listing Rule 7.4 and for all other purposes, shareholders approve and confirm the issue of 25,000 Convertible Notes and their potential conversion into fully paid ordinary shares in the Company to existing Genera shareholders who are sophisticated and professional investors as announced to the market on 31 December 2014 and 11 March 2015 on the basis as set out in the accompanying Explanatory Memorandum."

SPECIAL BUSINESS

Resolution 7: 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 ORDER OF THE BOARD



Melanie Leydin
Company Secretary
14 October 2015

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. **Voting:** 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 7pm, 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. **Voting Exclusion Statement:**

Resolution 1

The Company will disregard any votes cast on this resolution (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. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 4

The Company will disregard any votes cast on the subject resolution by Mr Richard Hannebery and/or his associates. However the Company need not disregard a vote if:

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

Resolution 5

The Company will disregard any votes cast on the Resolution 5 by any Director (other than a Director who is ineligible to participate in any employee incentive scheme in relation to the Company) and any of their associates.

However, the Company need not disregard a vote on the Resolution 5 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 proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 6

The Company disregard any votes cast on Resolution 6 by any Noteholders until converted into Shares.

Resolution 7

The Company will disregard any votes cast on Resolution 7 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.

EXPLANATORY STATEMENT

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2015 (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. 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 2015 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.

The Corporations Act requires the Company to put a resolution to Shareholders that the 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

The Company encourages all eligible Shareholders to cast their votes in favour of Resolution 1 (Remuneration Report).

Voting Exclusions

The Company will disregard any votes cast on this resolution (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. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 2: Re-election of Mr Richard Hannebery as a Director of the Company

In accordance with ASX Listing Rule 14.4 and Rule 57 of the Company's Constitution, Directors must retire after the third AGM since they were last elected. Further, in accordance with the Company's Constitution, at the close of each AGM one-third of the Directors, or if their number is not a multiple of three, then the number nearest to but not more than one-third of the Directors, must retire. The Directors to retire by rotation at the AGM are those Directors who have been longest in office since their last election. The Managing Director is not subject to retirement by

rotation and is, together with any Directors appointed during the year, not taken into account in determining the rotation of retirement of Directors.

Mr Hannebery has 20 years' experience in commercial and financial advisory services with Merrill Lynch, Credit Suisse, JT Campbell & Co and Lodge Partners as well as numerous high growth technology and medtech companies. He has over 10 years' experience as a specialist in healthcare technology and intellectual property based companies.

Mr Hannebery was Corporate Development Director of Genera from 2005 to 2008, prior to the company's listing on the ASX. He was responsible for the initial agreements struck with both Healthscope and Sonic Healthcare and in May 2013 he re-joined the board in the Corporate Development role to help drive the execution of Genera's commercialisation strategy. Richard was promoted into the Chief Executive role in October 2014 to take direct responsibility of all facets of Genera's commercialisation and partnering activities. He currently serves as a director of Australian Continence Solutions Pty Limited and its operating Company Nuturecare (Aust) Pty Limited whilst also serving as a Director of Micro-X Pty Ltd.

Directors Recommendations

In respect of Resolution 2, the Directors (excluding Mr Hannebery) recommend that shareholders vote in favour of the Resolution.

Resolution 3: Re-election of Mr David Symons as a Director of the Company

In accordance with ASX Listing Rule 14.4 and Rule 57 of the Company's Constitution, Directors must retire after the third AGM since they were last elected. Further, in accordance with the Company's Constitution, at the close of each AGM one-third of the Directors, or if their number is not a multiple of three, then the number nearest to but not more than one-third of the Directors, must retire. The Directors to retire by rotation at the AGM are those Directors who have been longest in office since their last election. The Managing Director is not subject to retirement by rotation and is, together with any Directors appointed during the year, not taken into account in determining the rotation of retirement of Directors.

Mr Symons has approximately 20 years' experience in private equity, investment banking, corporate management and strategic communications as well as financial journalism. Mr Symons has previously held executive roles at Cato Counsel, ABN AMRO Capital, Macquarie Bank, Merrill Lynch and Promina Group. Prior to the IPO of Genera, Mr Symons sat on the Company's Board from October 2007 through to March 2008.

Directors Recommendations

In respect of Resolution 3, the Directors (excluding Mr Symons) recommend that shareholders vote in favour of the Resolution.

Resolution 4: Approval to Grant Performance Rights to Mr Richard Hannebery (or his nominee)

Background

Resolutions 4 of this Notice provide for 2,000,000 Performance Rights to be granted to Mr Richard Hannebery (or his nominee) on the terms described below.

Performance Rights are proposed to be granted to Mr Richard Hannebery (or his nominee) to align his interests with the interests of Shareholders. The grant of the Performance Rights (and the subsequent issue of Shares if certain vesting conditions are met) to Mr Richard Hannebery (or his nominee) is a cost effective form of remuneration when compared to the payment of cash consideration.

It should also be noted that the rights will only vest upon achievement of certain performance hurdles as detailed below.

The establishment of an effective performance management system is critical for the Company at this time to ensure that the Company complies with all of its obligations whilst maintaining a focus on future growth opportunities. A key role of the benefactors of this program is to ensure that this objective is achieved. It should be recognised that the achievement of these objectives will be to the benefit of all shareholders, and the conversion of the performance rights can only occur if these benefits are realised.

Consistent with the desire to minimise cash expenditures, the Board believes that having regard to the Company's current cash position and in order to compensate Mr Richard Hannebery (or his nominee) in line with current

market practices, Performance Rights provide an appropriate and meaningful remuneration component to Directors that is aligned with Shareholder interests.

Terms of Performance Rights

Resolution 4 of this Notice provides for a total of 2,000,000 Performance Rights to be granted to Mr Richard Hannebery (or his nominee). The Performance Rights will be issued to Mr Hannebery for nil consideration. The vesting of the Performance Rights is contingent on the Company and Mr Richard Hannebery achieving hurdles over the performance period (**Performance Hurdles**). Further details on how Performance Hurdles are calculated are described below.

The full terms of the Performance Rights are set out in Annexure A of this Explanatory Statement.

Mr Richard Hannebery Remuneration Package

Mr Richard Hannebery was appointed as Chief Executive Officer on 15 October 2014. As announced on 23 October 2014, his remuneration package on commencement as CEO of the Company comprises:

- a fixed component of \$180,000 per annum reviewable annually;
- the opportunity to earn an annual short term incentive bonus based on achievement of key performance indicators at the discretion of the Board; and
- an entitlement to receive Performance Rights, subject to shareholder approval.

As this is the first Annual General Meeting since the implementation of the Performance Rights Plan, approval is being sought in Resolution 4 in respect of the proposed grant of Performance Rights to Mr Richard Hannebery under the LTI Plan as a component of his overall executive remuneration package put in place on his appointment as CEO.

Performance Rights offered

Tranche	Performance Rights Offered	Performance Period	Vesting Date
Tranche A	500,000	15 October 2014 to 15 March 2015	30 June 2015
Tranche B	500,000	15 October 2014 to 15 September 2015	30 September 2015
Tranche C	1,000,000	15 October 2014 to 15 March 2016	31 March 2016

The maximum number of Performance Rights that can be granted to Mr Hannebery is 2,000,000.

The company notes that all of Tranche A and a substantial amount of Tranche B will be issued and vest following shareholder approval.

The Shares issued to Mr Hannebery upon vesting of the Rights in Tranches A and B will be issued subject to a holding lock (so that they cannot be transferred) for a period of 12 months and 9 months respectively from the Vesting Date. The Shares may be released from the holding lock early if certain events occur which are outside of Mr Hannebery's control (ie. if a change of control occurs in respect of the Company). Further, if Mr Hannebery ceases to be employed by the Company, the Shares will be released from the holding lock. Shares to be issued upon vesting of Tranche C Rights will not be subject to a holding lock.

The extent of the vesting of the Rights will be conditional upon the achievement of the vesting conditions (described below) in the Relevant Performance Period and 50% of Tranche C Rights will be subject to a total shareholder return (TSR) performance measure. This performance measure tests the the TSR of Genera over the period to March 2016 compared to the TSR of the S&P ASX Small Ordinaries Accumulation Index (Index). TSR is expressed as an annualised percentage.

TSR has been selected as a Long Term Incentive (LTI) Equity performance measure as it is directly linked to Shareholder returns. The Board recognises that Shareholders in biotechnology companies expect a return in excess of the Index, and have determined that an additional return of 20% above the Index return represents a realistic but stretching target, and is the level at which full vesting of the relevant Rights will occur.

All tranches are conditional upon Mr Hannebery still being employed by the Company at the applicable Vesting Date. All or part of the Rights may vest earlier, at the Board's discretion, if certain events occur which are outside of Mr Hannebery's control (ie. if a change of control occurs in respect of the Company).

Conversion of Performance Rights into Shares

The Company is required to issue, or procure the transfer of, Shares to Mr Hannebery in respect of Performance Rights for nil cash consideration on:

- (a) the satisfaction of the Performance Hurdles (to the extent of the satisfaction of those hurdles) for the relevant Performance Period (Performance Date) provided that in the absence of special circumstances Mr Hannebery remains employed by the Company.; or
- (b) the occurrence of an Accelerated Event (more detail on the meaning of an Accelerated Event is provided below),

Performance Hurdles

Subject to an Accelerated Event, the Performance Rights will not vest unless the Performance Hurdles have been achieved by the Performance Date.

If the Performance Hurdles are not satisfied by the Performance Date the entitlement to Shares will lapse unless:

- (a) the Board decide exceptional circumstances justify the reduction or waiver in whole or in part of the Performance Hurdles; or
- (b) an Accelerated Event occurs.

There is no ability to re-test whether or not the Performance Hurdles have been satisfied after the Performance Period has ended.

The vesting of Rights are dependent upon which KPI's set by the Board have been achieved over the relevant Performance Period.

The KPIs are as follows:

- a) To diligently advance the Company's Strategic Commercial Collaboration with Beckman Coulter (BEC) and subsequent commercialisation of Genera's AmpaSand MDx platform on the chosen BEC instrumentation platform(s);
- b) To diligently advance other commercial partner discussions including but not limited to distribution agreements of AmpaSand based tests in jurisdictions outside of Australia and NZ;
- c) To complete the Predictors 3 PapType HPV screening study to best position PapType for a screening indication (Meijer compliant) and successfully submit an application for PapType for inclusion on the Medicare Benefits Schedule;
- d) To diligently pursue commercial supply agreements for AmpaSand based tests with pathology customers in Australia and NZ;
- e) To diligently pursue, negotiate and execute a global licensing agreement (excluding certain jurisdictions to be retained by Genera) with a well credentialled multinational IVD company that can deliver substantial revenues to Genera in a profitable manner;
- f) To fully support Genera's commercial partner's product launches of AmpaSand based tests through validation, certification and pre-launch activities;
- g) To manage existing partnerships and execute further commercial arrangements to build Shareholder value in respect to the commercialisation of the AmpaSand MDx platform, including expansion of Genera's diagnostic test menu; and
- h) To manage the Company's capital and finances in a prudent manner and secure appropriate personnel to execute the Company's plans.

The KPIs selected relate to key value creating events and significant milestones. The KPIs include performance metrics, however due to their commercially sensitive nature, the Company intends to provide further details related

to the performance metrics in the annual report following the relevant Performance Period. There is an element of discretion retained by the Board related to these performance metrics as the path to commercialisation with some projects may be varied depending on progress over time.

In addition to the Performance Period and Performance Hurdles, the vesting of Performance Rights is subject to the continuing employment of Mr Richard Hannebery. Subject to an Accelerated Event, Performance Rights will generally lapse on Mr Richard Hannebery resignation or dismissal.

If an Accelerated Event occurs, all Performance Rights granted will automatically vest into Shares, irrespective of whether Performance Hurdles have been achieved.

To the extent that Performance Hurdles have not been satisfied in respect of a Performance Right, and an Accelerated Event has not occurred, once a Performance Period expires, that Performance Right lapses.

Accelerated Event

Performance Rights granted under the LTI Plan will convert to Shares if an Accelerated Event has occurred. For the avoidance of doubt, if an Accelerated Event occurs, the Performance Hurdles and the associated Performance Period do not apply to any of the Performance Rights granted under the LTI Plan to an Executive Officer.

An 'Accelerated Event' means:

- (a) the Company becoming aware of a change of control of the Company occurring;
- (b) a compromise or arrangement is approved by the Court under the Corporations Act in connection with a scheme for the acquisition, reorganisation or merger of the Company;
- (c) the Company is delisted from ASX;
- (d) a resolution is passed to wind up the Company; or (e) only in respect of the relevant Executive Officer, a special circumstance occurs (Special Circumstance). Special Circumstance means with respect to an Executive Officer:
 - (i) Total and permanent disablement;
 - (ii) Redundancy;
 - (iii) the death of the Executive Officer during his or her employment or office with the Company; or
 - (iv) any other circumstance as the Remuneration & Nomination Committee may at any time determine from time to time.

Legal Requirements - Listing Rule 10.14

Listing Rule 10.14 provides that a company must not permit a Director or their associates to acquire securities under an employee incentive scheme without shareholder approval. The LTI Plan constitutes an 'employee incentive scheme' under the ASX Listing Rules.

Disclosures for the purposes of Listing Rule 10.14

It is proposed that Mr Richard Hannebery, will participate in the LTI Plan by being granted an award of Performance Rights. As Mr Richard Hannebery is a director of the Company, shareholder approval is required in respect of the proposed grant of Performance Rights to Mr Richard Hannebery and the issue of Shares on the vesting of such Performance Rights upon satisfaction of the applicable vesting conditions. The Notice of Meeting and Explanatory Notes have been prepared to comply with Listing Rule 10.15A. No director of the Company, other than Mr Richard Hannebery is eligible for participation in the LTI Plan.

The following disclosures are made for the purposes of Listing rule 10.15A:

- (a) the maximum number of Performance Rights that can be awarded under this approval are 2,000,000 to Mr Richard Hannebery (or his nominee). Subject to the satisfaction of the vesting conditions described above, Mr Richard Hannebery (or his nominee) will receive one share in the Company for each Performance Right granted;
- (b) no consideration is payable on the grant of the Performance Rights, or the conversion of each Performance Right into a Share upon satisfaction of the vesting conditions;
- (c) Mr Richard Hannebery is the only director (ie person referred to in Listing rule 10.14) entitled to participate in the LTI Plan;
- (d) no loan will be made by the Company in relation to the grant of Performance Rights to Mr Richard Hannebery;

- (e) details of any Performance Rights issued under the LTI Plan will be published in each annual report of the Company relating to a period in which the Performance Rights have been issued, and the annual report will confirm that approval for the issue of securities was obtained under Listing Rule 10.14. There have been no performance rights issued under the current plan;
- (f) any director other than Mr Richard Hannebery who become entitled to participate in the LTI Plan after Resolution 4 is approved and who was not named in these Explanatory Notes will not participate until approval is obtained under Listing Rule 10.14; and
- (g) it is proposed that the Performance Rights will be granted to Mr Richard Hannebery (or his nominee) no later than 5 days after the AGM, subject to the passing of the resolution.

Advantages and Disadvantages

The Board notes that advantages may accrue to the Company and members as a result of the passing of this Resolution. These advantages potentially include the alignment of Mr Hannebery interests more closely with those of members, with a strong focus on the delivery of long term total shareholder return.

The Board notes that disadvantages may accrue to the Company and members as a result of the passing of this Resolution. These disadvantages include dilution to members' interest in the Company as a result of the grant of Shares under the Performance Rights. The fair value of the Performance Rights over the Performance Periods will be expensed in the Company's Consolidated Statement of Comprehensive Income.

Board Recommendation

The Board has approved the grant of Performance Rights to Mr Richard Hannebery (or his nominee) to secure his tenure with the Company as part of their remuneration as Chief Executive Officer and to provide an incentive to improve the financial performance of the Company and, in turn, shareholder value.

The Board (with Mr Richard Hannebery abstaining) considers the grant of Performance Rights to Mr Richard Hannebery (or his nominee) in these circumstances to be appropriate and reasonable and recommends you vote in favour of this resolution.

Voting Exclusions

The Company will disregard any votes cast on the subject resolution by Mr Hannebery and/or his associates. However the Company need not disregard a vote if:

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

Resolution 5: Re-approval of Employee Share Option Plan

The Genera Biosystems Limited Employee Share Option Plan (Plan) was last approved by Shareholders at the Company's 2012 Annual General Meeting. The Plan provides employees with an opportunity to share in the growth in the value of the Company and to encourage them to improve the performance of the Company and its return to Shareholders. The Plan gives the Board the ability to provide a remuneration mix to employees and is intended to assist the Company to attract and retain skilled and experienced employees and provide them with the motivation to enhance the Company's success.

Listing Rule Requirements

Under ASX Listing Rule 7.1, the number of equity securities (which includes shares, options over unissued shares and rights to shares) a company may issue in any 12-month period must not exceed 15% of the Company's issued capital unless an exception applies or Shareholder approval for the issue is obtained (the '**15%-in-12-months rule**').

One exception to the 15%-in-12-months rule, which is set out in Exception 9 to ASX Listing Rule 7.2, is where there is an issue of securities under an employee incentive scheme if, within 3 years before the date of issue of the relevant equity security, holders of ordinary securities in the Company have approved the issue of equity securities under the employee incentive scheme.

The Plan is an “employee incentive scheme” for the purposes of ASX Listing Rule 7.2. Shareholder approval is being sought for the issue of Rights (refer to “Plan Summary” below) under the Plan to employees over the 3 year period from the date of the Annual General Meeting. The Plan was last approved at the 2012 AGM and 7,060,000 options have been issued under the Plan to the date of this Notice of Meeting since the last approval in 2012.

If Shareholders approve Resolution 5, any issue of securities under the Plan within the 3 year period from the date of the Annual General Meeting will be treated as having been made with the approval of Shareholders for the purposes of ASX Listing Rule 7.2 and, consequently, the issue of those securities will be excluded from the calculation of the maximum number of new securities that can be issued by the Company without Shareholder approval for the purposes of the 15%-in-12-months rule.

The issue of any Securities to Directors under the Plan, including the Managing Director of the Company, will require separate Shareholder approval under ASX Listing Rule 10.14.

Plan Summary

A summary of the key terms and conditions of the Plan are as follows:

- (a) The Board may from time to time invite Directors and employees of the Company and its subsidiaries to participate in the Plan (Participant) by offering them the opportunity to acquire Securities.
- (b) Upon vesting, each Security will automatically convert into one fully paid Share.
- (c) Vesting of Securities is conditional upon the Participant achieving on or before the Vesting Date the performance goals attaching to the Securities.
- (d) Vesting of Securities is also conditional on the Participant having been continuously employed by the Company from the date of grant of the Securities to the Vesting Date (inclusive). Where cessation of employment is due to death, illness, permanent disability, redundancy or any other circumstance approved by the Board, all unvested Rights granted to the relevant Participant under the Plan will lapse unless the Board determines otherwise having regard to:
 - the portion of the Performance Period elapsed; and
 - the extent to which the Performance Conditions (if any) have been met.
- (e) The Board has the discretion to determine whether Securities will vest and become exercisable if a Change of Control Event happens (or as a result of a proposed Change of Control Event).
- (f) No consideration is payable by a Participant for Securities and the resultant Shares on vesting of the Securities.
- (g) Once securities have vested the resultant Shares may be subject to a disposal restriction, and a holding lock may be applied to the relevant Shares, for a period of 1 year from the vesting date, unless otherwise determined by the Board.
- (h) The Shares may be released from a holding lock early if certain events occur which are outside the control of the Participant (e.g. if a change of control occurs in respect of the Company). Further, if the Participant ceases to be employed by the Company (or a related body corporate of the Company), the Shares will be released from any holding lock.

A copy of the Plan Rules is available on request from the Company Secretary by calling (03) 9692 7222 or by email to mleydin@leydinfreyer.com.au.

Recommendation

Noting that the issue of any Securities to Directors under the Plan, including the Managing Director of the Company, will require a separate Shareholder approval under ASX Listing Rule 10.14 and that each Director is excluded from voting their Shares on Resolution 6 (as set out in the voting exclusion statement in the Notice of Meeting), the Board recommends that Shareholders vote in favour of this ordinary resolution.

Voting Exclusions

The Company will disregard any votes cast on the Resolution 5 by any Director (other than a Director who is ineligible to participate in any employee incentive scheme in relation to the Company) and any of their associates.

However, the Company need not disregard a vote on the Resolution 5 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 proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 6 – Ratification of Prior Issue of Securities

Resolution 6 of the Notice seeks shareholder approval for the purpose of Listing Rule 7.4 and all other purposes for the prior issue of 25,000 unlisted Series B Convertible Redeemable Notes (“Notes”) at an issue price of \$100 per Note to sophisticated investors and professional investors to raise approximately A\$2,500,000 before costs of the issue.

Terms of the Notes

The terms of the Notes are summarised below:

Subscription Price

The Subscription Price of the Notes is \$100 per Note.

Payment of the Subscription Price

The payment of the aggregate Subscription Price of the Notes was made by the Note holders by electronic funds transfer.

Interest

No Interest is payable on the Notes.

Maximum Issued

The maximum number of Notes to be issued without obtaining approval from existing holders is 30,000 Notes of which 25,000 have been issued.

Maturity Date

The maturity date is 30 December 2016.

ASX Status and Conversion Price

The Notes will be unlisted but may be converted at the election of the holder any time. The conversion price for any Notes converted prior to 31 July 2015 will be \$0.25 per fully paid ordinary share (“Share”). The conversion price for any Notes converted after 31 July 2015 will be \$0.23 per Share.

Company Conversion

The Notes will mandatorily convert into fully paid ordinary shares (“Shares”) at a conversion price of \$0.25 per share upon announcement of a cash takeover offer for 100% of the outstanding issued capital of the Company for which the board recommends the offer. Note holders will be entitled to a cash top up payment in the event of a board recommended offer under \$0.50 per share.

Early Redemption

Genera may redeem the Notes at any time for the greater of \$130.00 per Note or an amount that reflects a 30% annual return. Noteholders may redeem the Notes early upon the Company being in receipt of no less than \$7,500,000 cash proceeds from a monetisation in respect to the PapType test or any other test associated with the Company's intellectual property but not limited to the Ampasand platform itself.

Mandatory Redemption

The Notes are redeemable at 30 December 2016 at 169% of Face Value.

Ranking

The Notes are secured by a general security deed over all the assets and undertakings of the Company.

Adjustments

The Notes conversion terms shall be adjusted for any bonus issues or capital reconstructions.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue during any twelve (12) month period, any Equity Securities or other securities with rights to conversion to equity

(such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that twelve (12) month period.

ASX Listing Rule 7.4

ASX Listing Rule 7.4 provides that a company may reinstate its capacity to issue up to 15% of the ordinary securities on issue in a twelve (12) month period if shareholders ratify the previous issue of securities.

ASX Listing Rule 7.5

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) The number of convertible notes issued was 25,000 Notes in the Company. The aggregate number of new Shares into which the Notes may be converted is equal to the aggregate Subscription Price for the Notes divided by the Conversion Floor Price (currently a maximum of 10,869,565). This will increase the number of Shares on issue from 99,569,572 to a maximum of 110,439,137 (assuming that no other Options are exercised and no further Shares or Convertible Notes are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate maximum of 10.92%.
- (b) The Notes were issued at an issue price of \$100 each. Subject to adjustment in accordance with the Note terms (as described above), the Conversion Price is \$0.25 for any Notes converted prior to 31 July 2015 and \$0.23 for any Notes converted after 31 July 2015.
- (c) The terms of the Notes are outlined above. The Notes may be converted to Shares in the capital of the Company ranking equally with the Company's existing Shares. The Company will apply to ASX for quotation of the new Shares issued on conversion of the Notes.
- (d) The Notes were issued to 'Sophisticated Investors' and 'Professional Investors'.
- (e) The funds raised through this issue will fund the Company's working capital requirements and related activities.
- (f) A voting exclusion statement is included in the Notice of Meeting of which this Explanatory Memorandum forms part.

A table detailing those investors who participated in the issue is outlined below

Investor	Allotted number
Jetan Pty Ltd	3,850
O'Brien PF Pty Ltd <ATF O'Brien Pension Fund>	2,500
Anglesea Investments Pty Ltd <ATF Damien O'Brien Family Trust>	2,500
Lonsdale Nominees Pty Ltd <ATF The Lonsdale Fund>	2,500
Cleeve Family Superannuation Fund	2,300
CBK Nominees Pty Ltd <ATF Lewkey Superannuation Fund>	2,000
B3 Nominees Pty Limited <ATF Broadway No 3 Trust>	1,500
B3 Nominees Pty Limited <ATF Broadway No 1 Super Fund>	1,450
Hammond Royce Corporation Pty Ltd <ATF Len David Super Fund>	1,000
Sitch Superannuation Pty Limited	1,000
Mitchell Superannuation Fund	1,000
Fifth Vizcor Pty Limited <ATF SJ Ward Superannuation Fund>	700
Cochran Superannuation Fund Pty Ltd	700
AJ & B Guiney Pty Ltd <ATF The Guiney Superannuation Fund>	500
Bradgate Park Pty Ltd <ATF The Beavan Family Trust>	500
Titanium Holdings (VIC) Pty Ltd	500
JPS Distribution Pty Limited <Raff Family A/C>	200
Durbin Superannuation Pty Limited	200
Mr Brian Damian Pethica	100

Directors Recommendations

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

Voting Exclusions

The Company disregard any votes cast on Resolution 6 by any Noteholders until converted into Shares.

Resolution 7: Approval of 10% Placement Facility

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

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

The Company is 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 continues actively seeking to increase work on its current exploration assets and reviewing new potential projects and investments. Should the Company utilise the 10% Placement Facility, it intends to use the funds to acquire new resource assets or investments, to conduct further work on its current projects or to meet additional working capital requirements.

Directors Recommendations

The Directors of the Company believe that Resolution 7 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Voting Exclusions

The Company will disregard any votes cast on Resolution 7 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.

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 the Notice, has on issue two classes of Equity Securities, Shares and unlisted 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:

$$(A \times D) - E$$

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 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 99,569,572 Shares and therefore has a capacity to issue:

- (i) 14,935,436 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being obtained under Resolution 7, 9,956,957 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).

Listing Rule 7.1A

The effect of Resolution 7 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

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 7 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Listed Options, only if the Listed Options are exercised). 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 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		
		\$0.138 50% decrease in Issue Price	\$0.275 Issue Price	\$0.550 100% increase in Issue Price
Current Variable A 99,569,572 Shares	10% Voting Dilution	9,956,957 Shares	9,956,957 Shares	9,956,957 Shares
	Funds raised	\$1,369,082	\$2,738,163	\$5,476,326
50% increase in current Variable A 149,354,358 Shares	10% Voting Dilution	14,935,436 Shares	14,935,436 Shares	14,935,436 Shares
	Funds raised	\$2,063,622	\$4,107,245	\$8,214,490
100% increase in current Variable A 199,139,144 Shares	10% Voting Dilution	19,913,914 Shares	19,913,914 Shares	19,913,914 Shares
	Funds raised	\$2,738,163	\$5,476,326	\$10,952,653

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 Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;

- 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 Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - The issue price is **\$0.275**, being the closing price of the Shares on ASX on **9 October 2015**.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 7 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 such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure 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.

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.

- (f) 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.

Additional Disclosure under Listing Rule 7.3A**Information under Listing Rule 7.3A.6(a):**

The table below shows the total number of equity securities issued in the past 12 months preceding the date of the AGM and the percentages those issues represent of the total number of equity securities on issue at the commencement of the 12 month period.

Equity securities on issue 12 months preceding the date of the meeting (excluding convertible notes)	98,085,482
Equity securities issued in the prior 12 month period	22,013,655
Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period	22.4%

See below details of issues of all equity securities made in the previous 12 months:

Date of issue:	31 December 2014
Number issued:	20,000 Convertible Notes (convertible into 8,695,652 fully paid ordinary shares)
Type of equity security:	Convertible Notes
Recipient of securities:	Various professional and sophisticated investors
Price:	\$100 per note
Consideration received:	\$2,000,000
Valuation of Non-Cash Use of cash:	Raising of funds for the Company's working capital requirements

Date of issue:	31 December 2014
Number issued:	7,518,871
Type of equity security:	Fully Paid Ordinary Shares
Recipient of securities:	Various professional and sophisticated investors
Price:	11.5 cents
Consideration received:	Issue was for non-cash consideration on conversion of Series A Convertible Notes
Valuation of Non-Cash Consideration:	\$1,110,617 representing the book value of the outstanding liability that has been converted.

Date of issue:	9 February 2015
Number issued:	2,000,000
Type of equity security:	Unlisted Options
Recipient of securities:	Professional and Sophisticated Investors
Price:	Nil
Consideration received:	Issue was for non-cash consideration for interest amounts repayable on shareholder loans received during the year
Valuation of Non-Cash Consideration:	Based on a binomial pricing valuation model

Date of issue:	11 March 2015
Number issued:	5,000 Convertible Notes (convertible into 2,173,913 fully paid ordinary shares)
Type of equity security:	Convertible Notes
Recipient of securities:	Various professional and sophisticated investors
Price:	\$100 per note
Consideration received:	\$500,000
Use of cash:	Raising of funds for the Company's working capital requirements

Date of issue:	13 April 2015
Number issued:	1,437,648
Type of equity security:	Fully Paid Ordinary Shares
Recipient of securities:	Various professional and sophisticated investors
Price:	11.5 cents
Consideration received:	Issue was for non-cash consideration on conversion of 1,653 Series A Convertible Notes
Valuation of Non-Cash Consideration:	\$236,534 representing the book value of the outstanding liability that has been converted.

Date of issue:	13 April 2015
Number issued:	60,000
Type of equity security:	Fully Paid Ordinary Shares on exercise of options

Recipient of securities:	Employees of the Company
Price:	15 cents
Consideration received:	\$9,000
Use of Cash:	Raising of funds for the Company's working capital requirements
<hr/>	
Date of issue:	20 May 2015
Number issued:	50,000
Type of equity security:	Fully Paid Ordinary Shares on exercise of options
Recipient of securities:	Employees of the Company
Price:	15 cents
Consideration received:	\$7,500
Use of Cash:	Raising of funds for the Company's working capital requirements
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Date of issue:	7 August 2015
Number issued:	52,571
Type of equity security:	Fully Paid Ordinary Shares
Recipient of securities:	Employees of the Company
Price:	30 cents (deemed issue price)
Consideration received:	Issue was for non-cash consideration to incentivise employees of the Company
Valuation of Non-Cash Consideration:	\$15,771 based on prevailing market price at time of issue
<hr/>	
Date of issue:	7 September 2015
Number issued:	25,000
Type of equity security:	Fully Paid Ordinary Shares on exercise of options
Recipient of securities:	Employees of the Company
Price:	15 cents
Consideration received:	\$3,750
Use of Cash:	Raising of funds for the Company's working capital requirements
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PROXY AND VOTING INSTRUCTIONS

1. For the purposes of the Corporations Act, the Company has determined that all securities of the Company recorded on the Company's register as at 7.00pm (AEDT) on the date 2 days 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.
2. The details of the Resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and forms part of this Notice of Meeting.
3. A shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
4. If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting on that resolution as they think fit.
5. If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
6. Shareholders who return their proxy forms with a direction on how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf.
7. If a proxy form is returned but the nominated proxy does not attend the meeting, or does not vote on the resolution, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions.
8. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction on how to vote will be used where possible to support each of the resolutions proposed in this Notice.
9. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person excluded from voting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form, or where it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

Lodging your Proxy Form

Any duly executed Appointment of Proxy Form and the power of attorney (if the proxy form is signed by the appointer's attorney) or other authority under which it is signed or a copy of that power or authority certified as a true copy by statutory declaration **must be received no later than 1.00pm (AEDT) on Tuesday 24 November 2015. Any Appointment of Proxy Form received after that time will not be valid for the scheduled Annual General Meeting.**

The Appointment of Proxy Form accompanying this Notice of Annual General Meeting may be lodged using the reply paid envelope or:

ONLINE VOTING

To be valid, the proxy form, and any authority under which the form is signed, must be received by the Company or the Company's Share Registry prior to 1.00pm (AEDT) on 24 November 2015

You may submit your proxy online by using your smartphone or by visiting www.investorvote.com.au. To use this option, you will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and your allocated Control Number as shown on your proxy form. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions on the website. To use your smartphone voting service, scan the QR code which appears on the top of your proxy form and follow the instructions provided. To scan the code you need to have already downloaded a free QR code reader app to your smartphone. When scanned, the QR code will take you directly to the mobile voting site. A proxy cannot be appointed electronically if they are appointed under a Power of Attorney or similar authority. The online proxy facility may not be suitable for shareholders who wish to appoint two proxies with different voting directions. Please read the instructions for online proxy submissions carefully before you lodge your proxy.

Custodian Voting - For intermediary Online subscribers only (Custodians) please visit www.intermediaryonline.com to submit your voting intentions.

If you appoint a proxy, you may still attend the Annual General Meeting. However, your proxy's rights to speak and vote are suspended while you are present. Accordingly, you will be asked to revoke your proxy if you register at the Annual General Meeting.

GLOSSARY

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

“\$” means Australian Dollars;

“**10% Placement Facility**” has the meaning as defined in the Explanatory Statement for Resolution 7;

“**10% Placement Period Facility**” has the meaning as defined in the Explanatory Statement for Resolution 7;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2015;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**ASX Settlement Operating Rules**” means the rules of ASX Settlement Pty Ltd which apply while the Company is an issuer of CHES approved securities;

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

“**AEDT**” means Australian Eastern Daylight 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;

“**CHES**” has the meaning in Section 2 of the ASX Settlement Operating Rules;

“**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 Genera Biosystems Limited ABN 69 098 663 837;

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

“**Convertible Security**” means a security of the Company which is convertible into shares;

“**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;

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

“**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;

“**Listing Rules**” means the Listing Rules of the ASX;

“**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 Genera Biosystems Limited for the financial year ended 30 June 2015 and which is set out in the 2015 Annual Report.

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

“**Schedule**” means schedule to the Notice;

“**Section**” means a section of the Explanatory Memorandum;

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

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

“**Trading Day**” means a day determined by ASX to be a trading day in accordance with the Listing Rules;

“**VWAP**” means volume weighted average price.

ANNEXURE A

Performance Rights Terms

Mr Richard Hannebery

The terms of the Performance Rights are set out below:

- Each Performance Right gives the recipient the right to acquire one Share.
- The Performance Rights will have a maximum life of 3 years, such that if they are not exercised before the 3rd anniversary of their grant ("Expiry Date") they will lapse.
- The issue price for each Performance Right is \$Nil.
- Shares issued on exercise of the Performance Rights will rank equally with all existing Shares from the date of issue. The Company will apply for quotation of the Shares issued on the exercise of each Performance Right.
- The Performance Rights are not transferrable.
- The Performance Rights will not vest unless the Performance Hurdles have been achieved by the Performance Date.
- When a Performance Right vests, the Company will issue a vesting notification to the holder of the Performance Right, and if exercised, and after which the holder of the Performance Rights will make payment to the Company of the required issue price.
- Lapsing Conditions: Unless otherwise determined by the Board in its sole and absolute discretion, any vested Performance Rights will lapse on the earlier of:
 - where a participant has acted fraudulently, dishonestly or wilfully breaching their duties to the Company;
 - the Expiry Date; or
 - the holder ceases to be employed by the Company.
- Performance Rights do not give holders any right to participate in new issues of securities in the Company made to Shareholders generally or to participate in dividends unless the Performance Rights are exercised and the resultant Shares are issued prior to the record date to determine entitlements to the securities or dividend (as applicable).
- Performance Rights do not give holders any right to vote.
- In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - the number of Performance Rights will be reconstructed (as appropriate) in a manner consistent with the Listing Rules but with the intention that such reconstruction will not result in any benefits being conferred on the Performance Right holder which are not conferred on Shareholders; and
 - subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the Performance Rights will remain unchanged.
- If there is a change in control event in relation to the Company (e.g., a takeover bid for all the Shares in the Company or any other scheme of arrangement by which more than 50% of the Shares in the Company change ownership) the Performance Rights will vest immediately.

Lodge your vote:

 **Online:**
www.investorvote.com.au

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

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

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

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

Proxy Form



Vote and view the annual report online

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

Your access information that you will need to vote:

Control Number: 188280

SRN/HIN:

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

 **For your vote to be effective it must be received by 1.00pm (AEDST) Tuesday 24 November 2015**

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

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

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

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

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

Attending the Meeting

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

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

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



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

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Genera Biosystems Limited hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Genera Biosystems Limited to be held at the offices of Grant Thornton, The Rialto, Level 30, 525 Collins Street, Melbourne, Victoria on Thursday 26 November 2015 at 1.00pm (AEDST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1, 4 and 5 (except where I/we have indicated a different voting intention below) even though Resolution 1, 4 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1, 4 and 5 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Richard Hannebery as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr David Symons as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to Grant Performance Rights to Mr Richard Hannebery (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Re-approval of Employee Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of Prior Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /