



AVECHO BIOTECHNOLOGY LIMITED
ACN 056 482 403

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Monday, 30 May 2022

Time of Meeting:
1.00pm (AEST)

The Annual General Meeting of the Company (**Meeting**) will be held virtually via a webinar conferencing facility. If you are a shareholder who wishes to attend and participate in the virtual Meeting, please register in advance as per the instructions outlined in this Notice of Meeting. Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

Following recent modifications brought to the *Corporations Act 2001 (Cth)* which provide for permanent relief for companies to use electronic communications to send meeting materials, no hard copy of the Notice of Meeting and Explanatory Statement (**AGM Materials**) will be circulated unless shareholders have elected to receive the AGM Materials in paper form. The Notice of Meeting is also available on the Australian Securities Exchange Announcement platform and on the Company's website <https://avecho.com.au/>.

*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.*

AVECHO BIOTECHNOLOGY LIMITED

ACN 056 482 403

Registered Office: Unit A8, 2A Westall Road, Clayton, VIC 3168

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (**AGM or Meeting**) of shareholders of Avecho Biotechnology Limited (the **Company**) will be held virtually via a webinar conferencing facility on Monday, 30 May 2022 at 1.00pm (AEST).

As a COVIDSafe measure, the Meeting is being held virtually for the health and safety of members and personnel, and other stakeholders. The Company intends to conduct a poll on the resolutions in the Notice using the proxies filed prior to the Meeting. Shareholders are therefore encouraged to submit their proxies as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised proxy form.

Shareholders attending the AGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions. The virtual Meeting can be attended using the following details:

When:

Monday, 30 May 2022 at 1.00pm (AEST)

Topic:

AVE Annual General Meeting

Register in advance for the virtual meeting:

https://us02web.zoom.us/webinar/register/WN_H3-lv6HHTCa6yK2KYvUZzq

After registering, you will receive a confirmation email containing information about joining the meeting. The Company strongly recommends its shareholders to lodge a directed proxy as soon as possible in advance of the Meeting even if they are planning to attend the meeting online.

Voting:

Shareholders attending the AGM virtually will be able to vote in real time via <https://meetnow.global/M4YLFCK>. Online voting registration will commence 30 minutes prior to the start of the AGM. For full details on how to log on and vote online, please refer to the user guide available at www.computershare.com.au/onlinevotingguide.

The Company is happy to accept and answer questions submitted prior to the meeting by email to info@avecho.com.au. The Company will address relevant questions during the Meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions).

Any shareholders who wish to attend the AGM online should monitor the Company's website and its ASX announcements for any updates about the AGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: AVE) and on its website at <https://avecho.com.au/>.

AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement, and the Proxy Form in their entirety. Terms and abbreviations used in this Notice and Explanatory Statement are defined in the Glossary.

ORDINARY BUSINESS

Receipt and Consideration of Financial Statements and Reports

To receive and consider the Annual Report of the Company for the financial year ended 31 December 2021, which includes the Financial Report, the Directors' Report and the Auditor's Report.

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 the Remuneration Report (included in the Directors' report) for the financial year ended 31 December 2021 be adopted as described in the Explanatory Statement.”

Resolution 2: Re-Election of Dr Ross Thomas Murdoch as a Director of the Company

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

“That Dr Ross Thomas Murdoch, who retires by rotation as a Director in accordance with the Constitution of the Company, being eligible and offering himself for re-election, be re-elected as a Director of the Company.”

SPECIAL BUSINESS

Resolution 3: Approval of 10% Placement Facility

To consider and, if thought fit, to pass the following 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 Statement.”

Resolution 4: Adoption of New Constitution

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

"For the purposes of section 136(2) of the Corporations Act and for all other purposes, the Company's Constitution be repealed, and a new constitution be adopted in its place in the form as signed by the Chair for the purposes of identification."

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'Melanie Leydin', written in a cursive style.

Melanie Leydin
Company Secretary

11 April 2022

NOTES

Notes

1. **Entire Notice:** The details of the resolution contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, only those persons who are registered as Shareholders at 7.00pm (AEST) on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each shareholder has a right to appoint one or two proxies. A proxy need not be a shareholder of the Company.
 - c. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - d. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - e. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
 - f. To be effective, proxy forms must be received by the Company's share registry (Computershare Investor Services Pty Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 1.00pm (AEST) on Saturday, 28 May 2022 Any proxy received after that time will not be valid for the scheduled meeting.
4. **Corporate Representative**

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

Resolution 1

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 is being cast as proxy for a person entitled to vote and that vote is cast:

- a. In accordance with a direction on the Proxy Form; or
- b. By the Chair of the Meeting as proxy for a person entitled to vote and the Chair has received express authority to vote undirected proxies as the Chair sees fit.

Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you appoint the Chair of the Meeting as your proxy and you do not direct the Chair of the Meeting how to vote, you will be expressly authorising the Chair to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on Resolution 1, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of Resolution 1. In exceptional circumstances, the Chair of the Meeting may change their voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

Resolution 2

There are no voting exclusions on this Resolution.

Resolution 3

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7 as at that date.

However, if, between the date of despatch of this Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A.2, the Company will disregard votes cast in favour of the Resolution by or on behalf of:

- (a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder or ordinary securities in the Company); or
- (b) an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - ii. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 4

There are no voting exclusions on this Resolution.

6. Enquiries

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

EXPLANATORY STATEMENT

ORDINARY BUSINESS

Receipt and Consideration of Financial Statements and Reports

A copy of the Annual Report for the financial year ended 31 December 2021 (which incorporates the Company's Financial Report, Directors Report (including the Remuneration Report) and the Auditors Report) is available on the Company's website at <http://avecho.com.au/> or via the Company's announcement platform on ASX. Alternatively, 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. There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- a. discuss the Annual Report for the financial year ended 31 December 2021;
- b. ask questions about, or make comments on, the management of the Company;
- c. ask questions about, or make comments on, the Remuneration Report;
- d. ask the auditor questions about:
 - (i) the conduct of the audit;
 - (ii) the preparation and content of the Auditor's Report;
 - (iii) the accounting policies adopted by the Company in relation to the preparation of the financial statements;
and
 - (iv) the independence of the auditor in relation to the conduct of the audit.

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

- a. the content of the Auditor's Report;
- b. the conduct of the audit of the Financial Report;

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

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(2) 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 2021 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, 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, 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.

Board Recommendation

The Board encourages all eligible Shareholders to cast their votes in favour of this Resolution. The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

For voting exclusions refer to Note 5.

Resolution 2: Re-Election of Dr Ross Thomas Murdoch as a Director of the Company

Background

The Constitution of the Company requires that at every Annual General Meeting, one third of Directors shall retire from office and provides that such Directors are eligible for re-election at the meeting. Dr Ross Murdoch, being eligible, offers himself for re-election.

Dr Murdoch was the Chief Executive Officer of the Company between 13 April 2015 and 30 April 2019 and was appointed as director in April 2015. Since it has been more than three years that Dr Murdoch held an executive role in the Company, and given that the contractual relationship between the Company and Extractas Bioscience, an entity in which Dr Murdoch has an interest in, is not material, the Board considers that as of 1 May 2022 Dr Ross Murdoch will be an independent Non-Executive Director of the Company such that as from 1 May 2022, the Board is expected to be comprised of a majority of independent Non-Executive Directors.

Dr Murdoch has almost 30 years' experience as a leader within the global healthcare, pharmaceutical and biotechnology industries. He has held senior management and executive positions in Australia, the USA and Europe, with responsibility for the strategy, development and commercialisation of products, product portfolios and the building and rebuilding of new and existing businesses. Dr Murdoch is also CEO and director at Tasmania Alkaloids Pty Ltd (trading as Extractas Bioscience) and director at TasAlks Holdings Pty Ltd, one of the world leading extractors and producers of GMP Alkaloid and cannabis raw materials for the medicinal and pharmaceutical industry.

Highlights of his career include Senior Vice President at Shire Pharmaceuticals (one of the world's leading specialty pharmaceutical companies), based in the USA and Switzerland, where he founded and grew both the Emerging Products Business and Haematology Business and President and COO of Prana Biotechnology Limited based in Australia.

Dr Murdoch has a BSc degree with honours from Monash University, a PhD in Clinical Pharmacology from the University of Melbourne and additional postgraduate training in Health Economics from Monash University Business School. He is also a Graduate of the Australian Institute of Company Directors.

Board Recommendation

The Board (with Dr Murdoch abstaining) recommends that Shareholders vote in favour of this Resolution. The Chair of the Meeting intends to vote undirected proxies in favour of Dr Ross Murdoch's re-election.

Voting Exclusions

There are no voting exclusions on this Resolution.

Resolution 3: Approval of 10% Placement Facility

Background

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

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

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The effect of this Resolution will be to allow the Directors to issue 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.

If Shareholders approve this Resolution, the number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below) and the Company will be able to issue Equity Securities from the 10% Placement Facility, as noted below, without any further shareholder approval.

If Shareholders do not approve this Resolution, the Company will not be able to access the additional 10% capacity to issue Equity Securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

This Resolution 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).

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 three classes of Equity Securities: Fully Paid Ordinary Shares, Quoted Options, and Unquoted Options.

The 10% Placement Facility will be based on the Company's quoted Fully Paid Ordinary Shares.

(c) Formula for calculating 10% Placement Facility

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

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

A is the number of shares on issue at the commencement of the "relevant period" (which, for the Company, is the 12-month period immediately preceding the date of the issue or agreement):

(A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2, other than exception 9, 16 or 17;

- (B) plus the number of fully paid shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - (i) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (ii) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- (C) plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - (i) the agreement was entered into before the commencement of the relevant period; or
 - (ii) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- (D) plus the number of fully paid shares issued in the relevant period with approval of holders of shares under Listing Rules 7.1 and 7.4;
- (E) plus the number of partly paid shares that became fully paid in the relevant period;
- (F) less the number of fully paid shares cancelled in the relevant period.

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 relevant period where the issue or agreement has not been subsequently approved by 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.

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 (as set out above).

(e) *Minimum Issue Price*

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

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) *10% Placement Period*

Shares may be issued under the 10% Placement Facility under Listing Rule 7.1A during the period from the date of the Meeting until the earlier to occur of:

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

Specific information required by Listing Rule 7.3A

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

- (a) The period for which the Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid is the 10% Placement Period, as described above.

- (b) 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 on which trades in that class were recorded immediately before:
- the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
 - if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) The purposes for which the funds raised by an issue of Equity Securities under rule 7.1A.2 may be used by the Company include:
- consideration for the acquisition(s) of the new assets and investments, including the expenses associated with such acquisition(s); and
 - continued expenditure on the Company's current business and/or general working capital.
- (d) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. Shareholders may also be exposed to economic risk and voting dilution, including the following:
- 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
 - the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

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

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares as at 07 April 2022 (**Current Share Price**) 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		Issue Price		
		\$0.009 50% decrease in Current Share Price	\$0.017 Current Share Price	\$0.034 100% increase in Current Share Price
Current Variable A 1,837,812,526 Shares	10% Voting Dilution	183,781,253 Shares	183,781,253 Shares	183,781,253 Shares
	Funds raised	\$1,562,141	\$3,124,281	\$6,248,563
50% increase in current Variable A 2,756,718,789 Shares	10% Voting Dilution	275,671,879 Shares	275,671,879 Shares	275,671,879 Shares
	Funds raised	\$2,343,211	\$4,686,422	\$9,372,844
100% increase in current Variable A 3,675,625,052 Shares	10% Voting Dilution	367,562,505 Shares	367,562,505 Shares	367,562,505 Shares
	Funds raised	\$3,124,281	\$6,248,563	\$12,497,125

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - No Options 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 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 Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - The Current Share Price is \$0.017 (1.7 cents), being the closing price of the Shares on ASX on 7 April 2022.
- (e) 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 recipients 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 recipients 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.

- (f) The Company:
- (i) has not issued, nor agreed to issue, any Equity Securities under Rule 7.1A.2 in the 12-month period preceding the date of the Meeting; and
 - (ii) had not agreed, before the 12-month period referred to in the preceding paragraph, to issue any Equity Securities under rule 7.1A.2 where such securities remain unissued as at the date of the Meeting.

Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution. The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

Resolution 4: Adoption of New Constitution

Background

Under section 136(2) of the Corporations Act, the Company may amend or repeal its current constitution ("Current Constitution") by special resolution. The Company seeks the approval of shareholders to repeal its Current Constitution and replace it by adopting the proposed constitution in substitution for it as described below ("Proposed Constitution").

The Proposed Constitution incorporates various amendments made to the Corporations Act and to the Listing Rules since the Current Constitution was adopted in 2010. It also incorporates amendments to reflect changes in developments in corporate governance since that time, including the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, as well as generally to update the Current Constitution in keeping with developments in law and practice. The Proposed Constitution retains the principle that the Listing Rules prevail in the event of an inconsistency.

The Proposed Constitution is broadly consistent with the Current Constitution. Most of the changes are relatively minor or are administrative in nature and do not significantly impact on shareholders. Having regard to the amendments proposed, it is preferable to repeal and replace the Current Constitution by way of adopting the Proposed Constitution in its place, rather than merely amending a multitude of specific provisions. As it is not practicable to list all of the changes which are proposed, a summary of the proposed material changes is set out in the table below.

Shareholders may also read the Proposed Constitution in its entirety on the Company's website at <https://avecho.com.au/investor-centre/> where a copy of each of the Current Constitution and the Proposed Constitution can be viewed.

Subject Matter	Position in Current Constitution	Position in Proposed Constitution	Comments
Company name	Cover page and clause 1.1	Cover page and clause 1.1	The name of the Company was changed on 22 May 2019.
Distribution of shares in specie	Clauses 84, 91	Clauses 30.4, 30.5	<p>While the Current Constitution gives the Directors discretion to determine the method of payment of dividends, the Proposed Constitution expands this to give the Directors greater discretion to determine the source of distributions.</p> <p>Under the Proposed Constitution, where the distribution is of securities, a shareholder agrees to be a member of the relevant issuer entity of the securities and be bound by its constitution. This facilitates a distribution by the Company of a subsidiary's shares in specie to shareholders by the Company, for example by way of capital reduction.</p>
Updating references to bodies or legislation	Clause 1.1 and throughout		ASX Settlement and Transfer Corporation Pty Limited (ASTC) has been renamed ASX Settlement Pty Ltd and Settlement Rules means the operating rules of ASX Settlement.
Fees for paper-based transfers	The Current Constitution is silent.	Clause 9.3	<p>Whilst most transfers of shares in the Company occur on-market, occasionally off-market or paper-based transfers occur. In order to process such transfers, the Company's share registry charges a small administrative fee.</p> <p>The Proposed Constitution includes a provision to allow the Company to charge or recover this fee from the relevant transferring parties so that these costs are not borne by the Company.</p>

Subject Matter	Position in Current Constitution	Position in Proposed Constitution	Comments
Restricted Securities	Clause 26.2	Clause 13	<p>Amendments to ASX Listing Rules 9.1(a) and 15.12 came into effect in December 2019. These amendments require listed entities to include specific wording in their constitutions regarding the treatment of restricted securities in order for that listed entity to issue restricted securities.</p> <p>Restricted securities are securities which are subject to escrow restrictions as determined by ASX, meaning they are restricted from being traded for a period of time. Restricted securities mainly apply to newly listed entities, however can sometimes apply to ongoing listed entities which issue securities that ASX determines should be restricted. The Company does not currently have any restricted securities on issue, however the Proposed Constitution includes the requisite wording for the treatment of listed securities in case the Company has any restricted securities on issue in the future.</p>
Electronic delivery of notices of meeting and proxy forms	Clauses 32.1 and 97.1	Clauses 15.12 and 35.1	<p>The <i>Corporations Amendment (Meetings and Documents) Act 2022 (Cth)</i> permits a notice of meeting and any other information provided with that notice to be communicated using technology. For example, an entity may send its shareholders an email setting out or attaching a notice of meeting and other material relating to that notice of meeting (for example, a proxy form). Alternatively, an entity may send an email to its shareholders with a link to where the notice and other materials can be viewed or downloaded. In circumstances where the entity does not have the email address for certain shareholders, the entity may send a letter or postcard setting out a URL for viewing or downloading the notice and other materials.</p> <p>Shareholders may elect to receive documents in a physical form or electronically and the Company must provide that member with the documents in the form based on the shareholder's election (unless it falls under ASIC's emergency power to grant relief).</p> <p>It is desirable that the Company continues to have the ability to make notices of meeting and proxy forms available in this manner. The Proposed Constitution expands on the ability to do so in the Current Constitution.</p>
Direct voting	The Current Constitution is silent.	Clauses 17.19 - 17.20	<p>Direct voting permits shareholders to exercise their voting rights by lodging their vote before or during the meeting online, by post or other means approved by the Directors. Direct voting enables shareholders to lodge a direct vote without having to attend the meeting or appoint a proxy.</p>

Subject Matter	Position in Current Constitution	Position in Proposed Constitution	Comments
Electronic communication	Clause 97	Clause 35.2	The Current Constitution allows the Company to give a notice by electronic means. The Proposed Constitution extends this to allow the Company to provide information or signatures, to record information or produce or retain a document by electronic communication.
Joint holders	Clause 8	Clauses 3.7 – 3.8	The Current Constitution allows the Company to record the names of three joint holders as the registered holders of Shares in the Company. In expectation of the CHES Replacement in April 2023, the Proposed Constitution allows the Company to regard the four joint holders of a Share appearing first as the registered holders of that Share to the exclusion of any other holders.

Board Recommendation

The Board recommends that Shareholders vote in favour of this Resolution. The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

There are no voting exclusions on this Resolution.

GLOSSARY

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

“\$” or “A\$” means Australian Dollars.

“10% Placement Facility” has the meaning as defined in the Explanatory Statement for Resolution 3.

“10% Placement Period” has the meaning as defined in the Explanatory Statement for Resolution 3.

“Annual Report” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 31 December 2021.

“Associate” has the meaning given to it in the Listing Rules.

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

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

“AEST” means Australian Eastern Standard Time.

“Board” means the Directors acting as the board of Directors of the Company.

“Chair” means the person appointed to chair the Meeting of the Company convened by the Notice.

“Closely Related Party” means:

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

“Company” means Avecho Biotechnology Limited ACN 056 482 403.

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

“Corporations Act” means the Corporations Act 2001 (Cth).

“Director” means a Director of the Company.

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

“Entity” means Avecho Biotechnology Limited ACN 056 482 403.

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

“Explanatory Statement” means the explanatory statement 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 this Notice of Meeting including the Explanatory Statement.

“Proxy Form” means the proxy form attached to this Notice.

“Remuneration Report” means the remuneration report which forms part of the Directors’ Report of the Company for the financial year ended 31 December 2021 and which is set out in the Annual Report.

“Resolution” means a resolution referred to in this Notice.

“Section” means a section of the Explanatory Statement, unless otherwise specified.

“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.



AVE

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

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **1.00pm (AEST) on Saturday, 28 May 2022.**

Proxy Form

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.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



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

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

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



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Avecho Biotechnology 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 Avecho Biotechnology Limited to be held virtually on Monday, 30 May 2022 at 1.00pm (AEST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolution: 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 (except where I/we have indicated a different voting intention in step 2) even though Resolution 1 is 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 by marking the appropriate box in step 2.

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
ORDINARY BUSINESS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-Election of Dr Ross Thomas Murdoch as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SPECIAL BUSINESS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Adoption of New Constitution	<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.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

Mobile Number Email Address
 By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

