

Notice of Annual General Meeting 29 November 2022 and Explanatory Statement

The Annual General Meeting of Regeneus Ltd will be held in person.
If you are unable to attend the Annual General Meeting, please complete and return the enclosed proxy form in accordance with the specified directions.

By order of the Board

27 October 2022

Hang Ling (Helen) Leung

Company Secretary

NOTICE is given that the Annual General Meeting of Members of Regeneus Ltd (**the Company**) will be held in person at Dentons Australia, Level 16, 77 Castlereagh Street, Sydney NSW 2000 on Tuesday 29th November 2022 at 11.00am (Sydney time).

ORDINARY BUSINESS

Financial Report

To receive the financial statements of the Company for the year ended 30 June 2022 together with the Directors' Report and the Auditor's Report.

RESOLUTIONS

RESOLUTION 1: Adoption of the Remuneration Report

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

"That the Remuneration Report for the year ended 30 June 2022 be adopted."

Note that the vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

The Company will disregard any votes cast on the above resolution:

- by key management personnel or their closely related parties; or
- as a proxy by key management personnel or a closely related party of any key management personnel.

However, the Company need not disregard a vote if it is:

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

RESOLUTION 2: Re-election of a Director, Graham Vesey

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

"That Graham Vesey, who retires as a Director of the Company by rotation in accordance with clause 3.6 of the Company's Constitution, and being eligible for re-election, is re-elected as a Director of the Company".

RESOLUTION 3: Approval of additional placement capacity under Listing Rule 7.1A

To consider and, if thought fit, to pass, with or without amendment the following resolution as a **special resolution**:

"That for the purpose of ASX 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 issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement".

Voting Exclusion Statement

As at the date of dispatch of this Notice of Meeting, 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 this Notice of Meeting and the date of the Annual General Meeting, the Company proposes to make an issue of equity securities under Listing Rule 7.1A.1, the Company will disregard any votes cast in favour of the above resolution by or on behalf of:

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

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

- 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
- 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
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 4: Appointment of auditor

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

"That for the purposes of section 327B of the Corporations Act 2001 (Cth), and for all other purposes, Stantons International Audit and Consulting Pty Ltd, having been nominated by a shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the conclusion of this Annual General Meeting".

Determination of Entitlement to Attend and Vote

The Company has determined that the holders of the Company's ordinary shares for the purpose of the Annual General Meeting will be the registered holders of ordinary shares at **7.00pm (Sydney time) on the date that is 48 hours before the date of the Annual General Meeting.**

Attendance at the Annual General Meeting

This year the Annual General Meeting will be held in person.

In person: You may attend the Annual General Meeting in person at the date, time and place specified in the Notice of Meeting. Prior registration is not required.

By proxy: A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy. A proxy need not be a member of the Company. A member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half the votes.

If you would like to appoint a proxy to attend the meeting on your behalf, this can be done by completing and signing the attached proxy form and sending it by post to Regeneus Ltd, c/o Link Market Services Limited at Locked Bag A14, Sydney South NSW 1235 or by facsimile to Link on +61 2 9287 0309 by no later than **11.00 am (Sydney time) on Sunday 27 November 2022**, being not less than 48 hours before the time for holding the meeting.

Alternatively, proxy forms may also be lodged online at Link Market Services' website www.linkmarketservices.com.au in accordance with the instructions given there. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions provided on the website.

The proposed Chair of the meeting intends to vote undirected proxies in favour of each of the four resolutions.

By power of attorney: If an ordinary shareholder has appointed an attorney to attend and vote at the meeting, or if a proxy form is signed by an attorney, the power of attorney must likewise be received by Link Market Services Limited by post to Locked Bag A14 Sydney South NSW 1235, or by facsimile to Link on +61 2 9287 0309 by no later than **11.00 am (Sydney time) on Sunday 27 November 2022**, being not less than 48 hours before the time for holding the meeting.

By corporate representative: A member who is a body corporate may appoint an individual as a representative to exercise the member's voting rights at the Annual General Meeting pursuant to section 250D of the *Corporations Act 2001* (Cth). Representatives will be required to present documentary evidence of their appointment to the Company before the meeting.¹²

Questions from Members

Members who are unable to attend the Annual General Meeting and would like to ask questions of the Board concerning matters to be considered at the Annual General Meeting, are invited to do so by completing the form included with this Notice of Meeting.

Your questions are important to us and although we may not be able to reply to each question individually, we will respond to as many of the frequently asked questions as possible at the Annual General Meeting, or otherwise after the meeting.

Enquiries

For further information relating to the 2022 Annual General Meeting, please contact the Company Secretary at Hleung@shermangroup.com.au or call 1300 995 098.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to assist shareholders with their consideration of the resolutions detailed in the Notice of Annual General Meeting dated 27th October 2022. This Explanatory Statement should be read with, and forms part of, the accompanying Notice of Meeting.

1. Financial Report

As required by section 317 of the *Corporations Act 2001* (Cth), the Financial Report, Directors' Report, Directors' Declarations and the Independent Audit Report of the Company for the financial year ended 30 June 2022 will be laid before the Annual General Meeting.

Shareholders will be provided with the opportunity to raise questions in relation to the reports, however there will be no formal resolution put to the meeting. The Company's Auditor will be present at the meeting and shareholders will also be given the opportunity to ask the Auditor questions on the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by the Company for the preparation of the financial statements and the independence of the Auditor.

2. RESOLUTION 1: Adoption of the Remuneration Report

The *Corporations Act 2001* (Cth) requires that listed companies include a Remuneration Report in their Directors' Report. The Remuneration Report includes information in respect of the Company's remuneration policies in respect of Directors and executives, including the relationship between remuneration policies and the Company's performance, prescribed details of Directors and executives, details of securities included in the remuneration of Directors and executives and details of persons employed under a contract.

The resolution to adopt the Remuneration Report has been put to the shareholders in accordance with section 250R(2) of the *Corporations Act 2001* (Cth). Any outcome, with respect to this resolution, is advisory only and does not bind the Directors or the Company. However, if more than 25% of the votes are cast against two consecutive annual section 250R(2) resolutions, the *Corporations Act 2001* (Cth) requires a shareholder vote on whether to convene a special meeting at which all directors (other than a managing director) who were in office when the second section 250R(2) resolution was passed must stand for re-election.

The Chair will allow a reasonable opportunity at the meeting for shareholders as a whole to ask questions about or make comments on the Remuneration Report.

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

Voting exclusion statement

For the purposes of the voting exclusion statement on Resolution 1:

"key management personnel" (KMP) means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

"closely related party" means: (a) a spouse or child of the KMP; (b) a child of the KMP's spouse; (c) a dependent of the KMP or the KMP spouse; (d) anyone else who is one of the KMP's family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP's dealing with the Company; (e) a company the KMP controls; or (f) a person otherwise prescribed by the regulations.

Where the Chair is appointed as a proxy, the Chair will vote all undirected proxies in favour of Resolution 1.

If you appoint the Chair as your proxy, and you check the box consenting to the Chair voting undirected proxies, then unless you include an express voting direction on your proxy form, you will be directing, and expressly consenting to the Chair to vote in favour of Resolution 1.

3. RESOLUTION 2: Re-election of a Director, Graham Vesey

Graham Vesey is a co-founder of the Company and has served on the Board since 2011. In accordance with the retirement requirements of the Company's Constitution, Graham Vesey retires and offers himself for re-election as a Director of the Company.

His experience, qualifications, and special responsibilities are set out on page 6 of the Company's Annual Report.

4. RESOLUTION 3: Approval of additional placement capacity under Listing Rule 7.1A

4.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of "**Equity Securities**" (as defined in the Listing Rules) that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period

Under Listing Rule 7.1A however, an eligible entity can issue Equity Securities can seek approval from its shareholders by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% (**10% Placement Facility**) to 25%.

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 effect of this resolution, if passed, will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

If shareholders approve this resolution, 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 (refer to paragraph 5.2(c) below) and the Company will be able to issue Equity Securities under the 10% Placement Capacity 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 and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

The 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).

4.2 Description of Listing Rule 7.1A

(a) Shareholder approval

As stated above, the ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an Annual General Meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of this Notice of Meeting, the Company has on issue one class of quoted equity securities being ordinary shares. The Company has the following securities on issue:

- (i) 306,436,914 listed fully paid ordinary shares;
- (ii) unlisted options issued under employee incentive schemes exercisable at:

- A. 1,250,000 @ \$0.20 each prior to 31 January 2024;
 - B. 400,000 @ \$0.10 each prior to 30 September 2024;
 - C. 1,511,310 @ \$0.10 each prior to 30 June 2025;
 - D. 1,029,500 @ \$0.14 each prior to 31 August 2025;
 - E. 333,333 @ \$0.1075 each prior to 31 August 2025; and
 - F. 25,000,000 @ \$0.10 each prior to 24 May 2026.
- (iii) other unlisted options exercisable at:
- A. 3,800,000 @ \$0.1651 each prior to 11 May 2024.

(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:

- (i) **plus** the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2, other than exceptions 9, 16 or 17;
- (ii) **plus** the number of fully paid shares issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken to be approved under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (iii) **plus** the number of fully paid shares issued in the relevant period under an agreement to issues within Listing Rule 7.2, exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken to be approved under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (iv) **plus** the number of fully paid shares issued in the relevant period with approval of holders of shares under Listing Rules 7.1 or 7.4; and
- (iv) **plus** the number of partly paid shares that became fully paid in the relevant period;
- (v) **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 relevant period where the issue or agreement to issue has not been subsequently approved by shareholders under Listing Rule 7.1 or Listing Rule 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 of Meeting, the Company has on issue 306,436,914 Shares and therefore has a capacity to issue:

- (i) 45,965,537 Equity Securities under Listing Rule 7.1 (subject to any prior issues of Equity Securities that were not issued under either an exception in Listing Rule 7.2 or with the approval of shareholders and that therefore may count towards the placement capacity under Listing Rule 7.1); and
- (ii) 30,643,691 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 (refer to paragraph 4.2(c) 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 volume weighted average price (**VWAP**) of Equity Securities in the same class calculated over the 15 'Trading Days' (as defined in the Listing Rules) 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 ten (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 Annual General Meeting at which the approval is obtained until 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;
- (ii) the time and date of the Company's next Annual General Meeting; or
- (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).

4.3 Specific information required by Listing Rule 7.3A

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

- (a) If Resolution 3 is approved by shareholders, 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 in paragraph 4.2(f) above.

- (b) If Resolution 3 is approved by shareholders, the Company will issue Equity Securities under the 10% Placement Facility at the minimum issue price as expressed in paragraph 4.2(e) above.
- (c) The Company may only issue the Equity Securities under the 10% Placement Facility for cash consideration. The purposes for which the funds raised by an issue of Equity Securities under Listing Rule 7.1A.2 may be used by the Company include:
- continued expenditure on the Company's current business, including to accelerate its product developments and/or general working capital (including head office operations); and
 - consideration for the acquisition(s) of new assets and investments, including the expenses associated with such acquisitions.
- (d) If Resolution 3 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 table below). Shareholders may also 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,

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

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

The table also shows:

- (i) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary shares the Company has on issue. The number of ordinary shares on issue may increase as a result of issues of ordinary shares 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
- (ii) two examples of where the issue price of ordinary shares has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.019 50% decrease in Issue Price	\$0.038 Issue Price	\$0.76 100% Increase in Issue Price
Current Variable "A" 306,436,914 shares	10% Voting Dilution	30,643,691	30,643,691	30,643,691
	Funds raised	\$582,230.13	\$1,164,460.26	\$2,328,920.52
50% increase in current Variable "A" 459,655,371 shares	10% Voting Dilution	45,965,537	45,965,537	45,965,537
	Funds raised	\$873,345.20	\$1,746,690.41	\$3,493,380.81
100% increase in current Variable "A" 612,873,828 shares	10% Voting Dilution	61,287,382	61,287,382	61,287,382
	Funds raised	\$1,164,460.26	\$2,328,920.52	\$4,657,841.03

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No options are exercised into shares before the date of the issue of the Equity Securities.
 - (iii) 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%.
 - (iv) 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.
 - (v) 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.
 - (vi) 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.
 - (vii) The issue price is \$0.038c, being the closing price of the shares on ASX on 21 October 2022.
- (e) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 4 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).

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and

3.10.5A upon issue of any Equity Securities.

- (f) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the proposed recipients of Equity Securities will be determined on a case-by-case basis having regard to factors including but not limited to the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, rights 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 of Meeting but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

- (g) The Company has previously obtained shareholder approval under Listing Rule 7.1A. There have been no equity securities issued and no agreements to issue equity securities under Listing Rule 7.1A.2 in the 12 months preceding the date of this Annual General Meeting.

4.4 Board Recommendation

The Directors of the Company believe that Resolution 3 is in the best interests of the Company and unanimously recommend that shareholders vote in favour of this resolution.

RESOLUTION 4: Appointment of auditor

5.1 General

Grant Thornton Audit Pty Ltd, which is the Company's current auditor, has given notice of its intention to resign as auditor of the company to ASIC (under section 329(5) of the *Corporations Act 2001* (Cth)).

Upon receipt of ASIC's consent to its resignation, Grant Thornton Audit Pty Ltd has advised that it will submit a notice of resignation to the Company, in accordance with section 329(5) of the *Corporations Act 2001* (Cth), such resignation to take effect from the date of the Annual General Meeting.

In accordance with section 328B(1) of the *Corporations Act 2001* (Cth), the Company has sought and obtained a nomination from a shareholder for Stantons International Audit and Consulting Pty Ltd to be appointed as the Company's auditor. A copy of this nomination is attached to this Explanatory Statement as Schedule 1.

Stantons International Audit and Consulting Pty Ltd has given its written consent to act as the Company's auditor, subject to shareholder approval and the resignation of Grant Thornton Audit Pty Ltd.

If Resolution 5 is passed, the appointment of Stantons International Audit and Consulting Pty Ltd as the Company's auditors will take effect from the conclusion of the Annual General Meeting.

5.2 Board Recommendation

The Directors of the Company unanimously recommend that shareholders vote in favour of this resolution.

SCHEDULE 1 – Nomination of Auditor

Hajivo Pty Limited

ACN 001 450 862

Level 3, 190 George Street, Sydney NSW 2000

Phone: (02) 9950 2845

Wednesday, 5th October 2022

To: The Board
Regeneus Ltd
2 Paddington Street
Paddington NSW 2021

I, Hajivo Pty Ltd atf Hajivo Super Fund, being a member of Regeneus Ltd (ACN 127 035 358) (the **Company**) nominate **Stantons International Audit and Consulting Pty Ltd** for appointment as auditor of the Company at its 2022 Annual General Meeting or any adjournment of that meeting.

I consent to distribution of copies of this notice of nomination as an attachment to the Notice of Meeting and Explanatory Notes for the 2022 Annual General Meeting of the Company as required by section 328B(3) of the *Corporations Act 2001* (Cth).

Signed and dated Wednesday, 5th October 2022.

Yours faithfully

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Hajivo Pty Limited