



OPTISCAN IMAGING LIMITED
ABN 81 077 771 987

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Friday, 30 November 2018

Time of Meeting:
10.00am (AEDT)

Place of Meeting:
Chartered Accountants Australia and New Zealand
Level 18 Bourke Place
600 Bourke 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.

OPTISCAN IMAGING LIMITED

ABN 81 077 771 987

Registered office: 16 Miles Street, Mulgrave, Victoria, 3170

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Optiscan Imaging Limited ("Optiscan" or the "Company") will be held at the offices of Chartered Accountants Australia and New Zealand, Level 18 Bourke Place, 600 Bourke Street, Melbourne, Victoria, 3000 at 10.00am (AEDT) on 30 November 2018 ("Annual General Meeting" or "Meeting").

AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, includes defined terms and describes 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 and auditors for the financial year ended 30 June 2018.

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 2018 be adopted."

Resolution 2: Re-election of Dr Philip Currie as a Director of the Company

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

"That Dr Philip Currie, who retires by rotation pursuant to the Constitution of the Company and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 3: Grant of Performance Rights to Mr Darren Lurie (or his nominee) under the Incentive Option & Performance Rights Plan

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

"That for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 1,100,000 performance rights to acquire fully paid ordinary shares in the Company under the Incentive Option & Performance Rights Plan to Mr Darren Lurie (or his nominee) on the terms or conditions as described in the Explanatory Statement which accompanies and forms part of this Notice."

Resolution 4: Grant of Performance Rights to Dr Philip Currie (or his nominee) under the Incentive Option & Performance Rights Plan

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

"That for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 660,000 performance rights to acquire fully paid ordinary shares in the Company under the Incentive Option & Performance Rights Plan to Dr Philip Currie (or his nominee) on the terms or conditions as described in the Explanatory Statement which accompanies and forms part of this Notice."

Resolution 5: Grant of Performance Rights to Mr Graeme Mutton (or his nominee) under the Incentive Option & Performance Rights Plan

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

“That for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 180,000 performance rights to acquire fully paid ordinary shares in the Company under the Incentive Option & Performance Rights Plan to Mr Graeme Mutton (or his nominee) on the terms or conditions as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 6: Approval to Issue Options to Mr Darren Lurie (or his nominee) under the Incentive Option & Performance Rights Plan

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

“That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 8,000,000 options to acquire fully paid ordinary shares in the Company under the Incentive Option & Performance Rights Plan to Mr Darren Lurie (or his nominee) on the terms and conditions as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 7: Approval to Issue Options to Dr Philip Currie (or his nominee) under the Incentive Option & Performance Rights Plan

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

“That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 4,800,000 options to acquire fully paid ordinary shares in the Company under the Incentive Option & Performance Rights Plan to Dr Philip Currie (or his nominee) on the terms and conditions as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 8: Removal of Auditor

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

“That, pursuant to Section 329(1) of the Corporations Act 2001 and for all other purposes and subject to the passing of Resolution 9, Shareholders approve the removal of Ernst & Young as the Auditor of the Company, effective from the date of the Meeting.”

SPECIAL BUSINESS

Resolution 9: Approval to Appoint Auditor

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

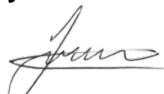
“That, pursuant to Section 327D(2) of the Corporations Act 2001 and for all other purposes, Shareholders approve the appointment of Grant Thornton Audit Pty Ltd as the Auditor of the Company to replace Ernst & Young, subject to the passing of Resolution 8. Grant Thornton Audit Pty Ltd, having been nominated for appointment, has consented to act as the Auditor of the Company.”

Resolution 10: 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 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 the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions as described in the Explanatory Statement which accompanies and forms part of this Notice.”

By order of the Board



Justin Mouchacca
Company Secretary

25 October 2018

Notes

1. **Entire Notice:** The details of the resolution contained in the Explanatory Notes accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm 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.
 - c. A proxy need not be a shareholder of the Company.
 - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
 - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
 - h. If you sign the proxy form and do not appoint a proxy, you will have appointed the Chairman of the meeting as your proxy.
 - i. To be effective, proxy forms must be received by the Company's share registry (Computershare Investor Services Pty Ltd) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 10.00am (AEDT) on Wednesday, 28 November 2018. Any proxy received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

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

5. Voting Exclusion Statement:

Resolution 1

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; or,
- by the Chairman of the meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman 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 intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the Proxy Form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy.

Resolutions 2, 8 & 9

There are no voting exclusions on these Resolutions.

Resolution 3, 4, 5, 6 & 7

The Company will disregard any votes cast in favour of each Resolution by:

- any Director of the Company who is eligible to participate in the issue of Options or Performance Rights; or
- an associate of such a Director.

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

- it is cast by a person as a 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 a direction on the Proxy Form.

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, you will be expressly authorising the Chairman of the Meeting to exercise the proxy even if the relevant resolution is connected directly or indirectly with any member of Key Management Personnel.

Resolution 10

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

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

- it is cast by a person as a 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 a direction on the Proxy Form.

6. Enquiries

Shareholders are invited to contact the Company Secretary, Justin Mouchacca on (03) 9538 3333 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Receipt and Consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2018 (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 costs 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) 9538 3333, and you may request that this occurs on a standing basis for future years. Alternatively, you may access the annual report at the Company's website: www.optiscan.com or via the Company's announcement platform on ASX. Except for as set out in Resolution 1, no Resolution is required on these reports.

Resolution 1: Adoption of Remuneration Report

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 2018 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 Meeting.

Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 1. The Chairman of the Meeting will vote undirected proxies in favour of Resolution 1.

Resolution 2: Re-election of Dr Philip Currie as a Director of the Company

Background

The Constitution of the Company requires that at every Annual General Meeting 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 from office and will be eligible for re-election. Dr Philip Currie, being eligible, offers himself for re-election.

Dr Currie was appointed as a Director on 17 July 2017. He is a cardiologist with more than 35 years' experience in both in the United States and Australia with extensive experience in medical research, clinical cardiology and business. He has a medical degree, MBBS (Hons) from Monash University and an MBA from the University of Michigan.

Dr Currie completed his medical residency and cardiology fellowship at the Alfred Hospital in Melbourne before moving to the USA in 1983. At the Mayo Clinic, he completed a cardiology fellowship and then was a Senior Associate Cardiologist. He was also a staff cardiologist for 3 years at the Cleveland Clinic and then moved to Michigan as the Director of Echocardiography at the Michigan Heart and Vascular Institute for 8 years. During his time in the USA, Dr Currie was involved in the research, pioneering and validation of many of the major advances in echocardiography (including Doppler echo, intraoperative echocardiography and transoesophageal echocardiography) and worked as a luminary with the major international ultrasound manufacturers.

In 1997, after working in the USA for 14 years, Dr Currie returned to Australia and over the last 20 years has successfully established a private cardiology practice which has subsequently evolved to become an integrated multispecialty medical organisation with 12 sites in Perth and Melbourne.

Board Recommendation

The Board (with Dr Currie abstaining), recommends that Shareholders vote in favour of the election of Dr Currie. The Chairman of the Meeting intends to vote undirected proxies in favour of Dr Currie's election.

Resolutions 3, 4 and 5: Grant of Performance Rights to Mr Darren Lurie, Dr Philip Currie and Mr Graeme Mutton (or their nominees) under the Incentive Option & Performance Rights Plan

Background

ASX Listing Rule 10.14 provides that a company must not permit a director or an associate of such a director to acquire securities under an employee incentive scheme without prior approval of shareholders. Accordingly, Shareholder approval is sought pursuant to ASX Listing Rule 10.14 for the grant of Performance Rights to the following Directors of the Company pursuant to the terms and conditions of the Company's Option & Performance Rights Plan (**Plan**) as approved by Shareholders at the Company's 2017 Annual General Meeting. If approval is given under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.

Director	Performance Rights
Darren Lurie	1,100,000
Philip Currie	660,000
Graeme Mutton	180,000

Performance Rights the subject of Resolutions 3, 4 and 5 are proposed to be granted to each Director as noted above as consideration for the following:

Mr Darren Lurie

Mr Lurie has at the request of the Board taken on a number of management roles for the Company including as acting Chief Executive Officer, Chief Financial Officer and leading Sales and Marketing efforts. By taking on these roles and not altering his daily rate of remuneration, the Company has been able to significantly reduce its costs. He has led efforts to substantially reduce the cost base of the Company while at the same time significantly increasing the Australian based marketing efforts of the Company. Mr Lurie was appointed to the Board and as Chairman at a difficult time for the Company and has restored critical relationships with key management and Carl Zeiss Meditec.

The proposed grant of Performance Rights is intended to support Mr Lurie's commitment to the Company and to align his long term performance over the vesting period with the interests of Shareholders, in that equity instruments reflect the risks and challenges associated with being a director of a low capitalisation company with limited cash resources.

Dr Philip Currie

Dr Currie is leading and is a principal investigator in the Company's intended four stage clinical trial using Optiscan's patented technology to assess the surgical margin in patients with carcinoma of the breast undergoing breast conservation surgery (**Clinical Trial**). Dr Currie's experience, commitment and relationships have enabled the establishment and undertaking of the Clinical Trial which reflects an important development for the Company as it seeks to develop additional clinical applications to the neurosurgical collaboration with Carl Zeiss Meditec. His on-going commitment is critical to the continuation and progression to the next stages of the Clinical Trial. He has done so with no change to the fees that he receives as a Non-Executive Director.

The Company believes it is appropriate to grant Performance Rights to Dr Currie to provide some compensation for the time spent on the Clinical Trial. In addition to compensating Dr Currie for the lack of cash remuneration for his work in relation to the Clinical Trial, the Performance Rights also help to create alignment between Dr Currie and shareholders in that equity instruments reflect the risks and challenges associated with being a Director of a low capitalisation company with limited cash resources.

Mr Graeme Mutton

Mr Mutton was appointed to the Board at a difficult time for the Company and has successfully assisted the Company in managing the costs of the Company. He has also voluntarily reduced his Directors fee.

Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless either:

- the giving of the financial benefit falls within one of the exceptions to the provisions; or
- prior shareholder approval is obtained to the giving of the financial benefit.

A “related party” for the purposes of the Corporations Act is defined widely and includes a director of a public company.

A “financial benefit” for the purposes of the Corporations Act also has a very wide meaning. It includes a public company paying money or issuing securities to a related party.

Mr Lurie, Dr Currie and Mr Mutton are related parties of the Company as they are Directors of the Company. The issue of Performance Rights to each Director constitutes a “financial benefit” as described in the Corporations Act. Accordingly, the proposed issue of Performance Rights pursuant to Resolutions 3, 4 and 5 will constitute the provision of a financial benefit to a related party of the Company.

The Board has formed the view that the issue of Performance Rights to Mr Lurie, Dr Currie and Mr Mutton (or their respective nominees) does not require Shareholder approval under Section 208 of the Corporations Act as the issues constitute “reasonable remuneration” in accordance with Section 211 of the Corporations Act. In reaching this view, the Board considers the proposed issue of Options to Directors Mr Lurie, Dr Currie and Mr Mutton are reasonable and appropriate having regard to the circumstances of the Company and their duties and responsibilities and is aligned with Shareholder interests. Accordingly, the Board is not seeking Shareholder approval under section 208 of the Corporations Act, although Shareholder approval must be obtained pursuant to ASX Listing Rule 10.14.

Conditions and Hurdles for Performance Rights

Performance Rights	
Vesting Date:	1 December 2018
Vesting Conditions:	The Director is a Director of the Company as at the Vesting Date.

Disclosures for the purposes of ASX Listing Rule 10.14

As Mr Lurie, Dr Currie and Mr Mutton are Directors of the Company, Shareholder approval is required in respect of the proposed grant of Performance Rights as described above.

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

- (a) the maximum number of Performance Rights that can be awarded under this approval is 1,100,000 to Mr Lurie, 660,000 to Dr Currie and 180,000 to Mr Mutton. Subject to the satisfaction of the vesting conditions described above, each Director 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) no loan will be made by the Company in relation to the grant of Performance Rights to Mr Lurie, Dr Currie and Mr Mutton;
- (d) details of any Performance Rights issued under the Plan will be published in each annual report of the Company relating to the period in which the Performance Rights have been issued;
- (e) any additional persons referred to in ASX Listing Rule 10.14 who become entitled to participate in the Plan after this Resolution is approved and who were not named in the Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14;
- (f) no persons have received securities under the Plan as at the date of this Notice; and
- (g) if Shareholder approval is obtained, the Performance Rights will be granted no later than one month after the Meeting.

Board Recommendation

The Board (other than Mr Lurie, Dr Currie and Mr Mutton, who abstain from the respective Resolutions affecting their own personal interests) recommends that Shareholders vote in favour of Resolutions 3, 4 and 5. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 3, 4 and 5.

Resolution 6 and 7: Approval to Issue Options to Mr Darren Lurie and Dr Philip Currie (or their respective nominees) under the Incentive Option & Performance Rights Plan

Background

Shareholder approval for the proposed options (**Options**) to be issued to Mr Darren Lurie and Dr Philip Currie pursuant to Resolution 6 and 7 is part of an incentivisation plan which includes employees and consultants of the Company (**Staff**) in order to align the interests of Mr Lurie and Dr Currie with the interests of Shareholders.

Resolutions 6 and 7 seeks approval from Shareholders for the proposed grant of 12,800,000 options to Directors Mr Lurie and Dr Currie to be issued in four (4) equal tranches over a thirty (30) month period commencing from the date of this Meeting subject to conditions including a price hurdle of a Volume Weighted Average Price of at least eight (8) cents for each of the first three (3) tranches and ten (10) cents for the final tranche.

Pursuant to the Plan as approved by Shareholders at the Company's 2017 Annual General Meeting of the Company, the Board intends to issue 14,000,000 options and 660,000 Performance Rights to the Staff of the Company. As at the date of this Notice, no securities have been awarded pursuant to this Plan. The issue to Staff will take place upon Shareholders approving the proposed grant of Options to Directors as noted above. The Staff of the Company have demonstrated their commitment to the Company and supported management in reducing the cost base of the Company by in excess of \$1 million per annum over the past six (6) months. This has meant both new and altered duties and responsibilities for a number of Staff for no additional remuneration as the overall headcount of the Company has been reduced. At the same time, the Company has increased its Australian based marketing activities and commenced the Clinical Trial as well as other initiatives.

The options to be issued to Staff are intended to be issued on the same terms as those issued to Mr Lurie and Dr Currie as noted above.

ASX Listing Rule 10.14 provides that a company must not permit a director or an associate of such a director to acquire securities under an employee incentive scheme without prior approval of shareholders. Accordingly, approval is sought pursuant to ASX Listing Rule 10.14 for the grant of Options to Mr Lurie and Dr Currie, as set out in the table below, on the terms of the Plan.

Director	Options
Darren Lurie	8,000,000
Philip Currie	4,800,000

The provision of Options to the above-named Directors pursuant to the Plan, is proposed to be granted to each of Director for the following reasons:

Mr Darren Lurie

As provided in the Background to Resolutions 3, 4 and 5, Mr Lurie has at the request of the Board taken on a number of management roles for the Company including as acting Chief Executive Officer, Chief Financial Officer and leading Sales and Marketing efforts. By taking on these roles and not altering his daily rate of remuneration, the Company has been able to significantly reduce its costs. He has led efforts to substantially reduce the cost base of the Company while at the same time significantly increasing the Australian based marketing efforts of the Company. Mr Lurie was appointed to the Board and as Chairman at a difficult time for the Company and has restored critical relationships with key management and Carl Zeiss Meditec. The proposed grant of Options is intended to support Mr Lurie's commitment to the Company and to align his long term performance over the vesting period with the interests of shareholders, in that equity instruments reflect the risks and challenges associated with being a Director of a low capitalisation Company with limited cash resources.

Dr Philip Currie

In addition to the work being undertaken by Dr Currie in relation to the Clinical Trial, the Company has and will continue to utilise Dr Currie's digital imaging and analysis expertise in pursuing additional clinical applications for the Optiscan technology as well as any potential partnerships and collaborations. In addition to his expertise in cardiovascular imaging and analysis, Dr Currie has experience in undertaking clinical applications in specialties beyond cardiology. He is a member of the Scientific Advisory Board for ResApp Health Ltd (ASX:RAP) a digital

health company developing smartphone applications for the diagnosis and management of respiratory disease. In this capacity, he has led two (2) clinical trials with in excess of 1,300 patients which successfully validated a smartphone application for screening for obstructive sleep apnoea. The Company believes it is appropriate to grant Options to Dr Currie to provide some compensation for the time spent on the Clinical Trial as well as to provide some compensation for his current and future work in pursuing other clinical applications for the Optiscan technology as well as potential partnerships and collaborations. The Options also help to create alignment between Dr Currie and shareholders in that equity instruments reflect the risks and challenges associated with being a Director of a low capitalisation Company with limited cash resources.

Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless either:

- the giving of the financial benefit falls within one of the exceptions to the provisions; or
- prior shareholder approval is obtained to the giving of the financial benefit.

A “related party” for the purposes of the Corporations Act is defined widely and includes a director of a public company.

A “financial benefit” for the purposes of the Corporations Act also has a very wide meaning. It includes a public company paying money or issuing securities to a related party.

Mr Lurie and Dr Currie are related parties of the Company due to the fact that they are Directors of the Company. The issue of Options to each Director constitutes a “financial benefit” as described in the Corporations Act. Accordingly, the proposed issue of Options pursuant to Resolution 6 and 7 will constitute the provision of a financial benefit to a related party of the Company.

The Board has formed the view that the issue of Options to Mr Lurie and Dr Currie (or their respective nominees) does not require Shareholder approval under Section 208 of the Corporations Act as the issues constitute “reasonable remuneration” in accordance with Section 211 of the Corporations Act. In reaching this view, the Board considers the proposed issue of Options to Directors Mr Lurie and Dr Currie are reasonable and appropriate having regard to the circumstances of the Company and their duties and responsibilities and is aligned with Shareholder interests. Accordingly, the Board is not seeking Shareholder approval under section 208 of the Corporations Act, although Shareholder approval must be obtained pursuant to ASX Listing Rule 10.14.

Conditions and Hurdles for Options

Options	
Final Vesting Date:	30 November 2023
Vesting Period:	31 May 2019 to 30 November 2023
Performance Conditions:	<p>Share Price Hurdle</p> <p>Tranche 1 - Each Option will vest upon the Company’s Volume Weighted Average Price equating to \$0.08 (8 cents) for any period of 14 days after 31 May 2019.</p> <p>Tranche 2 - Each Option will vest upon the Company’s Volume Weighted Average Price equating to \$0.08 (8 cents) for any period of 14 days after 30 November 2019.</p> <p>Tranche 3 - Each Option will vest upon the Company’s Volume Weighted Average Price equating to \$0.08 (8 cents) for any period of 14 days after 31 May 2020.</p> <p>Tranche 4 - Each Option will vest upon the Company’s Volume Weighted Average Price equating to \$0.10 (10 cents) for any period of 14 days after 30 November 2020.</p>
Service Condition:	Continuous employment by each of the Directors in their current position (or equivalent) from Grant Date to Vesting Date. Subject to the Plan Rules, Performance Rights will generally lapse upon the expiry of six (6) months from resignation or dismissal.

Vesting Period and Expiry:	
Tranche 1	25% of the Options granted will vest on 31 May 2019 with an exercise price of \$0.05 (5 cents) per option, subject to the Service Condition being satisfied on the Vesting Date and with an expiry date of 31 May 2022.
Tranche 2	25% of the Options granted will vest on 30 November 2019 with an exercise price of \$0.05 (5 cents) per option, subject to the Service Condition being satisfied on the Vesting Date and with an expiry date of 30 November 2022.
Tranche 3	25% of the Options granted will vest on 31 May 2020 with an exercise price of \$0.065 (6.5 cents) per option, subject to the Service Condition being satisfied on the Vesting Date and with an expiry date of 31 May 2023.
Tranche 4	25% of the Options granted will vest on 30 November 2020 with an exercise price of \$0.08 (8 cents) per option, subject to the Service Condition being satisfied on the Vesting Date and with an expiry date of 30 November 2023.
There is no ability to re-test whether or not the Vesting Conditions have been satisfied after the Vesting Period has ended. Options must be exercised during employment/appointment or within 6 months of ceasing to be employed/appointed.	

Disclosures for the purposes of ASX Listing Rule 10.14

As Mr Lurie and Dr Currie are Directors of the Company, Shareholder approval is required in respect of the proposed grant of Options as described above.

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

- (a) the maximum number of Options that can be awarded under this approval is 8,000,000 to Mr Lurie and 4,800,000 to Dr Currie. Subject to the satisfaction of the vesting conditions described above, each Director will receive one Share in the Company for each Option granted;
- (b) no consideration is payable on the grant of the Options;
- (c) no loan will be made by the Company in relation to the grant of Options to Mr Lurie and Dr Currie;
- (d) details of any Options issued under the Plan will be published in each annual report of the Company relating to the period in which Options have been issued;
- (e) any additional persons referred to in ASX Listing Rule 10.14 who become entitled to participate in the Plan after this Resolution is approved and who were not named in the Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14;
- (f) no persons have received securities under the Plan as at the date of this Notice; and
- (g) if Shareholder approval is obtained, the Options will be granted no later than one month after the Meeting.

Board Recommendation

The Board (other than Mr Lurie and Dr Currie, who abstain from the respective resolutions affecting their own personal interests) recommends that Shareholders vote in favour of Resolutions 6 and 7. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolutions 6 and 7.

Resolution 8: Removal of Auditor

In accordance with Section 329 of the Corporations Act, an auditor of a company may be removed from office by resolution at a General Meeting of which two months' notice of intention to move the resolution has been given. Under this Section, if a company calls a meeting after the notice of intention has been given, the meeting may pass the resolution even though the meeting is held less than two months after the notice of intention is given.

The notice of intention to Shareholders to remove Ernst and Young as the Auditor of the Company is provided in Appendix 2.

Board Recommendation

The Board recommends that Shareholders vote in favour of the removal of Ernst and Young as the Auditor of the Company. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 8.

Resolution 9: Appointment of Auditor

In accordance with Section 327D of the Corporations Act, a company may appoint an auditor to replace an auditor removed under Section 329 of the Corporations Act. It is proposed that Grant Thornton (Audit) Pty Ltd is appointed as the Auditor of the Company, if Resolution 8 is passed. Grant Thornton (Audit) Pty Ltd has consented in writing to the appointment, effective at the close of the Meeting.

Board Recommendation

The Board recommends that Shareholders vote in favour of the appointment of Grant Thornton (Audit) Pty Ltd as the Auditor of the Company. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 9.

Resolution 10: 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 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 working on reviewing new projects and investments. Should the Company utilise the 10% Placement Facility, it intends to use the funds to acquire new assets or investments, to conduct further work on its current investments or to meet additional working capital requirements.

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, Fully Paid Ordinary Shares and Options.

(c) Formula for calculating 10% Placement Facility

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

(A x D)–E

A is the number of shares on issue 12 months before the date of issue or agreement:

(A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;

(B) plus the number of partly paid shares that became fully paid in the 12 months;

- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A 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.

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 10 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 10 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 10 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. Shareholders may be exposed to economic risk and voting dilution, including the following:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 22 October 2018 (**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		
		\$0.033 50% decrease in Current Share Price	\$0.065 Current Share Price	\$0.13 100% increase in Current Share Price
Current Variable A 432,678,800 Shares	10% Voting Dilution	43,267,880 Shares		
	Funds raised	\$1,406,206	\$2,812,412	\$5,624,824
50% increase in current Variable A 649,018,200 Shares	10% Voting Dilution	64,901,820 Shares		
	Funds raised	\$2,109,309	\$4,218,618	\$8,437,237
100% increase in current Variable A 865,357,600 Shares	10% Voting Dilution	86,535,760 Shares		
	Funds raised	\$2,812,412	\$5,624,824	\$11,249,649

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Options (including any Options issued under the 10% Placement Facility) are exercised into 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 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 **\$0.065** (6.5 cents), being the closing price of the Shares on ASX on **22 October 2018**.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 8 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 of the Company) 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) and on the Company's current assets and/or general working capital.
- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

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 assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new 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.

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

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

Number of Equity Securities on issue at commencement of 12 month period	<i>442,328,800</i>
Equity securities issued in the prior 12 month period*	<i>10,550,000</i>
Percentage of share issues represent of total number of Equity Securities on issue at commencement of 12 month period	<i>2.39%</i>

* For full details of the issues of equity securities made by the Company since the date of the last Annual General Meeting, see Appendix 1. Included in this Appendix is a summary of the amount of funds raised as a result of the capital raisings during the previous 12 month period.

Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 10.

GLOSSARY

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

“\$” means Australian Dollars;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2018;

“**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 CHESS approved securities;

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

“**AEDT**” means Australian Eastern Daylight Time.

“**Board**” means the Directors acting as the board of Directors of the Company;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**CHESS**” 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 Optiscan Imaging Limited ABN 81 077 771 987;

“**Constitution**” means the Memorandum and Articles 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;

“**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;

“**Option**” means an option to acquire a Share;

“**Performance Right**” means the right to acquire a Share;

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

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of Optiscan Imaging Limited for the financial year ended 30 June 2018 and which is set out in the 2018 Annual Report;

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

“**Reasonable Remuneration**” as defined in Section 211 of the Corporations Act 2001

“**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; and

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

APPENDIX 1

CASH ISSUES

Date	Number of Securities	Security Type	Terms	Description	Party or Basis	Price	Discount	Total Consideration	Use of Consideration
24 Oct 2017	2,500,000	FPO	FPO	Exercise of unlisted options	Professional and sophisticated investors	\$0.025	N/A	\$125,000	Working Capital
24 Oct 2017	850,000	FPO	FPO	Exercise of unlisted options	Professional and sophisticated investors	\$0.05	N/A	\$42,500	Working Capital
24 Nov 2017	500,000	FPO	FPO	Exercise of unlisted options	Professional and sophisticated investors	\$0.025	N/A	\$12,500	Working Capital
29 Jan 2018	3,700,000	FPO	FPO	Exercise of unlisted options	Professional and sophisticated investors	\$0.025	N/A	\$92,500	Working Capital
29 Jan 2018	1,500,000	FPO	FPO	Exercise of unlisted options	Professional and sophisticated investors	\$0.05	N/A	\$75,000	Working Capital
7 Jun 2018	760,000	FPO	FPO	Exercise of unlisted options	Professional and sophisticated investors	\$0.025	N/A	\$19,000	Working Capital
28 Jun 2018	740,000	FPO	FPO	Exercise of unlisted options	Professional and sophisticated investors	\$0.025	N/A	\$18,500	Working Capital
Total								\$385,000	

APPENDIX 2 – Notice of intention to remove auditor

SPECIAL NOTICE OF RESOLUTION

To: The Secretary
Optiscan Imaging Limited
(ACN 077 771 987)
16 Miles Street
Mulgrave, Victoria, 3170
(the "Company")

We, the undersigned, being members of the Company holding at least 5% of the votes that may be cast at general meetings of the Company give notice that we require you to call a General Meeting of Members of the Company for the purpose of considering, and if thought fit, passing the following resolution –

"That, pursuant to Section 329 of the Corporations Act 2001, the firm of Ernst & Young of 8 Exhibition Street, Melbourne, Victoria, 3000 be removed as auditors of the Company with effect as and from the conclusion of the General Meeting.

Dated this Friday, 28th day of September 2018



For and on behalf of Dr Philip James Currie & Mrs Anne Jennifer Currie trustees for <Currie Family Superfund A/C>



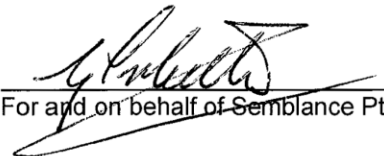
For and on behalf of Lightstorm Pty Ltd <Hotspice A/C>



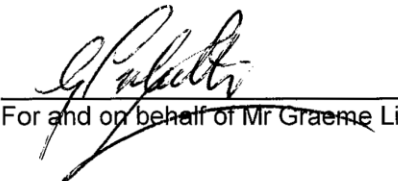
For and on behalf of Semblance Pty Ltd <Graeme Mutton Retire S/Fund>,



For and on behalf of Semblance Pty Ltd <Graeme Mutton Retire S/F A/C>,



For and on behalf of Semblance Pty Ltd



For and on behalf of Mr Graeme Lindsey Mutton

APPENDIX 3 – Notice of nomination of auditor

NOTICE OF NOMINATION OF AUDITOR

23 October 2018

Mr Justin Mouchacca
Company Secretary
Optiscan Imaging Limited
15 Miles Street
Mulgrave VIC 3170

Dear Mr Mouchacca

NOTICE OF NOMINATION OF AUDITOR

I am a member of Optiscan Imaging Limited ACN 077 771 987 (Company).

I hereby nominate Grant Thornton Audit Pty Ltd for appointment as auditor of the Company.

This letter serves as a Notice of Nomination in accordance with section 328B(1) of the Corporations Act 2001 (Cth).

In accordance with section 328B(1) of the Corporations Act, please send a copy of this notice to Grant Thornton Audit Pty Ltd and any person entitled to receive notice of general meetings of the Company.

Yours faithfully

A handwritten signature in black ink, appearing to read "Philip Arne".

Lightstorm Pty Ltd <Hotspice A/C>



Optiscan Imaging Limited
ACN 077 771 987

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



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

Proxy Form

XX



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: 999999

SRN/HIN: I9999999999 PIN: 99999

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 10.00am (AEDT) on Wednesday, 28 November 2018

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** ➔

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

IND

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 Optiscan Imaging 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 Optiscan Imaging Limited to be held at the Chartered Accountants Australia and New Zealand, Level 18 Bourke Place, 600 Bourke Street, Melbourne, Victoria, 3000 on Friday, 30 November 2018 at 10.00am (AEDT) 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 Resolutions 1, 3, 4, 5, 6 & 7 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 3, 4, 5, 6 & 7 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 Resolutions 1, 3, 4, 5, 6 & 7 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 Dr Philip Currie as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Grant of Performance Rights to Mr Darren Lurie (or his nominee) under the Incentive Option & Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Grant of Performance Rights to Dr Philip Currie (or his nominee) under the Incentive Option & Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Grant of Performance Rights to Mr Graeme Mutton (or his nominee) under the Incentive Option & Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to issue Options to Mr Darren Lurie (or his nominee) under the Incentive Option & Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval to issue Options to Mr Dr Philip Currie (or his nominee) under the Incentive Option & Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Removal of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval to Appoint Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	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 / /

O I L

9 9 9 9 9 9 A

Computershare +



Optiscan Imaging Limited
ACN 077 771 987

OILRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SURBURB
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in Optiscan Imaging Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Securityholder Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

Optiscan Imaging Limited