



**Anteo Diagnostics Limited**  
(ABN 75 070 028 625)

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the Annual General Meeting of Shareholders of Anteo Diagnostics Ltd (“**Anteo**” or the “**Company**”) for 2015 will be held on **Monday, 9 November 2015 at 10 am** (Sydney time) at the offices of **Grant Thornton, Level 17, 383 Kent Street, Sydney**. The Explanatory Memorandum accompanying this Notice of Annual General Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Memorandum and Proxy Form form part of this Notice.

The Directors have determined that pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) the persons eligible to vote at the Annual General Meeting are those who are registered shareholders of the Company as at 7pm (Sydney time) on Saturday, 7 November 2015.

Terms and abbreviations used in this Notice are defined in the Glossary to the Explanatory Memorandum.

**BUSINESS**

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**FINANCIAL STATEMENTS**

To receive and consider the financial statements of the Company and its controlled entities for the year ended 30 June 2015 and the related Directors’ Report, Directors’ Declaration and Auditors’ Report.

**RESOLUTION 1: ADOPTION OF DIRECTORS’ REMUNERATION REPORT**

*“To adopt the Directors’ Remuneration Report for the year ended 30 June 2015.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the key management personnel of the Company (“**KMP**”) (as identified in the Remuneration Report and which includes all of the Directors) or their closely related parties (defined in the Corporations Act to include certain of their family members, dependents and companies they control), as well as any undirected votes given to a KMP as proxyholder. However, the Company need not disregard a vote cast by a KMP or closely related party of the KMP if:

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

*Note: In accordance with section 250R of the Corporations Act 2001, the vote on Resolution 1 will be advisory only and will not bind the Directors or the Company.*

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**RESOLUTION 2: RE-ELECTION OF DIRECTOR (Ms. Sandra Andersen)**

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

*"That Ms. Sandra Andersen, who retires in accordance with clause 20.2 of the Company's Constitution and, being eligible, offers herself for re-election, is hereby re-elected a director of the Company".*

**RESOLUTION 3: APPROVAL OF 10% PLACEMENT FACILITY**

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

*"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, shareholders approve the issue of equity securities up to 10% of the issued capital of the Company calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 3 by a person who may participate in the proposed issue under the 10% Placement Facility, a person who might obtain a benefit, except a benefit solely in the capacity of a holder of shares, if Resolution 3 is passed, and any associates of the aforementioned persons. However, the Company will not disregard a vote if:

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

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 3.

**RESOLUTION 4: RATIFICATION OF SHARE ISSUE**

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

*"That, for the purpose of Listing Rule 7.4 and for all other purposes, the shareholders approve and ratify the issue of 12,500,000 fully paid ordinary shares in the capital of the Company to sophisticated investors, on the date, at the price and otherwise on the terms set out in the Explanatory Memorandum accompanying the Notice of Meeting".*

**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 4 by a person who participated in the Share issue, if Resolution 4 is passed, and any associates of the aforementioned persons. However, the Company will not disregard a vote if:

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

The Chairman intends to vote all available proxies in favour of Resolution 4.

**RESOLUTION 5: APPROVAL OF ISSUE OF SHARES UNDER SHARE PURCHASE AGREEMENT WITH DIASOURCE IMMUNOASSAYS SA**

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

*"That, for the purpose of ASX Listing Rule 7.1 and all other purposes, shareholders hereby approve the issue of fully paid ordinary shares to the sellers of DIAsource Immunoassay SA, on the terms set out in the Explanatory Memorandum accompanying the Notice of Meeting".*

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**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 5 by a person who will participate in the share issue, a person who might obtain a benefit, except a benefit solely in the capacity of a holder of shares, if Resolution 5 is passed, and any associates of the aforementioned persons. However, the Company will not disregard a vote if:

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

The Chairman intends to vote all available proxies in favour of Resolution 5.

**DATED:** 9<sup>th</sup> October, 2015

By order of the Board.

**Richard Martin**  
Director

## NOTES:

### Explanatory Memorandum

The Notice of Meeting should be read in conjunction with the accompanying Explanatory Memorandum.

### Eligibility to vote

In accordance with the Corporations Act and the Company's Constitution, a person's entitlement to vote at the Meeting will be determined by reference to the number of fully paid shares registered in the name of that person (reflected in the register of members) as at 7pm (Sydney time) on Saturday, 7 November 2015.

### Proxy votes

A Shareholder entitled to attend and vote is entitled to appoint not more than two (2) proxies to attend and vote in their place.

Where more than one (1) proxy is appointed, the appointment may specify the proportion or number of votes that the proxy may exercise, otherwise each may exercise half of the votes.

A proxy need not be a Shareholder.

A form of proxy must be signed by the Shareholder or the Shareholder's attorney.

Proxies must reach the Company at least forty eight (48) hours before the meeting at which the person named in the Proxy Form proposes to vote (ie not later than 10:00am (Sydney time) on Saturday, 7 November 2015.

The address for lodgement of proxies is:

<b>Delivery Address:</b>	<b>Postal Address:</b>	<b>Fax Number:</b>
Level 12, 225 George Street Sydney, NSW 2000	Anteo Diagnostics Limited c/- Boardroom Pty Ltd GPO Box 3993 Sydney NSW 2001	+61 2 9290 9655

### Power of Attorney

If a proxy is signed by a Shareholder's attorney, the Shareholder's attorney confirms that he has received no revocation of authority under which the proxy is executed and the authorities under which the appointment was signed or a certified copy thereof must also be received at least forty eight (48) hours before the meeting.

### Bodies Corporate

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's Shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

### Questions for the Auditor

Under section 250PA of the Corporations Act, Shareholders may submit written questions for the auditor up to five business days before the date of the Meeting. Shareholders wishing to do so may send their questions to the Company c/- Peloton Capital, Level 5, 56 Pitt Street Sydney NSW 2000 or Fax +61 2 9290 9655, and the Company will pass them on to the auditor.

### 2015 Annual Report

Copies of the Company's 2015 Annual Report for the financial year ending 30 June 2015 ("**Annual Report**") comprising the Annual Financial Reports, Directors' Report and Auditor's Report of the Company and the Company's controlled entities will be distributed to those Shareholders requesting a physical copy of these documents. The Company's Annual Report is able to be viewed at the Company's website at [www.anteodx.com](http://www.anteodx.com).

### Enquiries

Shareholders are invited to contact the Company Secretary, Shane Hartwig on (02) 8651 7804 if they have any queries in respect of the matters set out in these documents.

**EXPLANATORY MEMORANDUM**  
**ANTEO DIAGNOSTICS LIMITED**

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**INTRODUCTION**

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This Explanatory Memorandum has been prepared to assist Shareholders in considering the Resolutions set out in the Company's Notice of Meeting. This Explanatory Memorandum forms part of, and should be read in conjunction with, the Company's Notice of Meeting, for the Company's Meeting to be held at the offices of **Grant Thornton, Level 17, 383 Kent Street, Sydney, on Monday, 9 November 2015** (Sydney time) **at 10 am**.

Terms used in this Explanatory Memorandum are defined in the Glossary at page 10 of this Explanatory Memorandum.

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**BUSINESS**

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**FINANCIAL STATEMENTS**

The Corporations Act requires that the Financial Report (including the Directors' Report, Financial Statements and the Audit Report) be laid before the Meeting. Although not requiring a vote of Members, an opportunity will be provided for Members to ask questions on the reports, including of the Company's auditor, who will be available to answer Member questions relating to the Audit Report.

**RESOLUTION 1: ADOPTION OF DIRECTORS' REMUNERATION REPORT**

The Board is committed to creating value for Shareholders by applying the Company's funds productively and responsibly. A portion of the funds available to the Company is applied to remunerate your Non-Executive Directors.

Your Board is aware of the sensitivities of Shareholders to remuneration practices generally, and submits its remuneration report to Shareholders for consideration and adoption under a non-binding resolution.

The Remuneration Report appears within the Directors' Report in the Company's Annual Report and describes the remuneration practices of the Company and the rationale underpinning those practices.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with express authorisation to vote the proxy in accordance with the Chairman's intention.

**Directors' Recommendation**

The Directors unanimously recommend that Shareholders vote in favour of the resolution.

## **RESOLUTION 2: RE-ELECTION OF DIRECTOR (Ms. Sandra Andersen)**

Under the Company's Constitution (clause 20.2), one third of Directors, or the whole number nearest to one third, (not including the managing director or persons appointed to fill a casual vacancy) must retire from office annually and, if eligible, may offer themselves for re-election.

Accordingly Ms. Andersen retires by rotation and seeks re-election to the Board.

Sandra Andersen was appointed a Director of Anteo Diagnostics Limited in May 2011. She is Chair of the Audit & Risk Committee. Sandra is also a Director and Chair of the Audit & Risk Management Committee for Victorian Rail Track, Director and Chair of Risk Management Committee for Beyond Bank Australia, Director of Australian Hearing Services, Member of the Board of Trustees and Chair of Finance & Audit Committee of the Melbourne Convention and Exhibition Trust, and Chair of Audit & Risk Management Committee for the Department of Premier & Cabinet, Victoria.

She began her career with a law degree and subsequently held senior executive positions with ANZ Bank, Commonwealth Bank of Australia and National Australia Bank. Following a career change from banking and finance into industry, Ms Andersen was the Chief Financial Officer at Lumacom Ltd and Chief Operating and Financial Officer of Multi-Emedia.com Ltd. She led the initial public offering for and became the Managing Director of Eyecare Partners Limited, a company which trebled in size in its first 2 years of operation.

### **Directors' Recommendation**

The Directors (other than Ms. Andersen) unanimously recommend that Shareholders vote in favour of the re-election of Ms. Andersen.

## **RESOLUTION 3: APPROVAL OF 10% PLACEMENT FACILITY**

### **General**

Listing Rule 7.1A permits an "eligible entity" which has obtained shareholder approval by special resolution passed at an annual general meeting to issue "equity securities" (as defined in the Listing Rules and which includes shares and options to acquire shares) up to 10% of its issued share capital through placements over a maximum 12 month period after the relevant annual general meeting (the **10% Placement Facility**).

The issue of equity securities under the 10% Placement Facility would be in addition to the Company's ability to issue equity securities without Shareholder approval under Listing Rule 7.1. Broadly, Listing Rule 7.1 permits the Company to issue up to 15% of its issued equity capital without Shareholder approval over a 12 month period.

An "eligible entity" for the purposes of Listing Rule 7.1A is an entity that, as at the date of the relevant special resolution under that Rule, is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. If the special resolution were voted on at the date of the Notice, the Company would satisfy the eligible entity requirements, and the Directors believe that the Company would continue to satisfy those requirements on the date of the Meeting.

Other than raising capital to complete the acquisition of DIAsource Immunoassays S.A. ("**DIAsource**") (as announced on 26 August, 2015), the Company presently has no intention to raise further capital via this 10% Placement Facility. The directors, however, are of the opinion that it is prudent to have such a facility in place to provide flexibility on capital raising alternatives should they be required in the coming 12 months. 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 Resolution 3 will be to allow the Directors to issue equity securities under Listing Rule 7.1A during a maximum period of 12 months after the Meeting without subsequent Shareholder approval and in addition to the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

### Description of Listing Rule 7.1A

Listing Rule 7.1A came into effect on 1 August 2012.

(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.

(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, being Shares and unquoted options to subscribe for Shares.

(c) *Formula for calculating 10% Placement Facility*

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during a period of up to 12 months after the date of the annual general meeting (see paragraph (f) below – "10% Placement Period"), a number of equity securities calculated in accordance with the following formula:

**(A x D) – E**

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

- plus the number of fully paid ordinary shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- plus the number of fully paid ordinary shares issued in the 12 months with approval of holders of ordinary shares under Listing Rule 7.1 or 7.4;
- less the number of fully paid ordinary 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 issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) *Listing Rules 7.1 and 7.1A*

The ability of an entity to issue equity securities under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

At the date of the Notice, the Company has the capacity to issue:

- (i) 128,597,174 equity securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 3, 85,731,449 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 section (c) above).

(e) *Minimum Issue Price*

The issue price of Shares issued under Listing Rule 7.1A must be not less than 75% of the VWAP (volume weighted average price) of Shares calculated over the 15 ASX trading days on which trades in Shares were recorded immediately before:

- (i) the date on which the price at which the Shares are to be issued is agreed; or
- (ii) if the Shares are not issued within 5 ASX trading days of the date in paragraph (i) above, the date on which the Shares 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; and
- (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),

(the **10% Placement Period**).

**Information required by Listing Rule 7.3A**

Listing Rule 7.3A sets out a number of matters which must be included in a notice of meeting seeking an approval under Listing Rule 7.1A. The following information is provided for that purpose.

(a) *Minimum Price*

See section (e) above.

(b) *Risk of dilution*

Any issue of Shares under the 10% Placement Facility will dilute the interests of Shareholders who do not receive any Shares under the issue.

There is a risk that:

- (i) the market price for the relevant equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the Meeting; and
- (ii) the equity securities may be issued at a price that is at a discount to the market price for the relevant 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 potential dilution of existing Shareholders on the basis of an issue price of \$0.092 per Share (being the market price of Shares as at 31 August 2015 and the current value for the variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of the Notice.

The table also shows:

- (i) two examples where variable "A" (being the number of Shares on issue) has increased, namely by 50% and by 100%. Variable "A" could increase as a result of issues of 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 assumed issue price of \$0.092 per Share has changed: one, where it has decreased by 50% and two, where it has increased by 100%.

		50% decrease in Issue Price (\$0.046)	Issue Price (\$0.092) (equivalent to Share price at 31 August 2015)	100% increase in Issue Price (\$0.184)
Current Variable "A"	10 % voting dilution	85,731,449	85,731,449	85,731,449
	Funds raised	\$3,943,646	\$7,887,293	\$15,774,586
50% increase in current Variable "A"	10 % voting dilution	128,597,174	128,597,174	128,597,174
	Funds raised	\$5,915,470	\$11,830,940	\$23,661,880
100% increase in current Variable "A"	10 % voting dilution	171,462,899	171,462,899	171,462,899
	Funds raised	\$7,887,293	\$15,774,587	\$31,549,173

The table has been prepared on the following assumptions:

- (i) The issue price is \$0.092 being the closing price of the Shares on ASX on 31 August 2015.
- (ii) The Company issues the maximum number of equity securities available under the 10% Placement Facility.
- (iii) No options are exercised into Shares before the date of the issue of the equity securities.
- (iv) The 10% dilution reflects the aggregate percentage voting dilution against the issued share capital at the time of issue. This is why the dilution is shown in each example as 10%.
- (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- (vi) 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.
- (vii) 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.

(c) *Issue Dates*

The Company will only issue and allot the equity securities under the 10% Placement Facility during the 10% Placement Period.

(d) *Purpose of Issues*

The Company may seek to issue equity securities under the 10% Placement Facility for cash consideration in which case the Company intends to use the funds raised for further development of its existing products and/or to potentially fund the development of existing products into new markets of interest and general working capital.

The Company will comply with the disclosure obligations under the Listing Rules upon issue of any equity securities under the 10% Placement Facility.

(e) *Allocation policy*

The Company's allocation policy for the issue of equity securities under the 10% Placement Facility is dependent on the prevailing market conditions at the time of any proposed issue. The identity of the allottees of the 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 purpose of the issue;
- (ii) alternative methods of raising funds that are available to the Company, including a rights issue or other issue in which existing security holders can participate;
- (iii) the effect of the issue of the equity securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial situation and solvency of the Company; and
- (v) advice from corporate, financial and broking advisers (if applicable).

The allottees of any equity securities that may be issued under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new shareholders who are not related parties or associates of a related party of the Company. Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources, assets or investments.

(f) *Previous Approvals under Listing Rule 7.1A*

The Company previously obtained Shareholder approval to a 10% Placement Facility at the 2014 AGM. As required by Listing Rule 7.3A.6, details of all securities issued in the 12 months preceding the date of the Meeting, are as follows:

Options								
Date	No. of Securities issued	Class of Securities	Issue price	Exercise Price	Amount raised (cash)	% of Equities issued (fully diluted basis)	Discount to closing price at time of issue	Securities issued to:
10.11.14	17,000,000	Options	Nil	\$0.20	Nil	2.0%	-	Directors
04.02.15	4,000,000	Options	Nil	\$0.12	Nil	0.48%	-	Employees under the Company's ESOP
04.02.15	1,000,000	Options	Nil	\$0.20	Nil	0.12%	-	Company Secretary under the Company's ESOP
30.04.15	2,250,000	Options	Nil	\$0.135	Nil	0.27%	-	Employees under the Company's ESOP

*Note: Options were issued to eligible employees and consultants in accordance with and subject to the terms of the approved Employee and Consultants Share Option Plan (ESOP).*

Shares							
Date	No. of Securities issued	Class of Securities	Issue price	Amount raised (cash)	% of Equities issued	Discount to closing price at time of issue	Securities issued to:
28.05.15	6,250,000	Ordinary Shares	\$0.08	\$500,000	0.75%	7%	First Cape Management Pty Ltd
28.05.15	6,250,000	Ordinary Shares	\$0.08	\$500,000	0.75%	7%	Masali Pty Ltd
10.11.14	2,000,000	Ordinary Shares	\$0.07	\$140,000	0.24%	41.5%	Employees under ESOP on exercise of options
07.01.15	6,250,000	Ordinary Shares	\$0.07	\$437,500	0.75%	36.4%	Employees under ESOP on exercise of options
04.12.14	1,400,000	Ordinary Shares	\$0.07	\$98,000	0.17%	48.1%	Employees under ESOP on exercise of options

*Note: Fully paid Ordinary Shares issued on 28 May 2015 were issued to institutional and private investors by way of a capital raising. Investors were certified by the lead manager as sophisticated investors.*

To date, the Company has spent approximately \$100,000 of the \$1,675,500 raised. Funds have been used for the continuing development of the Company's nanoglue technology, to enhance the Company's ability to undertake expansion and growth plans as well being used for the Company's general working capital requirements. Unused funds will continue to be used for these purposes.

In particular, the share placement allowed the Company to continued development of its nanoglue technology in the battery sector.

(g) *Voting Exclusion Statement*

A voting exclusion statement is included in the Notice.

At the date of the Notice, the Company has not approached nor intends to approach any particular existing Shareholder or security holder or an identifiable class of existing security holders to participate in the issue of any equity securities, and the Company has not formed an intention in relation to how it will decide which parties it might approach to participate in any issue of equity securities that might be made under the 10% Placement Facility. Assuming that remains the case at the time of the Meeting (which the Directors currently believe will be the case) no Shareholder's votes will be excluded under the voting exclusion in the Notice.

**Directors' Recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

**RESOLUTION 4: RATIFICATION OF SHARE ISSUE**

**Background**

The Company issued 12,500,000 Shares on 28 May 2015 at an issue price of \$0.08 under its 15% placement capacity and now seeks, pursuant to Resolution 4, to ratify the allotment and issue of those Shares.

Listing Rule 7.4 permits the ratification of previous issues of shares made without prior Shareholder approval, provided the issue did not breach the 15% threshold. The purpose and effect of such ratification is to restore the Company's discretionary power to issue further shares up to 15% of the issued capital without requiring Shareholder approval.

The Company proposes to ratify this previous issue of Shares in accordance with Listing Rule 7.4. The issue of the Shares the subject of Resolution 4 did not breach Listing Rule 7.1.

#### **Information Required by ASX Listing Rule 7.5**

The following information in relation to the Shares is provided to Shareholders for the purpose of this resolution:

- (a) All 12,500,000 Shares issued are fully paid and rank equally in all respects with existing ordinary shares.
- (b) All Shares were issued to First Cape Management Pty Ltd and Masali Pty Ltd, which are sophisticated investors within the meaning of Section 708 of the Corporations Act.
- (c) The total number of shares issued was 12,500,000 on 28 May 2015 at an issue price of \$0.08.
- (d) The funds were raised for the continuing development of the Company's nanoglue technology in the battery sector, to enhance the Company's ability to undertake expansion and growth plans as well being used for the Company's general working capital requirements.

#### **Directors' Recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

#### **RESOLUTION 5: APPROVAL OF ISSUE OF SHARES UNDER SHARE PURCHASE AGREEMENT WITH DIASOURCE IMMUNOASSAYS SA**

##### **Background**

The purpose of Resolution 5 is to seek approval to issue shares to shareholders of DIAsource Immunoassays SA ("**DIAsource**") as part of the acquisition announced by the Company on 26 August, 2015. Under the terms of the Share Purchase Agreement between the Company and the sellers of DIAsource, the sellers can elect to take all or part of their portion of the purchase price in Shares.

The Initial Payment is payable at completion which is due to occur within 3 months after the date of the Meeting. Accordingly, the purpose of Resolution 5 is to seek shareholder approval to issue Shares to the sellers of DIAsource should they elect to take all or part of the Initial Payment in Shares rather than cash.

If the sellers of DIAsource are entitled to be paid the Earn-out amounts in 2017 (up to a maximum of €7.266 million), they must take at least 20% in Shares. As at the date of the Notice, it is anticipated that the Company will use its 15% placement capacity to issue such Shares.

##### **Requirement under ASX Listing Rule 7.1**

ASX Listing Rule 7.1 requires Shareholder approval for issues of securities in any twelve month period where the amount of securities to be issued exceeds 15% of the current issued capital of the company. If the Sellers of DIAsource elect to take Shares rather than cash, there is the possibility that the Company may exceed the 15% limit under ASX Listing Rule 7.1.

##### **Information Required by ASX Listing Rule 7.3.**

The following information in relation to the share placement to DIAsource shareholders is provided to Shareholders for the purpose of this resolution:

- (a) The maximum number of Shares that the Company will issue will be determined by:
  - i. the number of Sellers who elect to take Shares rather than cash for all or part of their portion of the Initial Payment; and

- ii. dividing the relevant amount (after converting from Euros to AUD) by the issue price (see item (c) below).

*Note: as the purchase price is in EUR, the actual number of shares issued will not be able to be determined until the date of issue due to fluctuations in the exchange rate between EUR and AUD.*

- (b) The Shares will be issued to the sellers no later than 3 months after the date of the Meeting.
- (c) The minimum price will be 80% of the VWAP (volume weighted average price) of Shares calculated over the last 5 days on which the Shares were traded immediately before Shares under the placement are to be issued.
- (d) The Shares will be issued to those sellers of DIASource (i.e. shareholders) who elect to take Shares rather than cash for all or part of their portion of the Initial Payment.
- (e) The shares will be fully paid and rank equally in all respects with existing ordinary shares.

#### Potential Dilution

The following table is for illustrative purposes only and shows the potential dilution of existing Shareholders should the sellers of DIASource elect to take Shares rather than cash for the Initial Payment.

To assist Shareholders, the table shows the potential dilution should the sellers of DIASource elect to take 1%, 5%, 10% or 20% of the Initial Payment in Shares.

As at the date of the Notice, it is anticipated that the sellers of DIASource will elect to take a maximum of 20% of the Initial Payment in Shares.

Particulars	Total Securities on Issue			
	1%	5%	10%	20%
Before transaction	857,314,493			
Increase due to issue to sellers of DIASource	1%	5%	10%	20%
	2,330,000	11,650,000	23,300,000	46,600,000
After transaction	1%	5%	10%	20%
	859,644,493	868,964,493	880,614,493	903,914,493
Percentage change due to transaction	1%	5%	10%	20%
	0.3%	1.4%	2.7%	5.4%

The table is purely for illustrative purposes and has been prepared on the following assumptions:

- (i) the issue price is \$0.10 being the closing price of Shares on ASX on 10 August, 2015
- (ii) No options are exercised into Shares before the date of the issue of Shares.
- (iii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issue of Shares to the sellers of DIASource based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

#### Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

## GLOSSARY

**ASX** means Australian Securities Exchange Limited.

**Board** means the board of directors of the Company.

**Company** or **Anteo** means Anteo Diagnostics Limited (ABN 75 070 028 625).

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** mean the current directors of the Company.

**Explanatory Memorandum** means the explanatory memorandum accompanying the Notice.

**Listing Rules** means the ASX Listing Rules.

**Meeting** means the meeting convened by the Notice.

**Notice** means the Notice of Meeting accompanying this Explanatory Memorandum.

**Proxy Form** means the proxy form for the General Meeting accompanying the Notice.

**Share** means a fully paid ordinary share in the capital of the Company.

**Share Purchase Agreement** means the share purchase agreement between the Company as purchaser and the shareholders of DIAsource as sellers dated 25 August, 2015

**Shareholders** means a shareholder of the Company.

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## ANNEXURE A



anteo diagnostics

### ANTEO DIAGNOSTICS TO ACQUIRE ESTABLISHED GLOBAL DIAGNOSTICS COMPANY DIASOURCE IMMUNOASSAYS SA

For Immediate Release:

August 26, 2015

#### Highlights:

- Anteo Diagnostics to acquire 100% of the equity in global specialty diagnostics company, DIAsource ImmunoAssays SA (Belgium), in line with previously announced acquisitive growth strategy
- DIAsource ImmunoAssays generated revenue of €11.9m (A\$18.0m) in 2014, and €7.2m (A\$10.9m) in first half of 2015 (25% growth) with quarterly EBITDA margins of 20%
- Purchase price of €15.4m (A\$23.3m), with a two year earn out to vendors, subject to achievement of financial business targets
- Transformational acquisition to transition Anteo towards a cash flow positive business, with an established global distribution platform, manufacturing capabilities and a significantly broadened product range
- Deal completion subject to financing and regulatory approvals
- New merged business entity of 100 personnel

**26 August 2015** - The Board of Directors of Anteo Diagnostics (ASX: ADO) (**Anteo**) is pleased to announce that it will acquire DIAsource ImmunoAssays, SA (**DIAsource**), an established global specialty diagnostics company based in Belgium, pursuant to a Share Purchase Agreement executed yesterday (**Agreement**).

DIAsource is a vertically-integrated specialty diagnostics company that develops, manufactures, markets and distributes clinical diagnostics products in the fields of endocrinology, especially bone metabolism, fertility, cardiovascular and oncology.

DIAsource is a truly international company that services customers in 75 countries worldwide; and sells products both directly and through a global network of 90 main distributors and 40 OEM partners.

The Company generated revenue of €11.9m (A\$18.0m) in 2014 and €7.2m (A\$10.9m) in the first half of 2015. This represents revenue growth of 25% with an average EBITDA margin of 20.6% this year. DIAsource recently achieved its fifth consecutive revenue growth quarter and fifth consecutive best quarter ever in the company's history, thanks to growth in its Vitamin D portfolio and its established line of specialty RIA and ELISA assays, two different forms of immunoassays.

DIAsource has a highly flexible supply chain with a fully IVD certified production facility to manufacture its complete catalogue of antibodies, ELISA and RIA assays. The Company's headquarters, comprising 4,500 square meters located in Louvain-La-Neuve near Brussels, combines offices and laboratories with a fully integrated manufacturing and storage facility.

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### Agreement terms

Key terms of the Agreement include:

- Initial payment of €15.4m (A\$23.3m) to be paid in cash and / or shares at completion of the acquisition.
- An earn-out component, up to a maximum of €7.3m (A\$11.1m), subject to the achievement of business revenue and margin targets, with a minimum 20% in shares.
- Completion subject to financing, regulatory approvals and other conditions which are typical for a transaction of this nature.

### A transformative acquisition

The acquisition of DIAsource is an important step in the staged global expansion strategy for Anteo.

This first acquisition is expected to complete in November 2015 and will deliver a range of significant benefits to Anteo's shareholders, including:

- **Strong revenue, revenue growth and EBITDA margin** – with strong fundamentals, including a 20% EBITDA margin over the last four quarters, the DIAsource deal transitions Anteo towards a cash flow positive organisation with significant upside earnings potential.
- **An experienced and globally-networked team** – the DIAsource team brings extensive industrial diagnostic experience that dovetails with Anteo's capabilities and "know-how", as well as an established business network of research and commercial partners worldwide.
- **A broad suite of existing products** – DIAsource manufactures and distributes a complete catalogue of ELISA and RIA products for clinical diagnostics via established distribution channels worldwide; an offering which includes antibodies and laboratory automation instrumentation. DIAsource's products are well suited to mid-tier and specialist laboratories.
- **A strategic location** – Belgium is centrally located in Europe; situated between Germany, France, the UK and the Netherlands. DIAsource's head office and operations are based in the middle of one of the most prosperous and densely populated region in Europe, with good access to core European markets and Anteo's customers.
- **Additional differentiators** – DIAsource's existing platform provides significant opportunities for Anteo's Mix&Go technology; delivering tailored customer offerings and accelerating sales of the Mix&Go technology and product range.

The transaction complements the foundational work conducted by Anteo during FY15 to develop a robust platform for business growth. With extended reach into 75 countries, the possibilities for Anteo to leverage the Mix&Go product range and capabilities throughout DIAsource's supply chain are significant. Anteo will also gain access to a large manufacturing capability, which will provide a platform to manufacture products at scale. This previously would have required Anteo to undertake significant further investment.

Anteo's CEO, Dr. Geoff Cumming, stated: "We are delighted to announce the execution of a Share Purchase Agreement today, following the completion of a robust due diligence process. The Board believes that the Anteo-DIASource combination will be transformational for Anteo and deliver a strong set of benefits to both companies."

"Not only will the combined group transition Anteo towards a cash flow positive position; it also delivers a truly global presence through which both DIAsource's and Anteo's products can be sold. The transaction also brings a world-class (ISO, US FDA and CE IVD certified) manufacturing facility to Anteo and our shareholders."

"With a strong balance sheet and growth in both revenue and earnings, as well as an established organisation with experienced diagnostics management, DIAsource is a sound investment. Revenue

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improvements that can be achieved through DIAsource's product families and inclusion of Mix&Go in the product mix make the acquisition even more attractive for Anteo," added Dr Cumming.

DIAsource Managing Director, Dr. Jozef Vangenechten, added: "This is an exciting opportunity for DIAsource to become part of a global stock exchange listed parent company, and we're happy and honoured to be the first operating subsidiary company chosen by Anteo to become part of its new growth strategy. With decades of experience in immunoassay development and manufacturing, we believe in Anteo's Mix & Go technology and look forward to the opportunity of showing and harvesting its benefits in our industrial immunoassay manufacturing. We will continue to work closely with Anteo over the coming months to bring the transaction to a close."

For further information, see our website ([www.anteodx.com](http://www.anteodx.com)) or contact the persons outlined below.

Company	Media and Investor Relations
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Richard Martin, Chief Financial Officer T: + 61 7 417 229 810	

#### About Anteo Diagnostics

Anteo Diagnostics Limited (ASX: ADO) is a global technology company and parent company of the Australian biotechnology company Anteo Technologies, that develops and commercialises products for the life sciences, in-vitro diagnostics, point of care, medical devices and bioseparations markets.

The Anteo group owns a patented nanogluce technology, which is used by healthcare customers as an addition to their existing tests, to consistently enable laboratory test results that can either be delivered faster, cheaper or with greater specificity and / or sensitivity than incumbent tests. This nanogluce technology, called Mix&Go for healthcare markets, is starting to gain traction within the Company's target markets due to its ability to revolutionise the way scientists and assay developers work.

For more information, please visit [www.anteodx.com](http://www.anteodx.com)

#### About DIAsource ImmunoAssays

DIAsource ImmunoAssays SA is a global specialty diagnostics company that develops, manufactures, markets and distributes clinical diagnostic products in the field of endocrinology, with a leading portfolio of Vitamin D products and comprehensive catalogue of ELISA and RIA products offered to customers worldwide. DIAsource is a vertically integrated company, from R&D and antibody production through to customer service solutions that include lab automation instrumentation.

DIAsource is present in 75 countries and sells products both directly and through a global network of 90 main distributors and 40 OEM partners.

For more information, please visit [www.diasource-diagnostics.com](http://www.diasource-diagnostics.com).

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