

Notice of Annual General Meeting and Explanatory Notes

Alcidion Group Limited
ACN 143 142 410

Date: Thursday, 14 November 2019.

Time: 10.30 a.m., Melbourne time.

Venue: William Buck
Level 20, 181 William Street,
Melbourne, Victoria, 3000




Notice of Annual General Meeting

Notice

Notice is hereby given that the Alcidion Group Limited ('Alcidion' or 'Company') Annual General Meeting of Shareholders will be held at the offices of William Buck, Level 20, 181 William Street, Melbourne, Victoria, 3000 on Thursday, 14 November 2019 at 10.30 a.m. Melbourne time. Attached to and forming part of this Notice of Meeting are the Explanatory Notes that provide Shareholders with background information and further details in understanding the reasons for and the effect of the Resolutions if approved.

This information is presented in accordance with the regulatory requirements of the *Corporations Act 2001* (Cth) ('Corporations Act').

If you are unable to attend the meeting, you are requested to complete the proxy form enclosed with this notice. The entitlement for Shareholders to vote at the meeting will be determined by reference to those persons on the register of members as at 7.00 p.m. Melbourne time on Tuesday, 12 November 2019. The proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be sent to the Share Registry using the details below:

 Online	www.investorvote.com.au Or for Intermediary Online subscribers only (custodians) www.intermediaryonline.com
 By Fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
 By Mail	Computershare Investor Services Pty Ltd GPO Box 242 Melbourne VIC 3001

so that they are received at least 48 hours before the time for holding the meeting (being no later than 10.30 a.m. Melbourne time on Tuesday, 12 November 2019).

A number of defined terms are used in the Notice of Meeting. These terms are contained in the Glossary in section 10 of the Explanatory Notes.

AGENDA

ORDINARY BUSINESS

DISCUSSION OF FINANCIAL STATEMENTS

To receive and consider the annual financial report, the directors' report and the auditor's report for the year ended 30 June 2019.

Note: there is no vote on this item.

1. ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass the following motion as a non-binding **ordinary resolution**:

'That, the Remuneration Report, as set out in the Annual Report for the Company and its controlled entities for the financial year ended 30 June 2019, be adopted'.

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

Voting exclusion statement for Resolution 1

The Corporations Act provides that a vote on Resolution 1 must not be cast (in any capacity), and the Company will disregard any votes cast on Resolution 1 by or on behalf of:

- (a) A member of the Key Management Personnel (which includes any Director); and
- (b) A Closely Related Party (such as close family members and any controlled companies) of those persons, the details of whose remuneration are included in the Remuneration Report. The Explanatory Memorandum includes important information in relation to the voting of proxies on this Resolution.

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person described above and either:

- (a) the voter does so as proxy appointed in writing that specifies how the proxy is to vote on the Resolution; or
- (b) the voter is the Chair of the meeting and the appointment of the Chair as proxy:
 - (i) does not specify the way in which the Chair is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. ELECTION OF DIRECTOR – MR SIMON CHAMBERLAIN

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

'That, Mr Simon Chamberlain, who was appointed as an addition to the Board since the last Annual General Meeting of the Company and who retires in accordance with ASX Listing Rule 14.4 and Article 6.3(i) of the Company's Constitution, be elected as a Director of the Company.'

3. RE-ELECTION OF DIRECTOR – PROFESSOR MALCOLM PRADHAN

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

'That, Professor Malcolm Pradhan, who retires as a Director in accordance with ASX Listing Rule 14.4 and Article 6.3(c) of the Company's Constitution at the conclusion of this Meeting, be re-elected as a Director of the Company.'

4. NON-EXECUTIVE DIRECTORS' REMUNERATION

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

'That, in accordance with Article 6.5(a) of the Company's Constitution and for all other purposes, the maximum aggregate amount available for payment by way of remuneration to the non-executive directors of the Company be capped at \$400,000 per annum effective from 1 July 2019.'

Voting exclusion statement for Resolution 4

The Company will disregard any votes cast in favour of this Resolution by any Director and any of their associates or by or on behalf of the following persons:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, these restrictions will not apply to a vote cast as proxy for a person entitled to vote if:

- it is cast in accordance with a direction on the proxy form specifying how the proxy is to vote on the resolution; or
- it is cast by the person chairing the meeting and the appointment expressly authorised the chair to exercise the proxy even if the proposed resolution is connected directly or indirectly with the remuneration of the Key Management Personnel of the Company.

5. RATIFICATION OF PRIOR ISSUE OF SHARES

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

'That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval is given to ratify and confirm the prior issue of 79,207,920 fully paid ordinary shares in the capital of the Company on the terms and conditions set out in the Explanatory Notes.'

Voting exclusion statement for Resolution 5

The company will disregard any votes cast in favour of this Resolution by any person who participated in the issue and any of their associates.

However, these restrictions will not apply to a vote cast as proxy for a person entitled to vote if:

- it is cast in accordance with a direction on the proxy form specifying how the proxy is to vote on the resolution; or
- it is cast by the person chairing the meeting and the appointment expressly authorised the chair to

exercise the proxy even if the proposed resolution is connected directly or indirectly with the remuneration of the Key Management Personnel of the Company.

6. RATIFICATION OF PRIOR ISSUE OF SHARES

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

'That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval is given to ratify and confirm the prior issue of 5,866,443 fully paid ordinary shares in the capital of the Company on the terms and conditions set out in the Explanatory Notes.'

Voting exclusion statement for Resolution 6

The company will disregard any votes cast in favour of this Resolution by any person who participated in the issue and any of their associates.

However, these restrictions will not apply to a vote cast as proxy for a person entitled to vote if:

- it is cast in accordance with a direction on the proxy form specifying how the proxy is to vote on the resolution; or
- it is cast by the person chairing the meeting and the appointment expressly authorised the chair to exercise the proxy even if the proposed resolution is connected directly or indirectly with the remuneration of the Key Management Personnel of the Company.

SPECIAL BUSINESS

7. REPLACEMENT OF CONSTITUTION

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

'That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the Chairman of the Meeting for identification purposes, with effect from the close of this Meeting'.

8. APPROVAL OF 10% PLACEMENT CAPACITY

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

'That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totaling up to 10% of the Shares on issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Notes'.

Voting exclusion statement for Resolution 8

The Company will disregard any votes cast in favour of this Resolution by any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Equity Securities under this Resolution, except a benefit solely by reason of being a holder of ordinary securities in the Company, and any associates of any such person.

However, these restrictions will not apply to a vote cast as proxy for a person entitled to vote if:

- it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or

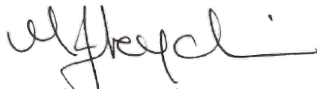
- it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

OTHER BUSINESS

To transact any other business that may be brought forward in accordance with the Company's Constitution.

The Explanatory Notes attached to this Notice form part of this Notice. A detailed explanation of the background and reasons for the proposed resolutions are set out in the Explanatory Notes.

By order of the Board.



Melanie Leydin
Company Secretary
8 October 2019

Proxies and Voting

Determination of Shareholders' Right to Vote

For the purposes of this meeting, Shares will be taken to be held by persons who are registered as Shareholders as at 7.00 p.m. Melbourne time on Tuesday, 12 November 2019. Accordingly, transactions registered after that time will be disregarded in determining Shareholders entitled to attend and vote at the meeting.

Voting in Person

If you are proposing to attend the Meeting and vote, there is no need for you to take any further action at this time.

Voting by Corporate Representative

Body corporate Shareholders should complete an "Appointment of Corporate Representative" form to enable a person to attend the meeting on their behalf. This form can be obtained from Computershare's website at <https://www-au.computershare.com/Investor/help/printableforms>.

Appointment of a proxy

A Shareholder entitled to vote at the Meeting may appoint not more than two proxies to attend and vote at the Meeting on that Shareholder's behalf. A proxy need not be a Shareholder of the Company.

A Shareholder who is entitled to cast two or more votes may appoint not more than two proxies to attend and vote at the Meeting. If you appoint two proxies, you may specify the proportion of votes each proxy is appointed to exercise. If no such proportion is specified, each proxy can exercise half of the Shareholder's voting rights.

If the appointment of a proxy directs the proxy to vote on an item of business in a particular way, the proxy may only vote on that item as directed. However, unless the proxy is required by law to vote, the proxy may decide not to vote on that item. All directed proxies that are not voted on a poll at the Meeting will automatically default to the Chairman, who is required to vote the proxies as directed. Any undirected proxies on a given resolution may be voted on by the appointed proxy as they choose, subject to voting exclusions as described previously.

In the case of Shares jointly held by two or more persons, any joint holder may appoint a proxy but if more than one is present at the meeting (either in person or by proxy or attorney or representative) the joint holder whose name appears first in the Company's share register shall alone be entitled to vote in respect of those Shares.




Voting Exclusion Statements

As set out in Resolutions 1, 4, 5, 6 and 8.

Lodging a proxy form

To be effective, the completed proxy form, together with any relevant power of attorney, must be received by the Share Registry not less than 48 hours before the time for holding the meeting, which is 10.30 a.m. Melbourne time on Tuesday, 12 November 2019.

The proxy form can be returned in the following ways:

- | | |
|---|---|
|  Online | www.investorvote.com.au
Or for Intermediary Online subscribers only (custodians) www.intermediaryonline.com |
|  By Fax | 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia) |
|  By Mail | Computershare Investor Services Pty Ltd GPO Box 242
Melbourne VIC 3001 |

A proxy form accompanies this Notice of Annual General Meeting.

Explanatory Notes

These are the Explanatory Notes accompanying the Notice of Annual General Meeting ('AGM') for Alcidion Group Limited ACN 143 142 410 ('Alcidion' or 'Company') to be held on Thursday, 14 November 2019 at 10.30 a.m., Melbourne time at the offices of William Buck, Level 20, 181 William Street, Melbourne, Victoria, 3000.

Information relevant to the business to be considered at the Annual General Meeting is provided in these Explanatory Notes and Shareholders should read this document in full.

1 Annual Report

The Annual Report for consideration at the AGM will consist of the financial statements of the Company for the financial year ended 30 June 2019, the notes to those financial statements, the Directors' Report, the Directors' declaration and the auditor's report including their Independence Statement.

The annual report is available at the ASX's website at www.asx.com.au using ASX ticker code 'ALC'.

Neither the *Corporations Act* 2001 (Cth) ('Corporations Act') nor the Company's constitution requires the Shareholders to vote on the financial statements or the accompanying reports. However, Shareholders will be given the opportunity to raise questions or comments on the financial statements at the Meeting. In addition, Shareholders will be given the opportunity to ask the Company's auditor, William Buck, questions relevant to the conduct of the audit, the independence of the auditor, the Company's accounting policies and the preparation and content of the auditor's report.

2 Resolution 1: Adoption of Remuneration Report

2.1 Background

The Remuneration Report contained in the 2019 Annual Report is required to be considered by Shareholders in accordance with section 250R of the Corporations Act. The Remuneration Report, which details the Company's policy on remuneration of non-executive directors, executive directors and key executives is set out on Pages 13 to 18 of the Annual Report.

The vote on the adoption of the Remuneration Report is advisory only and is not binding. However, the Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies and practices.

Further, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second AGM on a 'Board spill resolution' to determine whether another meeting should be held within 90 days at which all of the Company's Directors must stand for re-election.

At the Company's previous Annual General Meeting, the votes cast against the remuneration report considered at that meeting were less than 25%. Accordingly, the 'Board spill resolution' is not relevant for this Meeting.

2.2 Directors' Recommendation

The Board recommends that Shareholders vote in favour of the Remuneration Report. The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution.

3 Resolution 2: Election of Mr Simon Chamberlain as a Director

3.1 Background

In accordance with ASX Listing Rule 14.4 and Article 6.3(i) of the Company's Constitution, Mr Simon Chamberlain will retire at the Annual General Meeting and, being eligible, will offer himself for election.

Mr Simon Chamberlain was appointed a Director of the Company on 1 July 2019.

Mr Chamberlain's 20-year career spans executive roles at high profile companies including General Manager at Medibank Private, Executive Manager of Qantas Airways' Hooroo business, and most recently in his current role as General Manager at MedAdvisor (ASX: MDR).

Mr Chamberlain has enjoyed a rich and varied career, with a proven track record for strategic success and commercial growth across a range of industries and markets. Simon led Qantas' entrance into the online hotels business, establishing a profitable, high growth new division for Qantas. At Medibank, Simon had responsibility across all customer channels and the enterprise's data and oversaw the creation of the customer experience practice. Gaining a better understanding of the complex challenges facing the wider health system led to Simon's role leading strategy for MedAdvisor, where he has helped support the global expansion of their health technology business.

Mr Chamberlain holds a Bachelor of Commerce (Accounting) and Law (Hons) from Monash University.

3.2 Directors' Recommendation

The Directors (other than Mr Chamberlain, who makes no recommendation) unanimously recommend that Shareholders approve Resolution 2 for the election of Mr Chamberlain as a Director of the Company. The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution.

4 Resolution 3: Re-election of Professor Malcolm Pradhan as a Director

4.1 Background

In accordance with ASX Listing Rule 14.4 and Article 6.3(c) of the Company's Constitution, Professor Malcolm Pradhan will retire at the Annual General Meeting and, being eligible, will offer himself for re-election.

Professor Malcolm Pradhan was appointed as a Director on 22 February 2016.

With over 20 years of experience in Medical Informatics, Professor Malcolm Pradhan is one of the world's leading minds in Clinical Decision Support. Prior to co-founding Alcidion in 2000, Professor Pradhan was the Associate Dean of IT and Director of Medical Informatics, University of Adelaide. During his time at the University of Adelaide, Professor Pradhan provided thought leadership and conducted research into applications of clinical decision support, and into optimum uses of a variety of statistical and probabilistic methods for applying clinical decision support. He also was active in the Australian health informatics community, as a founding fellow of the Australasian College of Health Informatics (ACHI).

In 2009, Professor Pradhan was awarded the title of Adjunct Professor at the University of South Australia, and performs a leadership role within UniSA's academic organisation – as an educator and a researcher.

Professor Pradhan's broad knowledge and vision of the path to a high performance healthcare system are complimented by formal qualifications of an MBBS from University of Adelaide, and a PhD in Medical Informatics from Stanford University.

4.2 Directors' Recommendation

The Directors (other than Professor Pradhan, who makes no recommendation) unanimously recommend that Shareholders approve Resolution 3 for the re-election of Professor Pradhan as a Director of the Company. The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution.

5 Resolution 4: Non-Executive Director Remuneration

5.1 Background

In accordance with Article 6.5(a) of the Company's Constitution and ASX Listing Rule 10.17, Shareholder approval is sought to set the maximum aggregate amount of Directors' fees per annum that may be paid by the Company to its Non-Executive Directors to A\$400,000 per annum effective from 1 July 2019 ('**Fee Pool**').

Under the ASX Listing Rules, the term "directors' fees" includes committee fees, superannuation contributions and fees which a director sacrifices for other benefits, but does not include reimbursement of genuine out-of-pocket expenses, genuine "special exertion" fees or securities issued to non-executive directors with approval of Shareholders in accordance with the ASX Listing Rules.

The Directors are seeking Shareholder approval to increase the Fee Pool for the following reasons:

- (a) the increase in the Fee Pool will provide the Board with the ability to appoint additional directors with the requisite skills and experience as appropriate; and
- (b) the increase will ensure that the Company maintains the ability to pay non-executive directors' remuneration at levels commensurate with market rates and as necessary to attract and retain directors of the highest calibre.

Shareholders should note that, if the proposed Fee Pool is approved, it will not necessarily represent the full sum paid to Non-Executive Directors each financial year. The Company will in future continue to set the actual level of remuneration of its Non-Executive Directors within the Fee Pool, having regard to independent external advice, market practice, Board performance and other appropriate factors.

The remuneration of each Non-Executive Director for the financial year ended 30 June 2019 is detailed in the Annual Report.

As required by ASX Listing Rule 10.17, no Shares have been issued to any Non-Executive Directors of the Company under ASX Listing Rules 10.11 or 10.14 with shareholder approval at any time in the last three years.

5.2 Directors' Recommendation

The Directors are satisfied that the proposed Fee Pool will be within the average bands applying to companies within the Company's industry that are of similar size, profitability, growth and risk profiles and that the proposed increase is appropriate for the reasons set out above.

Notwithstanding the above, the Directors (other than each Non-Executive Director, who make no recommendation) unanimously recommend that Shareholders vote in favour of Resolution 4 as it is on reasonable terms and for the reasons specified above. The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution.

6 Resolution 5: Ratification of Prior Issue of Shares

6.1 Background

The Company is seeking Shareholder approval to ratify the issue of 79,207,920 fully paid ordinary shares on 4 October 2019, as part consideration payable by the Company for the acquisition of MKM Health Pty Ltd and its NZ Subsidiary (“**MKM Health**”) and Patienttrack Holdings Limited and its subsidiaries in the UK and Australia (“**Patienttrack**”), as announced on 24 April 2018 (“**Acquisition**”).

ASX Listing Rule 7.4 provides that a company may reinstate its capacity to issue up to 15% of the ordinary securities on issue in a 12 month period if shareholders ratify the previous issue of securities and the issue did not breach ASX Listing Rule 7.1.

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

- (a) the total number of fully paid ordinary Shares in the Company that were issued is 79,207,920;
- (b) the Shares were issued at a deemed issue price of \$0.0505 (5.05 cents) each;
- (c) the Shares allotted and issued rank equally with the existing Shares on issue;
- (d) the Shares were allotted and issued to the MKM Health and Patienttrack Vendors (or their nominees) two of whom are related parties of the Company, being Managing Director, Ms Katrina Doyle and Chief Financial Officer, Mr Colin MacKinnon;
- (e) there were no funds raised from this issue of Shares. The Company issued these Shares as part consideration payable by the Company under the Acquisition; and
- (f) a voting exclusion statement is included in this Notice.

6.2 Directors’ Recommendation

The Directors (other than Ms Doyle, who makes no recommendation) unanimously recommend that Shareholders approve Resolution 5. The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution.

7 Resolution 6: Ratification of Prior Issue of Shares

7.1 Background

The Company is seeking Shareholder approval to ratify the issue of 5,866,443 fully paid ordinary shares on 4 October 2019, as part consideration payable by the Company for the acquisition of Oncall Systems Limited (“**Oncall**”), as announced on 6 December 2017 (“**Acquisition**”).

ASX Listing Rule 7.4 provides that a company may reinstate its capacity to issue up to 15% of the ordinary securities on issue in a 12 month period if shareholders ratify the previous issue of securities and the issue did not breach ASX Listing Rule 7.1.

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

- (a) the total number of fully paid ordinary Shares in the Company that were issued is 5,866,443;
- (b) the Shares were issued at a deemed issue price of AU\$ 0.0492 (4.92 cents) each;
- (c) the Shares allotted and issued rank equally with the existing Shares on issue;

- (d) the Shares were allotted and issued to the Oncall Vendors (or their nominees) whom are not related parties of the Company;
- (e) there were no funds raised from this issue of Shares. The Company issued these Shares as part consideration payable by the Company under the Acquisition; and
- (f) a voting exclusion statement is included in this Notice.

7.2 Directors' Recommendation

The Directors unanimously recommend that Shareholders approve Resolution 6. The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution.

8 Resolution 7: Replacement of Constitution

8.1 Background

A company may modify or repeal its constitution or a provision of its constitution by a special resolution of Shareholders.

This Resolution is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution ('**Proposed Constitution**') which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporation and the ASX Listing Rules.

This will incorporate amendments to the Corporations Act and ASX Listing Rules since the current Constitution was adopted in the Board meeting held on 26 September 2019.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- updating references to regulatory bodies, terms or legislation that have been renamed; and
- expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution (for example; requirements with respect to audit processes, record keeping and financial statements).

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in the Explanatory Notes.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website <https://alcidion.com/> and at the Registered office of the Company.

8.2 Directors' Recommendation

The Directors unanimously recommend that Shareholders approve Resolution 7. The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution.

9 Resolution 8: Approval of 10% Placement Capacity

9.1 Background

ASX Listing Rule 7.1A enables an Eligible Entity to seek member approval by special resolution at its annual

general meeting to issue Equity Securities up to 10% of its issued capital over a period of up to 12 months after the annual general meeting, in addition to those under the 15% annual placement capacity ('**10% Placement Capacity**').

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of equal to or less than \$300 million.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and had a market capitalisation at the close of business on 7 October 2019 of \$232 million, based on a Share price of \$0.258.

The effect of Resolution 8 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue during the period up to 12 months after the meeting, without using the Company's 15% annual placement capacity granted under ASX Listing Rule 7.1.

The Equity Securities must be in the same class as an existing class of quoted Equity Securities. The Company currently has only one class of quoted Equity Securities on issue, being fully paid ordinary shares.

The exact number of Equity Securities that the Company may issue under an approval under ASX Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

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

- (a) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
- (b) plus the number of partly paid shares in the Company that became fully paid in the previous 12 months;
- (c) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under ASX Listing Rules 7.1 and 7.4; and
- (d) less the number of Shares cancelled in the previous 12 months. D is 10%.

E is the number of Equity Securities issued or agreed to be issued under ASX 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 holders of Shares under ASX Listing Rules 7.1 or 7.4.

9.2 Technical Information Required by ASX Listing Rule 7.1A

In accordance with ASX Listing Rule 7.3A, the information below is provided in relation to Resolution 8:

Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the Equity Securities are to be issued is agreed ('**Agreed Issue Date**'); or

- (b) if the Equity Securities are not issued within 5 ASX trading days of the Agreed Issue Date, the date on which the Equity Securities are issued.

Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of this Meeting and expiring on the first to occur of the following:

- (a) 12 months after the date of this Meeting; and
- (b) the date of approval by Shareholders of any transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) or such longer period if allowed by ASX.

Risk of dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the voting interests and may dilute the economic interests of Shareholders who do not receive Equity Securities under the issue.

The table below seeks to demonstrate the potential dilution of existing Shareholders resulting from the issue of Equity Securities under the 10% Placement Capacity calculated in accordance with the formula contained in ASX Listing Rule 7.1A(2). The table does this by setting out the potential number of Shares issued and funds raised on the basis of:

- (a) the current number of Shares on issue;
- (b) the number of Shares on issue changing (variable 'A' in the formula); and
- (c) a variation in the issue price of the Shares (noting that Shares may only be issued at up to a 25% discount based on the volume weighted average price of the Shares calculated over the 15 ASX trading days preceding the issue).

VOTING DILUTION				
Number of Shares on issue (Variable A)	Dilution variable	\$0.129 (50% decrease in current Share price)	\$0.265 (current Share price)	\$0.516 (50% increase to current Share price)
815,671,138 (Current)	Additional 10% Shares issued	81,567,114 Shares		
	Funds raised	\$10,522,158	\$21,044,315	\$42,088,631
1,223,506,707 (50% increase) *	Additional 10% Shares issued	122,350,671 Shares		
	Funds raised	\$15,783,237	\$31,566,473	\$63,132,946
1,631,342,276 (100% increase) *	Additional 10% Shares issued	163,134,228 Shares		
	Funds raised	\$21,044,315	\$42,088,631	\$84,177,261

* The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that does not require Shareholder approval (such as under a pro-rata rights issue) or an issue of Shares with Shareholder approval under ASX Listing Rule 7.1.

The table on above uses the following assumptions:

1. The current number of Shares on issue is the Shares on issue as at the date of this Notice.
2. The current issue price is the closing price of the Shares on the ASX on day prior to the date of this Notice.
3. No Options are converted into Shares before the date of issue of the Equity Securities under the 10% Placement Capacity.
4. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1. Shareholders should note that there is a risk that:
 - (a) the market price for the Shares may be significantly lower on the issue date than on the date of the Meeting; and
 - (b) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for various purposes including the following:

- (a) to raise cash as consideration for the acquisition of or investment in assets or businesses (including expenses associated with such acquisitions), continued expenditure on the Company's current assets and general working capital; or
- (b) as non-cash consideration for the acquisition of or investment in assets or businesses, and in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

Allocation under the 10% Placement Capacity

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (a) the purpose of the issue;
- (b) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (c) the effect of the issue of the Equity Securities on the control of the Company;

- (d) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (e) prevailing market conditions; and
- (f) advice from corporate, financial and broking advisers (if applicable).

Previous approval under ASX Listing Rule 7.1A

The Company obtained approval under ASX Listing Rule 7.1A at its 2018 Annual General Meeting.

The table below shows the total number of Equity Securities issued in the past 12 months preceding the date of this Meeting and the percentage those issues represent of the total number of Equity Securities on issue at the commencement of the 12 month period.

Equity securities on issue 12 months preceding the date of the meeting	805,671,138
Equity securities issued in the prior 12 month period	95,074,363
Percentage previous issues represent of total number of Equity Securities on issue at the commencement of the 12 month period	11.8%

The table below shows the specific details for the issue of Equity Securities that has taken place in the 12 month period preceding the date of this Notice.

Date of issue	16 July 2019
Number issued	5,000,000
Class and type of security	Fully paid ordinary shares
Parties who received securities or basis on which those parties were determined	Mr Brian Leedman
Price	Issue price of AU\$ 0.08 (8 cents) per share
Discount to market (if any)	AU\$ 0.085 (8.5 cents) per share
Total cash consideration paid	AU\$ 400,000
Amount of cash consideration spent	AU\$ 400,000
Use of cash received	Working Capital
Non-cash consideration paid	Nil
Current value of that non-cash consideration paid	Nil

Date of issue	27 August 2019
Number issued	5,000,000
Class and type of security	Fully paid ordinary shares
Parties who received securities or basis on which those parties were determined	Mr Brian Leedman

Price	Issued price of AU\$ 0.08 (8 cents) per share
Discount to market (if any)	AU\$ 0.085 (8.5 cents) per share
Total cash consideration paid	AU\$ 400,000
Amount of cash consideration spent	AU \$400,000
Use of cash received	Working Capital
Non-cash consideration paid	Nil
Current value of that non-cash consideration paid	Nil

Date of issue	4 October 2019
Number issued	79,156,471
Class and type of security	Fully paid ordinary shares
Parties who received securities or basis on which those parties were determined	Vendors of MHM Health Pty Ltd and Patientrack Holdings Limited
Price	Deemed issued price of \$0.0505 (5.05 cents) per share
Discount to market (if any)	\$0.2095
Total cash consideration paid	Nil
Amount of cash consideration spent	Not applicable
Intended use for remaining cash (if any)	Not applicable
Non-cash consideration paid	79,156,471 fully paid ordinary shares
Current value of that non-cash consideration paid	\$20,580,682 based on share price at issue date

Date of issue	4 October 2019
Number issued	5,866,443
Class and type of security	Fully paid ordinary shares
Parties who received securities or basis on which those parties were determined	Vendors of Oncall Systems Limited
Price	Deemed issued price of AU\$ 0.0492 (4.92 cents) per share
Discount to market (if any)	\$0.2108
Total cash consideration paid	Nil
Amount of cash consideration spent	Not applicable
Intended use for remaining cash (if any)	Not applicable
Non-cash consideration paid	5,866,443 fully paid ordinary shares
Current value of that non-cash consideration paid	\$1,525,275 based on share price at issue date

9.3 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 8. The Chairman of the Meeting will be casting undirected proxies in favour of Resolution 8.

10 Glossary

In these Explanatory Notes and Notice of Annual General Meeting the following expressions have the following meanings unless stated otherwise or unless the context otherwise requires.

Term	Meaning
Board	the board of Directors of the Company
Closely Related Party	of a member of the Key Management Personnel for an entity means: (a) a spouse or child of the member; (b) a child of the member's spouse; (c) a dependent of the member or of the member's spouse; (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; (e) a company the member controls; or (f) a person prescribed as such by the Corporations Regulations 2001 (Cth);
Company	Aldicion Group Limited (ACN 143 142 410)
Constitution	means the constitution of the Company as at the date of this Notice
Corporations Act	the <i>Corporations Act</i> 2001 (Cth)
Director	a Director of the Company
Eligible Entity	has the meaning given in section 10.1 of the Explanatory Notes
Equity Securities	includes a Share, an Option, a right to a Share or Option, a convertible security and any security that ASX decides to classify as an Equity Security
Key Management Personnel	has the same meaning as in the accounting standards as defined in section 9 of the Corporations Act (so the term broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executive or otherwise, of the Company)
Meeting	the meeting of shareholders convened by the Notice
Notice	the notice of meeting to which these explanatory Notes are attached and form part
Option	an option to acquire a Share
Performance Right	the right to acquire a Share subject to conditions specified by the Board
Remuneration Report	the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2019
Restricted Voter	Key Management Personnel and their Closely Related Parties as at the date of the Meeting
Share	a fully paid ordinary share in the capital of the Company
Share Registry	Computershare Investor Services Pty Ltd
Shareholder	a holder of Shares



ALCIDION

ABN 77 143 142 410



ALC

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

Need assistance?



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



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:30am (Melbourne time) Tuesday 12 November 2019.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

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

Lodge your Proxy Form:

XX

Online:

Use your computer or smartphone to appoint your proxy and vote at www.investorvote.com.au or scan your personalised QR code below using your smartphone.

Your secure access information is



Control Number: 999999
SRN/HIN: I999999999
PIN: 99999

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

By Mail:

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

By Fax:

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



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

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

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



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Alcidion Group 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 Alcidion Group Limited to be held at the offices of William Buck, Level 20, 181 William Street, Melbourne, Victoria, 3000 on Thursday, 14 November 2019 at 10:30am (Melbourne time) 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 & 4** (except where I/we have indicated a different voting intention in step 2) even though **Resolutions 1 & 4** 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 & 4** by marking the appropriate box in step 2.

Step 2 Items of Business

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

ORDINARY BUSINESS

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Director - Mr Simon Chamberlain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director - Professor Malcolm Pradhan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Non-Executive Directors' Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of prior issue of 79,207,920 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Ratification of prior issue of 5,866,443 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL BUSINESS

7 Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

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

Update your communication details (Optional)

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

