

Notice of Annual General Meeting and Explanatory Statement

4DMedical Limited
ACN 161 684 831
(Company)

Annual General Meeting of 4DMedical Limited to be held at The Woodward Conference Centre, Level 10, Melbourne Law School, The University of Melbourne, 186 Pelham Street, Carlton VIC 3053 on Thursday, 2 November 2023 commencing at 10:00am (AEDT).

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.

If Shareholders are in any doubt as how to vote, they should seek advice from their own independent financial, taxation or legal adviser without delay.

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Chairman's letter

Dear Shareholder

Attached to this letter is the Notice of Meeting (**Notice**) and Explanatory Statement for the 2023 Annual General Meeting (**Meeting**) of the shareholders of the Company (**Shareholders**).

The Meeting will be held at The Woodward Conference Centre, Level 10, Melbourne Law School, The University of Melbourne, 186 Pelham Street, Carlton VIC 3053 and will be held on Thursday, 2 November 2023 commencing at 10:00am (AEDT).

The business of the Meeting will be to:

1. receive and consider the Financial Statements, Directors' Report and Auditor's Report of the Company for the year ended 30 June 2023;
2. adopt the Remuneration Report;
3. elect Dr Geraldine McGinty as a non-executive director;
4. re-elect Mr Bruce Rathie as a non-executive director;
5. re-elect Ms Lilian Bianchi as a non-executive director;
6. approve the grant of 1,306,100 options to Managing Director and CEO, Dr Andreas Fouras, under the 4DMedical Long Term Incentive Plan; and
7. approve amendments to the Constitution of the Company to permit the holding of wholly virtual meetings.

You are urged to consider carefully the Notice of Meeting and Explanatory Statement before determining how you wish to vote on the resolutions.

If you cannot attend the Meeting, please vote online or ensure your paper proxy form is received by the Company's share registry as soon as possible and in any event by no later than 10:00am on Tuesday, 31 October 2023.

Bruce Rathie
Non-Executive Director and Chairman



Notice of Annual General Meeting

Notice is given that the 2023 Annual General Meeting of the Shareholders of the Company will be held at The Woodward Conference Centre, Level 10, Melbourne Law School, The University of Melbourne, 186 Pelham Street, Carlton VIC 3053 on Thursday, 2 November 2023 at 10:00am (AEDT).

Agenda Items

Item 1. Financial Report, Directors' Report and Auditor's Report

To receive and consider the Financial Report of the Company and its controlled entities and the Reports of the Directors and Auditor for the year ended 30 June 2023.

Item 2. Remuneration Report

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

That the Remuneration Report, as contained in the Directors' Report for the year ended 30 June 2023, is adopted.

Note: under sections 250R(2) and (3) of the *Corporations Act 2001* (Cth) the vote on this resolution will be advisory only and will not bind the Company or its Directors.

Item 3. Election of Director, Dr Geraldine McGinty

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

That, for the purposes of clause 13.1 of the Company's constitution, ASX Listing Rule 14.4, and for all other purposes, Dr Geraldine McGinty, a non-executive director appointed on 25 September 2023, and being eligible, is re-elected as a director.

Item 4. Re-election of Director, Mr Bruce Rathie

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

That, for the purposes of clause 13.3 of the Company's constitution, ASX Listing Rule 14.5, and for all other purposes, Mr Bruce Rathie, a non-executive director appointed on 11 December 2019, and being eligible, is re-elected as a director.

Item 5. Re-election of Director, Ms Lilian Bianchi

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

That, for the purposes of clause 13.3 of the Company's constitution, ASX Listing Rule 14.5, and for all other purposes, Ms Lilian Bianchi, a non-executive director appointed on 11 December 2019, and being eligible, is re-elected as a director.



Item 6. Grant of Options to the Managing Director and CEO

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

That, for the purposes of ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, the grant of up to 1,306,100 options to Managing Director and CEO, Dr Andreas Fouras, under the 4DMedical Long Term Incentive Plan and on the terms described in the explanatory statement accompanying this notice, is approved.

Item 7. Amendments to Constitution

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

That, for the purposes of section 136(2) of the Corporations Act 2001 (Cth) and for all other purposes, the Members of the Company approve the amendments, to permit the holding of wholly virtual meetings to the extent permitted under Corporations Act, of the Company's Constitution as set out in the Explanatory Statement.

Voting exclusions

Item 2 – Remuneration Report

A vote on must not be cast, and the Company will disregard any votes attempted to be cast, on Item 2:

- by or on behalf of a member of the Company's key management personnel (**KMP**) named in the Company's Remuneration Report for the year ended 30 June 2023 or their closely related parties (such as close family members and any controlled companies), regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the Meeting or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on Item 2:

- in accordance with a direction as to how to vote on the voting form; or
- by the chairman of the Meeting pursuant to an express authorisation to the chairman to exercise the proxy even though Item 2 is connected with the remuneration of the Company's KMP.

Item 3 – Election of Director, Dr Geraldine McGinty

There are no voting exclusions for Item 3.

Item 4 – Re-election of Director, Mr Bruce Rathie

There are no voting exclusions for Item 4.



Item 5 – Re-election of Director, Ms Lilian Bianchi

There are no voting exclusions for Item 5.

Item 6 – Grant of Options to the Managing Director and CEO

The Company will disregard any votes cast in favour of Item 6 by or on behalf of a person referred to in:

- ASX Listing Rule 10.14.1 (a Director of the Company); or
- ASX Listing Rule 10.14.2 (an associate of a Director); or
- ASX Listing Rule 10.14.3 (a person whose relationship within the company or a person referred to in ASX Listing Rule 10.14.1 or ASX 10.14.2 is such that, in ASX’s opinion, the acquisition of securities should be approved by its shareholders),

who is eligible to participate in the 4DMedical Long Term Incentive Plan, or an associate of any such person.

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

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

Furthermore, in accordance with section 250BD of the Corporations Act, a vote must not be cast as proxy on this Resolution by a member of the Key Management Personnel (as defined by the Corporations Act), or a closely related party of a member of Key Management Personnel, where that proxy appointment does not specify the way the proxy is to vote on the Resolution, and any such vote purported to be cast will be disregarded.

However, a person described above (a **KMP Voter**) may cast a vote on this Resolution as a proxy if:

- (a) the KMP Voter is the chair of the meeting; and
- (b) the written appointment of the chair as proxy expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.



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

Furthermore, in accordance with section 200E of the Corporations Act, a vote must not be cast on this Resolution (in any capacity) by or on behalf of Dr Andreas Fouras or an associate thereof and any such votes attempted to be cast will be excluded.

However, a person described above (a **Restricted Voter**) may cast a vote on this Resolution if:

- (a) it is cast by the Restricted Voter as a proxy appointed by writing that directs how to vote on the Resolution; and
- (b) it is not cast on behalf of the Restricted Voter.

Item 7 – Amendment to the Constitution of the Company

There are no voting exclusions for Item 7.

Voting Prohibition Statement

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on the Resolution in Item 2 if:

- the proxy is either a member of the Company's KMP or a closely related party of such member; and
- the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- the proxy is the chairman; and
- the appointment expressly authorises the chairman to exercise the proxy even though the resolution is connected directly or indirectly with remuneration of a member of the Company's KMP.

If you purport to cast a vote, other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Dated 28 September 2023

By order of the Board

Naomi Lawrie
Company Secretary



Instructions

Eligibility to vote	<p>The Board has determined that you will be entitled to attend and vote at the Meeting if you are a registered Shareholder of the Company at 10:00am (AEDT) on Tuesday, 31 October 2023. You will be entitled to vote in respect of the number of shares registered in your name at that time.</p>
Voting by proxy	<p>Each Shareholder may appoint a proxy to vote on behalf of that Shareholder at the general meeting. The proxy need not be a Shareholder. A Shareholder who is entitled to cast 2 or more votes may appoint not more than 2 proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of Shareholder's votes each proxy may exercise, each proxy may exercise half the votes (disregarding fractions).</p> <p>Proxy appointment is to be completed online through the Link Market Services voting portal at www.linkmarketservices.com.au. To be effective, it must be duly completed not less than 48 hours prior to the start of the general meeting (being by 10:00am AEDT on Tuesday, 31 October 2023).</p>
Appointing the chairman as proxy	<p>Subject to the specific proxy provision applying to Item 2 (Remuneration Report) and Item 6 (Grant of Options to the Managing Director and CEO) to Constitution), if you appoint the chairman of the Meeting as your proxy or the chairman of the Meeting is appointed as your proxy by default and you do not direct the chairman how to vote on a particular item, the chairman will vote on that item as he sees fit.</p> <p>For Item 2 (Remuneration Report) and Item 6 (Grant of Options to the Managing Director and CEO), where the chairman is appointed as a Shareholder's proxy and that Shareholder has not specified the way in which the chairman is to vote on Item 2 and Item 6, the Shareholder is directing the chairman to vote in accordance with the chairman's voting intentions for this item of business, even if Items 2 and 6 are connected with the remuneration of the Company's KMP whose remuneration details are included in the remuneration report for the year ended 30 June 2023.</p> <p>The chairman intends to vote all available proxies in favour of each resolution, in the Notice of Meeting, including Items 2 and 6.</p>
Body corporate representative	<p>A Shareholder of the Company who is a body corporate and who is entitled to attend and vote at the Meeting, or a validly appointed proxy who is a body corporate and who is appointed by a Shareholder of the Company entitled to attend and vote at the Meeting, may appoint a person to act as its representative at the Meeting by providing that person with:</p>



	<p>a) a letter or certificate, executed in accordance with the body corporate's constitution, authorising the person as the representative; or</p> <p>b) a copy of the resolution, certified by the secretary or a director of the body corporate, appointing the representative.</p>
How to vote prior to the Meeting	Shareholders may appoint a proxy online at www.linkmarketservices.com.au .
How to vote at the Meeting	The Shareholders will have an opportunity to participate at the Meeting. You will be able to vote in real time and ask questions between the commencement of the Meeting (10:00am AEDT on Thursday, 2 November 2023) and the closure of voting as announced by the chairman of the Meeting.
How to submit questions prior to the Meeting	Shareholders are encouraged to submit questions regarding the items of business ahead of the Meeting to the Company, as there may not be sufficient time to respond to all questions raised during the Meeting. Questions may be submitted online at www.linkmarketservices.com.au by logging into your holding, selecting vote and then 'ask a question'.



Explanatory Statement

1. Background

1.1 Introduction

The Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Meeting.

The purpose of the Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions set out in the accompanying Notice. It explains the resolutions and identifies the Board's reasons for putting them to Shareholders.

1.2 Action to be taken by Shareholders

Shareholders should read this Explanatory Statement carefully before deciding how to vote on the resolutions set out in the Notice.

All Shareholders are invited and encouraged to attend the Meeting. If Shareholders are unable to participate in the meeting, a proxy form should be completed either as a hard copy or online through the Link Market Services voting portal. Lodgement of an electronic proxy form will not preclude a Shareholder from attending the Meeting and voting at the Meeting, but the person appointed as the proxy must not exercise the rights conferred by the electronic proxy form.

2. Resolutions

2.1 Item 1 – Financial Report, Directors' Report and Auditor's Report

In accordance with section 317 of the Corporations Act 2001 (Cth) (**Corporations Act**), the directors of a public company are required to hold an annual general meeting and present the financial report for the previous financial year before its shareholders at each meeting.

All relevant information concerning the Company's financial report, directors' report and the auditor's report for the year ended 30 June 2023 is contained in the "Annual Accounts and Reports" document (**2023 Annual Report**). A copy of the 2023 Annual Report is available at: <https://4dmedical.com/investor-services>, or on request to the Company Secretary, at companysecretary@4dmedical.com. A copy of the 2023 Annual Report will also be tabled at the Meeting.

Voting on this item is not required and a formal resolution to adopt the 2023 Annual Report will not be put to Shareholders at the Meeting. The purpose of this item is to provide Shareholders with the opportunity to ask questions or discuss matters arising from them. It is not the purpose of the Meeting that any of these reports be accepted, rejected or modified in any way.

The Company's auditor (PKF Melbourne) will be present at the Meeting and will be available to answer questions as to the conduct of the audit and the auditor's report.



2.2 Item 2 – Adoption of Remuneration Report

The Remuneration Report contained in the Company's 2023 Annual Report sets out the remuneration policies of the Company and reports on the remuneration arrangements in place for the Company's KMP during the year ended 30 June 2023. Shareholders are encouraged to submit questions on the Remuneration Report to the Company Secretary in advance of the Meeting.

Shareholders will have a reasonable opportunity at the Meeting to ask questions about or make comments on the Remuneration Report.

As prescribed by section 250R of the Corporations Act, the vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote and discussion at the Meeting into account in setting remuneration policy for future years.

Recommendation

The Remuneration Report forms part of the Directors' Report for the year ended 30 June 2023 and is made in accordance with a unanimous resolution of the Directors. Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors recommend that Shareholders vote in favour of the resolution to approve the Remuneration Report.

2.3 Item 3 – Election of Director

Dr Geraldine McGinty

Dr Geraldine McGinty was appointed as an independent non-executive director of the Company on 25 September 2023.

The ASX Listing Rules require the Company to hold an election of Directors each year. The Listing Rules and Constitution also require that any Director appointed to fill a casual vacancy will hold office until the next following annual general meeting, at which time that Director is to retire from office and is eligible for re-election. Accordingly, Dr Geraldine McGinty ceases to hold office in accordance with clause 13.1 of the Constitution, and being eligible, seeks re-election.

Information about Dr Geraldine McGinty

Skills and experience

Dr Geraldine McGinty is an internationally recognized expert in health care strategy and imaging economics and an unwavering advocate for patient-centered care. A Professor of Clinical Radiology and Population Health Sciences at Weill Cornell Medicine (WCM) in New York City, she serves as Senior Associate Dean for Clinical Affairs. Geraldine has broad knowledge of reimbursement and is recognized as a transparent influencer and collaborative team-based



decision maker who effectively negotiates difficult strategic and contractual issues at the intersection of technology and healthcare.

An experienced board member, Geraldine instinctively understands the difference between high level governance and management. She synthesizes disparate information, bringing to bear her understanding of the organization's unique context. Geraldine's financial management skills, formidable problem-solving ability, and negotiation facility underscore her commitment to board leadership.

In 2021 Geraldine joined the Board of NASDAQ listed NextGen Healthcare (NASDAQ: NXGN) which provides a range of software, services, and analytics solutions to medical and dental group practices. She is a member of the Compensation Committee.

In 2021 she joined the Governing Authority of her alma mater, the National University of Ireland, Galway and is a member of the Audit and Risk Committee.

From 2014-2021 Geraldine provided her expertise to the Industrial Development Authority (IDA Ireland) as a Non- Executive Director. In this capacity, she advised the Irish government on foreign direct investment policy. Geraldine was the Chair of the Audit, Risk and Finance Committee.

In May 2018, The American College of Radiology (ACR) recognized her expertise by electing her its first woman Chair in the organization's almost 100-year history. Geraldine successfully led a reorganization of the ACR's Data Science Institute addressing a need for increased board communication and diversity of opinion. She created a new governance structure and recruited new board members aligning with the organization's strategy.

From 2015-2021 she served as the Weill Cornell Physician Organization's Chief Strategy and Contracting Officer. In this role, she captained the Contracting Team representing more than 1600 physicians and \$800M in traditional fee for service as well as value based payment arrangements. Possessing a keen understanding of her 29 Department Head stakeholders and a sophisticated belief in data driven decisions, Geraldine melds market, stakeholder, clinical, and financial information to optimize the organization's strategy and outcomes.

Additionally, as a member of the American Medical Association's Relative Value Unit Update Committee from 2012- 2016, Geraldine was instrumental in recommending reimbursement policy to Medicare, thereby impacting the economics of America's entire health care delivery system.

Geraldine founded and led the RADxx Initiative in 2016 to cultivate mentorship and networking opportunities in Radiology, and imaging informatics. She has been an active mentor and advocate for professionals in science and medicine throughout her career.

As the founding Academic Director for the joint Weill Cornell and Johnson School of Business Executive MBA and Masters in Healthcare Leadership from 2017-2019, Geraldine was tasked with developing the curriculum, recruiting faculty, monitoring performance, admissions and the student experience. She was named the Most Effective Radiology Educator in 2015 by Aunt Minnie, a worldwide website for Radiology and is the 2019 winner of the Bibliowicz Award for



her commitment to advancing the academic careers of women faculty. Geraldine was also named as one of the 2019 Most Powerful Women in Health IT by Health Data magazine.

Geraldine holds a 2000 MBA from Columbia University, New York, and a 1988 MB from National University of Ireland, Galway.

Other directorships/offices: Dr McGinty is currently a non-executive director of NextGen Healthcare (NASDAQ: NXGN).

Recommendation

The Board (other than Dr Geraldine McGinty) recommends that Shareholders vote in favour of Item 3.

2.4 Item 4 – Re-election of Director

Mr Bruce Rathie

Mr Bruce Rathie was appointed as non-executive director of the Company on 11 December 2019.

The ASX Listing Rules and the Constitution provide that no director may hold office beyond the third annual general meeting following their election. Accordingly, Mr Bruce Rathie ceases to hold office in accordance with clause 13.3(a) of the Constitution and Listing Rule 14.4 and, being eligible, seeks re-election.

Information about Mr Bruce Rathie

Skills and experience:

Mr Bruce Rathie is an experienced professional Non-Executive Director, having completed successful prior careers in law and finance. He holds degrees in law (LLB), commerce (BCom) and business (MBA Geneva). He is particularly strong in governance being a Fellow of the Australian Institute of Company Directors and holding its Diploma Company Director, a Fellow of Australian Institute of Managers & Leaders and a Fellow of the Governance Institute of Australia and holding its Graduate Diploma in Company Secretarial Practice (Governance).

His legal career included being partner of a prominent private law firm, then Senior Corporate Counsel to Robert Holmes à Court's Bell Resources Limited in the 1980s. After completing his MBA in Switzerland, he went into investment banking in 1986 which took him to New York for three years returning to Sydney in 1990. He spent the 1990s as an investment banker in Sydney, the last five as Director Investment Banking and Head of the Industrial Franchise Group at Salomon Brothers and then Salomon Smith Barney where he lead the firm's joint lead manager roles in the privatisations or IPOs of Qantas, Commonwealth Bank and Telstra amongst other major transactions of the day.

Bruce has been a professional director since 2000 in roles with ASX listed and unlisted companies predominantly in the financial services, biotechnology and technology sectors.



Mr Rathie is an independent, non-executive director and a member of the Remuneration and Nomination Committee.

Other directorships/offices: Mr Rathie is currently a non-executive Director of Capricorn Mutual Limited (2015 – present; Chairman 2015 – 2023) and ASX-listed PolyNovo Limited (ASX:PNV) (2010 – present), Capricorn Society Limited (2008 – present) and Cettire Limited (ASX:CTT) (2020 – present). He is also Chairman of ASX-listed CleanSpace Holdings Limited (ASX:CSX) (2021 – present).

Previously, Mr Rathie has been a non-executive director of ASX-listed companies Netlinkz Limited (ASX:NET) (April 2020 – November 2020), Compumedics Limited (ASX:CMP), Anteo Diagnostics Limited (Chairman) (ASX:ADO), USCOM Limited (ASX:UCM), Mungana Goldmines Limited and Datadot Technology Limited (Chairman) (ASX:DDT).

Recommendation

The Board (other than Mr Bruce Rathie) recommends that Shareholders vote in favour of Item 4.

2.5 Item 5 – Re-election of Director

Ms Lilian Bianchi

Ms Lilian Bianchi was appointed as non-executive director of the Company on 11 December 2019.

The ASX Listing Rules and the Constitution provide that no director may hold office beyond the third annual general meeting following their election. Accordingly, Ms Lilian Bianchi ceases to hold office in accordance with clause 13.3(a) of the Constitution and Listing Rule 14.4 and, being eligible, seeks re-election.

Information about Ms Lilian Bianchi

Skills and experience:

Ms Lilian Bianchi is an experienced Non-Executive Director and Audit & Risk Chair with a focus on innovative companies operating in highly regulated environments including health, finance, and infrastructure.

Her CEO and executive career brought commercial leadership and digital transformation to global listed corporates through to tech startups across the US, Australia, India, Singapore, UK, and Europe. She has an international technology research background including programs in health and telecommunications. Her product expertise is in analytics, AI and SaaS where she took to market new products for diverse sectors including FinTech and Transport.

Lilian has a Bachelor of Science degree in Economics, Master's in Computer Science, UK Securities and Investment Certificate, and is a Graduate of the Australian Institute of Company Directors.



Ms Bianchi is an independent, non-executive director and Chair of the Audit and Risk Committee.

Other directorships/offices: Ms Bianchi is a non-executive director and member of the Innovation Committee for Qscan Radiology Group, Chair of Operational Risk and member of the Investment Committee for water infrastructure company Murrumbidgee Irrigation and Director of ATech – a mission critical hosting company.

Recommendation

The Board (other than Ms Lilian Bianchi) recommends that Shareholders vote in favour of Item 5.

2.6 Item 6 – Grant of Options to the Managing Director and CEO

Shareholder approval is sought under ASX Listing Rule 10.14 for the Board to grant up to 1,306,100 options (**Options**) to Dr Andreas Fouras, Founder, Managing Director and CEO of the Company.

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- a director of the company (ASX Listing Rule 10.14.1);
- an associate of a director of the company (ASX Listing Rule 10.14.2); or
- a person whose relationship within the company or a person referred to in ASX Listing Rule 10.14.1 or ASX 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (ASX Listing Rule 10.14.3),

unless it obtains the approval of its shareholders.

As Dr Fouras is a current Director, the proposed grant of Options to Dr Fouras falls within ASX Listing Rule 10.14.1 above, and therefore requires the approval of the Company's shareholders under ASX Listing Rule 10.14. To this end, Item 6 seeks shareholder approval of the grant of Options to Dr Fouras under and for the purposes of ASX Listing Rule 10.14.

Key terms of the proposed LTI grant

The Options are to be granted as the long-term incentive (**LTI**) component of Dr Fouras' remuneration for the year ending 30 June 2023 under the 4DMedical Long Term Incentive Plan (**Incentive Plan**).

It is proposed that up to 1,306,100 options be granted to Dr Fouras, with an exercise price of \$1.60 per option. The exercise price has been calculated based on a 100% premium to the market value of Company shares equal to the 30-day volume weighted average price (VWAP) in the period immediately preceding 30 June 2023. The use of premium priced options is intended to encourage a focus on growing the Company's share price and total shareholder returns, as the Company's share price will need to increase above the exercise price for the Options to deliver any value to Dr Fouras.

If shareholder approval for the grant is obtained, the Options will be issued to Dr Fouras as soon as practicable after the Meeting, but in any event within 12 months after the date of the



Meeting. Details of the grant of Options to Dr Fouras will be published in the Company's 2024 Annual Report, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

No loan will be made available to Dr Fouras in relation to the acquisition or exercise of the Options proposed to be granted to him.

Any additional persons covered by ASX Listing Rule 10.14 who becomes entitled to participate in an issue of securities under the Incentive Plan after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

An overview of the vesting conditions and other key terms of the proposed grant of Options to Dr Fouras, including further information required under ASX Listing Rule 10.15, is set out in **Annexure 1**.

Indicative value of the proposed LTI grant

The Company has prepared an assessment of the indicative fair value of the Options as summarised below. The value is indicative only, based on assumptions relevant at the date of the calculation, being as at 30 June 2023. Different assumptions may be relevant at grant date which may alter the value of the Options for financial reporting purposes. The total remuneration package referred to below would be increased by the total set out in the following table, based on the assumptions. The actual valuation amount will not be able to be calculated until the Options are issued, at which time the assumptions may have changed.

Assessment	
Indicative fair value per Option	\$0.2095
Total: Options	Up to 1,306,100
Total \$	Up to \$273,635 AUD

The indicative fair value was calculated using the Black-Scholes option valuation model. The assumptions used in the valuation model were as follows:

Assumptions:	
Valuation date	30 June 2023 [^]
Spot price	\$0.80 (79.88 cents)
Exercise price	\$1.60 per Option
Probability of achieving vesting conditions	100%
Expiry date	4 years after grant
Expected future volatility ⁺	55%
Risk free rate	3.27%
Dividend yield	Nil

[^] Based on the issue date assumed as being the valuation date.

⁺ Based on assessment of estimated future volatility of the Company



Effect of shareholder approval

As noted above, the proposed grant of Options to Dr Fouras is conditional on receiving shareholder approval. The effect of shareholder approval for Item 6 for the purposes of ASX Listing Rule 10.14 is as follows:

- If Item 6 is passed, the Company will be able to proceed with the proposed grant of Options to Dr Fouras. Further, the issue of such Options to Dr Fouras will not count towards the Company's capacity to issue equity securities under ASX Listing Rule 7.1 (pursuant to ASX Listing Rule 7.2, Exception 14).
- If Item 6 is not passed, the Company will not be able to proceed with the proposed grant of Options to Dr Fouras. In that circumstance, the Board would then need to consider alternative remuneration arrangements for Dr Fouras consistent with the Company's remuneration principles, such as providing an equivalent long term cash incentive.

The Company has determined that the proposed grant of Options under the Incentive Plan pursuant to this Item 6 as part of Dr Fouras' remuneration package will constitute the giving of reasonable remuneration for the purposes of Chapter 2E of the Corporations Act and in particular section 211(1) of the Corporations Act.

Disclosures for the purposes of ASX Listing Rule 10.15

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

- a. the name of the person is Dr Andreas Fouras;
- b. Dr Fouras falls within ASX Listing Rule 10.14.1, as he is a Director of the Company;
- c. the number and class of securities proposed to be issued is up to 1,306,100 Options;
- d. Dr Fouras' remuneration package for FY24 is US\$750,975, which comprises fixed remuneration (i.e. cash base salary) of US\$395,250, a short term incentive opportunity of up to US\$177,863, and a long term incentive opportunity for FY24 of up to US\$177,863;
- e. the total number of securities previously issued to Dr Fouras under the Plan are 3,466,633 unlisted options and the average acquisition price was nil;
- f. information about the securities is as follows:
 - A summary of the material terms of the securities is as follows;
 - Exercise price: \$1.60 per Option
 - Expiry Date: 4 years after issue date
 - Vesting condition: Dr Fouras must remain employed by the Company until 30 June 2026
 - An explanation for the use of this type of security is set out above.
 - The total value the entity attributes to these securities is as set out above;
- g. the entity expects to issue the Options within 3 months after the date of the meeting, and in any event, no later than 3 years after the date of the meeting;



- h. the Options will be granted to Dr Fouras at a nil issue price per security;
- i. the material terms of the Plan can be found in **Annexure 1** to this Explanatory Statement;
- j. no loan will be made by the Company in relation to the grant of Options to Dr Fouras;
- k. details of any securities issued under the Plan will be published in the Annual Report of the Company relating to a period in which the securities were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- l. any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after this Resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14.

Retirement/Termination Benefits approval – section 200B and s200E Corporations Act

Sections 200B and 200E of the Corporations Act prohibit a company from giving a benefit to a person who holds (or has held in the previous three years) a managerial or executive office with the Company or its subsidiaries, if that benefit is given in connection with that person's retirement from office and is in excess of that person's average annual base salary over the relevant period, unless the benefit is approved by Shareholders or an exemption applies.

Approval is therefore sought under section 200E of the Corporations Act to allow for the Board to determine to accelerate vesting of some or all of Dr Fouras' unvested Options/Performance Rights in the event Dr Fouras ceases employment in 'good leaver' circumstances being cessation other than due to resignation or dismissal for cause or poor performance and for the benefit not to be a termination benefits for the purposes of the Corporations Act. Where Dr Fouras ceases as a 'bad leaver' (which includes by resignation or dismissal for poor performance), all unvested Options/Performance Rights will lapse, unless the Board determines otherwise.

If Shareholder approval is obtained, the value of the approved benefits will be disregarded when calculating Dr Fouras' termination benefits cap for the purpose of subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act. The approval will be effective from the date the Resolution is passed until the conclusion of the 2025 Annual General Meeting (that is, for a period of approximately three years).

The value of any benefit relating to the Options/Performance Rights given in connection with Dr Fouras ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of Options/Performance Rights held by Dr Fouras prior to cessation of his employment;
- the date when, and circumstances in which, Dr Fouras ceases employment;
- whether performance hurdles are waived or (if not waived) met, and the number of Options/Performance Rights that vest (which could be all of the Options/Performance Rights held by Dr Fouras; and



- the market price of the Company's shares on ASX on the date Shares are provided to Dr Fouras upon vesting of the Options/Performance Rights.

Voting exclusions

A voting exclusion statement applies to Item 6, as set out on pages 4 to 6 of this notice.

Recommendation

The Board (other than Dr Fouras) recommends that Shareholders vote in favour of Item 6. The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

2.7 Item 7 – Amendments to the Constitution

The Company proposes to make amendments to its Constitution to bring it in line with the regulatory updates relating to holding of members' meetings.

On 10 February 2022, the Australian Senate passed *the Corporations Amendment (Meetings and Documents) Act 2022* (Cth). It makes permanent changes to the Corporations Act to permit hybrid meetings and virtual only meetings if allowed under a company's constitution. From 1 April 2022, section 249R of the Corporations Act, as amended, provides that a company may hold a meeting of its members using virtual meeting technology where expressly permitted by the company's constitution.

The Company's Constitution presently does not expressly permit the Company to hold a meeting of its members using virtual meeting technology only.

The Company intends to continue to typically hold physical or hybrid meetings. The Board, however, considers the proposed amendments are in the best interests of Shareholders as they provide the Company with the flexibility in the future to hold meetings of members fully online, if the Board takes the view that circumstances exist where this would be beneficial and in the interests of Shareholders.

It is proposed that the Constitution be amended to allow the Company to hold meetings using virtual meeting technology only by amending clause 12.2, along with necessary consequential changes, noting that:

- Virtual Meeting Technology is defined to be any technology (including online platforms) that allows a person to participate in a meeting without being physically present at the meeting;
- the Company must provide a reasonable opportunity to participate in such general meetings.

A copy of the Constitution which sets out the proposed amendments (Amended Constitution) is available on the Company's website: <https://investors.4dmedical.com/Investor-Centre/?page=corporate-governance>.



GLOSSARY

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

\$ means Australian Dollars;

Annual Report means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2023;

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

Associate has the meaning given to that term in the Corporations Act for the purposes of subdivision C of Chapter 6.5 of the Corporations Act;

Auditor's Report means the auditor's report on the Financial Report;

AEDT means Australian Eastern Daylight Time.

Board means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

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

Closely Related Party means:

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

Company means 4DMedical Limited ACN 161 684 831;

Constitution means the constitution of the Company as at the date of the Meeting;

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

Director means a Director of the Company;

Directors Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

Equity Securities has the same meaning as in the Listing Rules;

Explanatory Statement means the explanatory statement which forms part of the Notice;

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

Incentive Plan means the Long Term Incentive Plan;

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

Listing Rules means the Listing Rules of the ASX;

Meeting has the meaning given in the introductory paragraph of the Notice;

Notice means the Notice of Meeting accompanying this Explanatory Statement;

Option means a right to acquire a Share, subject to conditions specified by the Board;

Proxy Form means the proxy form attached to the Notice;



Remuneration Report means the remuneration report which forms part of the Directors' Report of 4D Medical Limited for the financial year ended 30 June 2023 and which is set out in the 2023 Annual Report;

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

Shareholder means shareholder of the Company;

Trading Day means the day determined by ASX to be a trading day in accordance with the Listing Rules; and

VWAP means volume weighted average market price as defined in Listing Rule 19.12.



Annexure 1

Summary of Material Terms of the Long Term Incentive Plan (“Incentive Plan”)

A copy of the Incentive Plan is available on the Company website at <https://investors.4dmedical.com/Investor-Centre/?page=corporate-governance>.

In conjunction with introducing the Incentive Plan, the Company has set up the "4DMedical Employee Share Trust" (Trust), being an employee share trust established by the Company for the purpose of subscribing for or acquiring, delivering, allocating and holding shares for the benefit of selected participants in the Incentive Plan. The current trustee of the Trust is Pacific Custodians Pty Limited ACN 009 682 866.

The key terms and conditions of the Incentive Plan and the Trust are summarised as follows:

- (a) a person is eligible to participate in the Incentive Plan if that person is declared by the Board to be eligible to participate in the Incentive Plan and that person is a Director of any member of the 4DMedical group of companies (Group), a full-time or part-time employee of any member of the Group, or any other person declared by the Board to be eligible;
- (b) as part of the Incentive Plan, eligible participants may be issued options or performance rights over shares in the Company (Awards);
- (c) the Board may determine, in its absolute discretion, the fee (if any) payable by an eligible participant granted an Award (Participant) either for the grant or exercise of the Award;
- (d) under the Incentive Plan, unless shareholder approval is obtained, the number of Awards which may be granted, and which remain unexercised under the Incentive Plan, must not exceed in aggregate 10% of the total issued capital of the Company;
- (e) the number of Awards offered to a Participant from time to time will be determined by the Board in its absolute discretion and in accordance with the terms of the Incentive Plan;
- (f) the Board may determine, in its absolute discretion, the terms and conditions (including performance hurdles and/or vesting conditions) which apply to the vesting of any Awards;
- (g) any Awards held by a Participant which has not vested by the relevant expiry date determined by the Board will lapse;
- (h) where a Participant exercises a vested option or a performance right vests, the Company will instruct the trustee of the Trust (Trustee), to subscribe for, acquire and/or allocate the number of shares for which the Participant is entitled to upon the exercise or vesting, the Trustee will hold those shares on behalf of the Participant. Where the Trustee holds Shares on behalf of a Participant, the Participant will continue to retain and benefit from full dividend rights, voting rights and the right to receive notices of meetings. Participants may withdraw some or all of their Plan Shares from the Trust at any time, subject to any applicable disposal restrictions, by submitting a withdrawal notice to the Company;
- (i) where a Participant ceases employment or office with any member of the Group as a result of a resignation of the Participant or a termination of that Participant’s employment or office in certain circumstances (i.e. due to poor performance, serious or persistent breaches of their employment or engagement contract or serious or gross misconduct):




- (i) vested options may continue to be exercisable up to the expiry date unless otherwise determined by the Board;
 - (ii) vested performance rights which have not been exercised will be immediately exercised unless otherwise determined by the Board; and
 - (iii) any unvested option and/or performance right held by that Participant will immediately lapse and be forfeited;
- (j) if a Participant ceases employment or office with any member of the Group for another reason other than those specified above (i.e. dies, becomes permanently disabled, retires from the workforce or is made redundant):
 - (i) vested options which have not been exercised will continue to be exercisable up to the expiry date;
 - (ii) vested performance rights which have not been exercised will be immediately exercised; and
 - (iii) the Board can determine, in its absolute discretion, the manner in which unvested options and/or performance rights will be dealt with;
- (k) the Board will have the power to vary the terms of the Incentive Plan at any time and in manner in which it thinks fit. However, the Board may only amend a provision which materially reduces the rights of Participants in respect of the Awards where the amendment is required for the purposes of complying with any law or the Listing Rules or in other defined circumstances;
- (l) if a change of control event occurs, (as defined in the Incentive Plan rules); then unless otherwise determined by the Board:
 - (i) unvested options and performance rights granted will vest where the Board considers that all vesting conditions and performance hurdles relating to those options or performance rights have been met;
 - (ii) unvested options and performance rights granted will vest only on a pro rata basis where relevant performance hurdles have not yet been met; and
 - (iii) any option or performance right the Board determines will not vest as specified above will automatically lapse.
- (m) subject to applicable law, the Company may buy-back Awards or shares issued on the exercise of Awards held by a Participant in certain circumstances;
- (n) awards issued to a Participant may not be assigned, transferred or encumbered with a security interest unless otherwise agreed by the Board or that assignment or transfer occurs by force of law on the death of a Participant;
- (o) the Board may determine, in its absolute discretion whether there will be any restrictions on the disposal of or the granting of any security interests over the shares issued on the exercise of Awards;




- (p) the Awards will not give a Participant any voting rights until the relevant Awards have converted into shares; and the Awards will not give a Participant any right to participate in any dividends until the relevant Awards have converted into shares.


LODGE YOUR VOTE

 **ONLINE**
<https://investorcentre.linkgroup.com>

 **BY MAIL**
 4D Medical Limited
 C/- Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia

 **BY FAX**
 +61 2 9287 0309

 **BY HAND**
 Link Market Services Limited
 Parramatta Square, Level 22, Tower 6,
 10 Darcy Street, Parramatta NSW 2150

 **ALL ENQUIRIES TO**
 Telephone: +61 1300 554 474

PROXY FORM

I/We being a member(s) of 4D Medical Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **10:00am (AEDT) on Thursday, 2 November 2023 at The Woodward Conference Centre, Level 10, Melbourne Law School, The University of Melbourne, 186 Pelham Street, Carlton VIC 3053 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Items 2 & 6: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Items 2 & 6, even though the Items are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).


The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

STEP 2

Items	For	Against	Abstain*		For	Against	Abstain*
2 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Grant of options to Managing Director and CEO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Dr Geraldine McGinty as a non-executive director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approve amendments to the Constitution of the Company to permit the holding of wholly virtual meetings.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Re-election of Mr Bruce Rathie as a non-executive director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Re-elect of Ms Lilian Bianchi as a non-executive director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Items are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of Extraordinary General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (AEDT) on Tuesday, 31 October 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

4DMedical Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

*During business hours Monday to Friday (9:00am - 5:00pm)

**IF YOU WOULD LIKE TO PARTICIPATE IN AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**