



Avexa Limited

ACN 108 150 750

Notice of Annual General Meeting – Thursday, 18 November 2010 at 10.00am

Notice is given that the Annual General Meeting (**AGM**) of Avexa Limited (**Avexa** or **Company**) will be held at Computershare Conference Centre, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, Australia on Thursday, 18 November 2010 at 10.00am.

Capitalised terms used in this Notice of AGM and the Explanatory Notes are defined in the body of these documents or in the Definitions section at the end of the Explanatory Notes.

Ordinary Business

1 Financial Statements and Reports

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2010.

2 Remuneration Report

Resolution 1

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

“That for the purpose of section 250R(2) of the Corporations Act, the Remuneration Report forming part of the Directors' Report for the financial year ended 30 June 2010 be adopted.”

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

3 Election and re-election of Directors

Resolution 2 – Mr Joe Baini

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

“That Mr Joe Baini, a Director of the Company retiring in accordance with rule 8.2 of the Constitution and being eligible, be and is hereby elected a Director of the Company.”

Resolution 3 – Mr Steven Crowley

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

“That Mr Steven Crowley, a Director of the Company retiring in accordance with rule 8.2 of the Constitution and being eligible, be and is hereby re-elected a Director of the Company.”

Resolution 4 – Mr Bruce Hewett

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

“That Mr Bruce Hewett, a Director of the Company retiring in accordance with rules 5.2 and 8.2 of the Constitution and being eligible, be and is hereby re-elected a Director of the Company.”

Resolution 5 – Mr Iain Kirkwood

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

“That Mr Iain Kirkwood, a Director of the Company retiring in accordance with rule 8.2 of the Constitution and being eligible, be and is hereby elected a Director of the Company.”

Resolution 6 – Mr Jet Soedirdja

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

“That Mr Jet Soedirdja, a Director of the Company retiring in accordance with rule 8.2 of the Constitution and being eligible, be and is hereby elected a Director of the Company.”

Other Business

To consider any other business that may be lawfully brought forward.

Explanatory Notes

The accompanying Explanatory Notes form part of this Notice of AGM and should be read in conjunction with it.

By order of the Board



Stephen Kerr
Company Secretary
Avexa Limited
Dated 13 October 2010

NOTES REGARDING PROXIES AND VOTING

Voting entitlement

The Board has determined in accordance with regulation 7.11.37 of the Corporations Regulations that for the purpose of voting at the AGM, the Shares held by each Shareholder will be as they appear on the Company's share register at **7.00pm (Melbourne time) on Tuesday, 16 November 2010**. This means that if you are not the registered holder of a Share at that time you will not be entitled to vote in respect of that Share.

Voting by proxy

Each Shareholder who is entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on behalf of that Shareholder. The proxy may be an individual or a body corporate. A proxy need not be a Shareholder.

A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If a Shareholder appoints two proxies and the appointment does not specify the proportion, or number, of the Shareholder's votes each proxy may exercise, each proxy may exercise half the votes (disregarding fractions). If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.

A proxy appointment form is enclosed with this Notice of AGM. For the appointment of a proxy to be valid, the following documents must be received either at Avexa's registered office or at the Company's share registry, Computershare Investor Services Pty Limited, **at least 24 hours prior to the AGM** or any adjournment of the AGM:

- (a) the proxy appointment form; and
- (b) if the proxy appointment form is signed by the appointor's attorney, the authority under which the appointment was signed or a certified copy of the authority.

Documents may be lodged using the reply paid envelope provided or:

- by post delivery or facsimile to the Company's share registry at:

Post:

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

Delivery:

Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford Victoria 3067
Australia

Facsimile:**Computershare Investor Services Pty Limited**

1800 783 447 (within Australia) 61 3 9473 2555 (outside Australia), or

- by post, delivery or facsimile to the registered office of Avexa at:

Avexa Limited

576 Swan Street

Richmond Victoria 3121

Australia

Facsimile: 61 3 9208 4146.

- **For Custodians who are Intermediary Online subscribers:**

Lodge your proxy at – www.intermediaryonline.com

If by post, please allow sufficient time for your documents to be received at least 24 hours before the AGM or any adjournment of the AGM.

Bodies corporate

A Shareholder which is a body corporate and entitled to attend and vote at the AGM, or a proxy which is a body corporate and is appointed by a Shareholder entitled to attend and vote at the AGM, may appoint an individual to act as its representative at the AGM.

If a representative of a corporate Shareholder or a corporate proxy is to attend the AGM, a certificate of appointment of the representative must be produced prior to admission to the AGM. A form of certificate of appointment can be obtained from the Company's share registry, Computershare Investor Services Pty Limited.

EXPLANATORY NOTES

Purpose of Information

The purpose of these Explanatory Notes (which accompany, and form part of, the Notice of AGM), is to provide Shareholders with an explanation of the business of the AGM and of the resolutions to be proposed and considered at the AGM at 10.00am on Thursday, 18 November 2010 and to assist Shareholders in deciding how they may wish to vote on the resolutions.

Summary of Business of the AGM

To receive and consider the Financial Statements and Reports for the financial year 30 June 2010.

To consider and vote on the following resolutions:

- Resolution 1: To adopt the Remuneration Report for the financial year ended 30 June 2010.
 - Resolution 2: To elect Mr Joe Bains as a Director of the Company.
 - Resolution 3: To re-elect Mr Steven Crowley as a Director of the Company.
 - Resolution 4: To re-elect Mr Bruce Hewett as a Director of the Company.
 - Resolution 5: To elect Mr Iain Kirkwood as a Director of the Company.
 - Resolution 6: To elect Mr Jet Soedirdja as a Director of the Company.
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Ordinary Business

1 Financial Statements and Reports

The Corporations Act requires the following reports in respect of the financial year ended 30 June 2010 to be laid before the AGM:

- Financial Report (which includes the Company's financial statements and the Directors' declaration);
- Directors' Report (which includes the Remuneration Report); and
- Auditor's Report.

Shareholders will be given a reasonable opportunity at the AGM to ask questions about or make comments on these reports and the management of Avexa.

There is no requirement in the Corporations Act or the Constitution for Shareholders to vote on, approve or adopt the Financial Report, the Directors' Report (other than the Remuneration Report) or the Auditor's Report.

The Company's auditor, KPMG (**Auditor**), is required to attend the AGM and will be available to take Shareholders' questions about the conduct of the audit, and the preparation and content of the Auditor's Report. Shareholders may forward written questions to the Auditor on these matters for response at the AGM. These should be emailed to avexa@avexa.com.au or mailed to the Company Secretary at 576 Swan Street, Richmond, Victoria, 3121, Australia, and may be submitted up to 5 business days before the AGM. The Company is required by law to forward all questions to the Auditor and the Auditor is required

to prepare a list of questions that the Auditor considers are relevant to the conduct of the audit and the content of the Auditor's Report. The Auditor may omit questions that are the same in substance to other questions and questions that are not received in a timely manner. At the AGM, the Chairman will give the Auditor a reasonable opportunity to answer the questions on the question list. The list of questions prepared by the Auditor will be available on the Company's website, www.avexa.com.au, prior to the AGM. In addition, copies of the list of questions will be available at the AGM. If the Auditor has prepared a written answer to a question, the Chairman may permit the Auditor to table the written answer at the AGM. If so, the Company will make the written answer available to Shareholders on the Company's website, www.avexa.com.au, as soon as practicable after the AGM.

The Auditor will also be available to take Shareholders' questions at the AGM regarding accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the Auditor in relation to the conduct of the audit.

2 Remuneration Report

The Remuneration Report forms part of the Directors' Report, which is contained in the Company's 2010 Annual Report to Shareholders. By way of summary, the Remuneration Report:

- (a) explains Avexa's policy and the process for determining the remuneration of its executive officers and employees;
- (b) addresses the relationship between the remuneration of Avexa's executive officers and Avexa's performance; and
- (c) sets out remuneration details for each Director and each of the executive officers of Avexa for the financial year ended 30 June 2010,

as required by section 300A of the Corporations Act.

A reasonable opportunity will be provided for Shareholders to ask questions about or make comments on the Remuneration Report at the AGM.

Resolution 1 is only advisory and does not bind the Company or its Directors.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

3 Election and re-election of Directors

Pursuant to rule 8.2 of the Constitution, a Director appointed by the Board or elected at a general meeting (which is not an AGM) holds office only until the next AGM.

Mr Joe Baini, Mr Steven Crowley, Mr Bruce Hewett, Mr Iain Kirkwood and Mr Jet Soedirdja retire in accordance with rule 8.2 of the Constitution and, being eligible, offer themselves for election or re-election (as appropriate).

Mr Bruce Hewett also retires in accordance with rule 5.2 of the Constitution, which requires one third of the Board (rounded down) to retire at each AGM.

At a general meeting of the Company on 28 September 2010, resolutions were requisitioned for the removal of Messrs Baini, Crowley, Hewett, Kirkwood and Soedirdja as Directors of the Company. Shareholders overwhelming voted against those resolutions.

Mr Joe Baini

Mr Baini has over 20 years commercial pharmaceutical experience. Most recently as Country Head he steered Gilead Sciences, one of the world's largest biotechnology companies specialising in infectious diseases, to unprecedented growth and profitability in Australia. Prior to this he held senior pharmaceutical positions with Bayer Australia and Pharmacia (now Pfizer). He is currently a Board member of BioMelbourne Network (a key industry representative body) and is a director of bluechiip Ltd, an unlisted technology company.

The Directors (with Mr Baini abstaining) recommend that Shareholders vote in favour of Resolution 2.

Mr Steven Crowley

Mr Crowley has 15 years experience in the pharmaceutical industry having held senior roles with GlaxoSmithKline, Merck and Johnson & Johnson in Australia and the Asia-Pacific region. He brings to Avexa a detailed understanding of international market requirements for clinical trial development, regulatory affairs and pricing. He also has extensive experience with infectious disease product development.

The Directors (with Mr Crowley abstaining) recommend that Shareholders vote in favour of Resolution 3.

Mr Bruce Hewett

Mr Hewett has spent the past 25 years in the pharmaceutical industry. During his career he has held a number of senior positions including Division Manager Janssen-Cilag Australia and General Manager for Janssen-Cilag NZ and Faulding Pharmaceuticals ANZ. Currently Bruce is a non-executive director of private pharmaceutical companies Lupin Australia Pty Limited and Equity Pharmaceuticals Australia Pty Ltd and the Managing Director of Rx Connect International Pty Ltd, a business that provides licensing services to Australian and international pharmaceutical and medical device companies. He brings to Avexa access to an extensive global network within the pharmaceutical industry.

The Directors (with Mr Hewett abstaining) recommend that Shareholders vote in favour of Resolution 4.

Mr Iain Kirkwood

Mr Kirkwood brings extensive operational, financial and general management experience, particularly in the life sciences industry. He has vast boardroom experience currently serving as a Non-Executive Director on the Boards of Medical Developments International Ltd, Vision Group Holdings Ltd. and Broadvector Ltd, a life sciences company. He has worked with a number of ASX listed companies in senior management roles, including Woodside Petroleum and Santos, and was previously the CFO of F.H. Faulding & Co. and CEO of EpiTan.

The Directors (with Mr Kirkwood abstaining) recommend that Shareholders vote in favour of Resolution 5.

Mr Jet Soedirdja

Mr Soedirdja is an experienced director in Australia and overseas and brings extensive experience in investment markets. He has been a Non-Executive Director of Mosaic Oil, an Australian oil exploration company, and PT Dragon Capital Management. He was also Non-Executive Director and Joint Chairman of PT Bumindo Energi International. He is currently an investment advisor with Bell Potter Securities and has held advisory roles at RBS Morgans (formerly ABN Amro Morgans) and Credit Suisse First Boston.

The Directors (with Mr Soedirdja abstaining) recommend that Shareholders vote in favour of Resolution 6.

Definitions

Unless the context requires otherwise, in this Notice of AGM and the Explanatory Notes:

1. **Auditor's Report** means the auditor's report required to be prepared and laid before the AGM in accordance with section 317 of the Corporations Act;
2. **Board** means the board of Directors of Avexa;
3. **Company** or **Avexa** means Avexa Limited ACN 108 150 750;
4. **Constitution** means the constitution of the Company;
5. **Corporations Act** means the *Corporations Act 2001* (Cth);
6. **Corporations Regulations** means the *Corporations Regulations 2001* (Cth);
7. **Directors** means the directors of the Company;
8. **Directors' Report** means the directors' report required to be prepared and laid before the AGM in accordance with section 317 of the Corporations Act;
9. **Explanatory Notes** means the explanatory notes accompanying, and forming part of, the Notice of AGM.
10. **Financial Report** means the financial report required to be prepared and laid before the AGM in accordance with section 317 of the Corporations Act;
11. **Remuneration Report** means the remuneration report required to be prepared in accordance with section 300A of the Corporations Act;
12. **Share** means a fully paid ordinary share in the capital of the Company; and
13. **Shareholder** means a shareholder in the Company.