

2017 Notice of Annual General Meeting

NOTICE IS GIVEN that the Annual General Meeting ("Meeting") of Cogstate Limited (ACN 090 975 723) (the "Company") will be held on Wednesday 25 October 2017 at the offices of Pitcher Partners ("Company Auditor") at Level 19, 15 William Street, Melbourne, at 1:00pm (Melbourne time).

The Company is also pleased to provide shareholders with the opportunity to attend the Meeting virtually through an online platform provided by our share registrar Link Market Services <<https://agmlive.link/CGS17>>. Further information on how to do this is set out in this Notice of Meeting and the Online Platform Guide available on our website.

Ordinary Business

1. Financial Statement and Reports

To receive and consider the Financial Statements and the Reports of the Directors and of the Company Auditor for the year ended 30 June 2017.

2. Remuneration Report (non-binding vote)

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

That the Remuneration Report as disclosed in the Annual Directors' Report for the year ended 30 June 2017 be adopted.

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

The voting exclusion statement for this resolution is set out in Item 2 of the Explanatory Notes to the Notice of Meeting.

3. Election of Directors

a. Election of Director – Dr Richard Mohs

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

That Dr Richard Mohs, who was appointed by the Board as a Director on 20 January 2017 and retires at this Meeting in accordance with clause 48.1.1 of the Company's Constitution, being eligible for election, be elected as a Director of the Company.

b. Election of Director – Ms Jane McAloon

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

That Ms Jane McAloon, who was appointed by the Board as a Director on 27 January 2017 and retires at this Meeting in accordance with clause 48.1.1 of the Company's Constitution, being eligible for election, be elected as a Director of the Company.

4. Re-Election of Director

Re-Election of Director – Mr Richard van den Broek

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

That Mr Richard van den Broek, a Director of the Company who retires by rotation at this Meeting in accordance with clause 48.1.2 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.

5. Cogstate Employee Share Option Plan

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

That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, the Company approves the terms of the Cogstate Employee Share Option Plan as described in the Explanatory Notes to the Notice of Meeting, and the grant of options under that Plan.

The voting exclusion statement for this resolution is set out in Item 5 of the Explanatory Notes to the Notice of Meeting.

6. Special Resolution – Approval of additional 10% Placement Facility

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

That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, shareholders approve the issue of equity securities of up to 10% of the total issued capital of the Company (at the time of the issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 over a 12 month period and on the terms and conditions set out in the Explanatory Notes to the Notice of Meeting.

The voting exclusion statement for this resolution is set out in Item 6 of the Explanatory Notes to the Notice of Meeting.

These items of business should be read in conjunction with the Explanatory Notes on pages 7 to 25.

Voting procedures at the AGM

1. All resolutions will be by poll

In accordance with clause 41.2.3 of the Company's Constitution, the Chairman intends to demand a poll on each of the resolutions proposed at the AGM. Each resolution considered at the AGM will therefore be conducted by a poll, rather than on a show of hands. The Chairman considers voting by poll to be in the interests of the shareholders as a whole and is a way to ensure the views of as many shareholders as possible are represented at the meeting.

2. Casting your vote in real time using Link Group's online platform

In accordance with clause 37 of the Company's Constitution, and to facilitate shareholder participation, the Chairman has determined that shareholders who are unable to attend the meeting in person will have the opportunity to participate in the AGM through the Company's online platform at <<https://agmlive.link/CGS17>>. If you choose to participate in the meeting in this way, you will be able to view the AGM live, lodge a vote in real time and ask questions online.

Eligibility to vote

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (AEDT) on Monday 23 October 2017 will be entitled to vote at the AGM as a shareholder.

How to vote

1. Voting – during the AGM using Link Group's online platform

Shareholders participating in the meeting using the Company's online platform at <<https://agmlive.link/CGS17>> will be able to vote between the commencement of the AGM (1.00pm AEDT on Wednesday, 25 October 2017) and the closure of voting as announced by the Chairman during the AGM.

More information regarding online participation at the AGM (including how to vote and ask questions online during the AGM) is available in the Online Platform Guide. The Online Platform Guide will be filed with the ASX and will also be available on our website. To ensure your browser is compatible, please follow the instructions in the Online Platform Guide – we recommend confirming this prior to determining whether to participate in the AGM using the Company's online platform.

2. Attending the meeting in person

Paper voting cards:

Paper voting cards will be available at the AGM for shareholders.

3. Appointment of Proxy

A proxy form is enclosed. If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

If an attorney is to attend the Meeting, or if a proxy form is executed by an attorney, the relevant certified power of attorney is to be submitted to the Company's Share Registry for noting and return, at least 48 hours before the commencement of the Meeting or any adjournment of the Meeting.

A shareholder which is a body corporate and which is entitled to attend and vote at the Meeting, or a proxy which is a body corporate and which is appointed by a member 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 an appropriately executed Letter of Representation (obtainable from the Company's Share Registry). A copy of the signed Letter of Representation, or other evidence satisfactory to the Chairman of the Meeting, must be produced prior to admission to the Meeting.

Hard copies of the Annual Report have only been sent to those shareholders who have elected to receive one. The Annual Report can be viewed or downloaded online on the Company's website at www.cogstate.com.

To be valid, proxies must be received by one of the following methods not less than 48 hours before the commencement of the Meeting or any adjournment of the Meeting:

By delivery to the Company's Share Registry

Online: www.linkmarketservices.com.au

Hand delivery: Link Market Services Limited
Level 12, 680 George Street
Sydney, NSW, 2000

Postal Address: Locked Bag A14
Sydney South, NSW, 1235

Facsimile: (02) 9287 0309

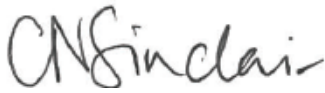
Impact of your proxy appointment on your proxy voting instructions

If you appoint the Chairman of the Meeting as your proxy, or the Chairman becomes your proxy by default, and you do not direct your proxy how to vote on resolutions 2 and 5, then by submitting the proxy appointment you will be expressly authorising the Chairman to exercise your proxy on the relevant resolution, even though the resolution is connected, directly or indirectly, with the remuneration of the KMP.

The Chairman's voting intentions:

The Chairman intends to vote undirected proxies on, and in favour of, all the proposed resolutions.

BY ORDER OF THE BOARD



Claire Newstead-Sinclair
Company Secretary

22 September 2017

EXPLANATORY NOTES

These notes form part of the Notice of Meeting.

Item 1 – Receive and consider the financial and other reports

The Corporations Act 2001 (Cth) ("**Corporations Act**") requires the Financial Report, Directors' Report and Auditor's Report to be laid before the Meeting. There is no requirement in the Corporations Act or the Company's Constitution for shareholders to vote on, approve or adopt these reports.

Shareholders will have a reasonable opportunity to ask questions and make comments on these reports and on the management of the Company.

Item 2 – Remuneration Report (non-binding vote)

The Board submits its Remuneration Report to shareholders for consideration and adoption by way of non-binding resolution. The Directors will consider the outcome of the vote and comments made by the shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

This resolution is advisory only and does not bind the Directors or the Company. However, in accordance with the Corporations Act, if 25% of the 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 of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days. At that meeting, those of the Company's Directors (other than the Managing Director) who held office when it was resolved to put the Directors' Report to the second AGM, and who wish to continue as a Director, must stand for re-election.

The Remuneration Report is set out in the Directors' Report in the 2017 Annual Report. The Remuneration Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive Directors and senior executives of the Company;
- discusses the relationship between the Board's remuneration policy and the Company's performance;
- sets out the actual remuneration for the financial year ended 30 June 2017 for each Director and each member of the Company's senior executive management team; and
- details and explains any performance hurdles applicable to the remuneration of executive Directors and senior executives of the Company.

A reasonable opportunity will be provided for discussion of and questions relating to the Remuneration Report at the Meeting.

Board Recommendation

The Board considers that the Company's remuneration policies are structured to provide rewards based on its performance and are competitive with those in the markets in which it operates. On that basis, and with each Director acknowledging their own personal interest, the Board unanimously recommends that shareholders vote in favour of this non-binding ordinary resolution.

Voting exclusion statement

No votes can be cast on Resolution 2 by or on behalf of a member of Key Management Personnel (as identified in the Remuneration Report) ("**KMP**") and their closely related parties (collectively referred to as a "Prohibited Voter"). However, a Prohibited Voter may vote directed proxies for someone other than a Prohibited Voter. Further, a member of KMP (regardless of whether or not their remuneration details are disclosed in the Remuneration Report) and their closely related parties may not vote a proxy on Resolution 2 unless it is a directed proxy and the vote is not cast on behalf of a Prohibited Voter. However, the Chairman of the Meeting can vote undirected proxies, provided the proxy expressly authorises the Chairman to do so.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 2.

If the Chairman of the Meeting is appointed as your proxy, or if the Chairman of the Meeting becomes your proxy by default, and you do not provide a voting direction, you are expressly authorising the Chairman of the Meeting to exercise your proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

If you do not wish to appoint the Chairman of the Meeting to vote in favour of Resolution 2, it will be important for you to complete the voting directions in respect of Resolution 2 on the Proxy Form.

Item 3 – Election of Directors

The following information has been provided by the candidates in support of their election as Director.

a. Dr Richard Mohs PhD (Non-Executive Director)

In accordance with clause 48.1.1 of the Company's Constitution, Mr Mohs retires from the Board and being eligible, offers himself for election as a Director of the Company.

Mr Mohs is an independent Non-Executive Director. He sits on the Audit and Compliance Committee as well as the Remuneration and Nomination Committee.

Dr Mohs retired from Eli Lilly in 2015, where he held several leadership positions including Vice President for Neuroscience Early Clinical Development and Leader of the Global Alzheimer's Drug Development Team. Before joining Eli Lilly in 2002, Richard spent 23 years with the Mount Sinai School of Medicine in NY where he was Professor in the Department of Psychiatry and Associate Chief of Staff for Research at the Bronx Veterans Affairs Medical Centre.

Dr Mohs received a PhD in psychology from Stanford University and completed postdoctoral training in pharmacology at the Stanford University Medical School. He is the author or co-author of over 350 scientific papers, including those describing clinical trials that lead to the approval, in the US and other countries, of cholinergic drug treatments for Alzheimer's disease.

Dr Mohs is currently Chief Scientific Officer for the Global Alzheimer's Platform (GAP) Foundation, a patient centered, non- profit organization devoted to enhancing the speed and quality with which new treatments for Alzheimer's diseases are developed. Richard also serves as a consultant to academic institutions, foundations and biopharmaceutical companies, and is a member of the Board of Governors for Alzheimer's Drug Discovery Foundation.

Board Recommendation

The Directors (other than Dr Mohs) unanimously recommend that shareholders vote in favour of Resolution 3(a).

b. Ms Jane McAloon BEc(Hons), LLB (Non-Executive Director)

In accordance with clause 48.1.1 of the Company's Constitution, Ms McAloon retires from the Board and being eligible, offers herself for election as a Director of the Company.

Ms McAloon is an independent Non-Executive Director. She chairs the Audit and Compliance Committee and sits on the Remuneration and Nomination Committee.

Until mid-2015, Jane was part of the Group Management Committee of BHP Billiton as President, Governance and Group Company Secretary from 2013, having been Group Company Secretary from 2007. Prior to joining BHP Billiton, Jane was part of the executive team at AGL as Group Manager External and Regulatory Services and Group Company Secretary.

Jane has a Bachelor of Economics (Hons) & Bachelor of Laws from Monash University and Graduate Diploma in Applied Corporate Governance. She is a fellow of the Australia Institute of Company Directors.

Jane is currently a Non-Executive Director of Healthscope Ltd and Energy Australia Pty Ltd. Jane previously held various Australian State and Commonwealth Government positions, including Director General NSW Ministry of Energy and Utilities, Deputy Director General NSW Cabinet Office as well as senior executive roles in Rail, Land & Water Conservation and Forestry. She previously worked in private legal practice.

Board Recommendation

The Directors (other than Ms McAloon) unanimously recommend that shareholders vote in favour of Resolution 3(b).

Item 4 – Re-Election of Director

The Company notes that Mr Simpson has been a director of Cogstate Ltd since 2005 and was due to retire and was eligible for re-election at the 2017 Annual General Meeting. Mr Simpson recently advised Directors that, despite being eligible to put himself forward for re-election, he will not be doing so and is retiring from the Board effective from the conclusion of the Meeting.

Mr Richard van den Broek CFA (Non-Executive Director)

In accordance with clause 48.1.2 of the Company's Constitution, Mr van den Broek retires from the Board and being eligible, offers himself for re-election as a Director of the Company.

Mr van den Broek is an independent Non-Executive Director. He sits on the Remuneration and Nomination Committee.

Mr van den Broek is founder and managing partner of HSMR Advisors LLC, a U.S. based fund manager with an investment emphasis on small and mid-cap biotech public companies.

From 2000 through 2003 he was a Partner at Cooper Hill Partners, LLC, an investment fund focused on the healthcare sector. Prior to that Mr van den Broek had a ten year career as a biotech analyst, starting at Oppenheimer & Co., then Merrill Lynch, and finally at Hambrecht & Quist.

Board Recommendation

The Directors (other than Mr van den Broek) unanimously recommend that shareholders vote in favour of Resolution 4.

Item 5 – Cogstate Employee Share Option Plan

Background

The Board has established the Cogstate Employee Share Options Plan (the "Employee Plan") to reward executives and employees in a manner which aligns their long term incentives with the creation of shareholder wealth. The Employee Plan was last approved by shareholders at the Company's 2014 Annual General Meeting on 23 October 2014.

Purpose of Item 5

Item 5 seeks shareholder approval for the Employee Plan pursuant to ASX Listing Rule 7.2 (Exception 9(b)).

ASX Listing Rule 7.1 requires shareholder approval for an issue of equity securities if, over a 12 month period, the number of equity securities issued is more than 15% of the number of ordinary shares on issue at the start of that 12 month period.

ASX Listing Rule 7.2 (Exception 9(b)) provides that an issue of equity securities under an employee incentive scheme does not detract from the available 15% limit under ASX Listing Rule 7.1 if shareholders approved the issue of securities under the employee incentive scheme as an exception to ASX Listing Rule 7.1 no more than three years before the date of issue. Accordingly, approval is sought under ASX Listing Rule 7.2 (Exception 9(b)) for the grant of options under the Employee Plan, so that such grants do not detract from the 15% limit.

Information required for the purpose of Listing Rule 7.2 (Exception 9)

The following information is provided in accordance with Listing Rule 7.2 (Exception 9):

Summary of the Employee Share Option Plan

The following is a summary of the key terms of the Employee Plan:

- Under the Employee Plan, the Board may offer options to employees (including executive Directors) of the Company and its related bodies corporate, or such other persons as the Board determines.
- On exercise of an option, the Company will deliver a fully paid ordinary share to the Employee Plan participant. Shares can be delivered by either new issue or on-market purchase.
- The Board will have the discretion to determine the terms and conditions of a grant of options, including:
 - the exercise price (if any);
 - vesting conditions which must be met before the options can be exercised;
 - restrictions on the disposal of or dealing in a share delivered upon the exercise of an option; and
 - whether the shares to be delivered upon the exercise of an option are to be held by a trustee for the benefit of the participant.
- The Employee Plan imposes a 15% cap on the number of shares which can be subject to options granted under the Employee Plan, calculated by reference to the Company's total issued share capital and in accordance with the Employee Plan.

- The maximum term of options granted under the Employee Plan will be 5 years, or another period specified by the Board at the time of grant.
- When options are granted, the Board will determine the circumstance in which they will expire, including in relation to the cessation of employment.
- Unless the options granted under the Employee Plan have been exercised and the shares delivered before the relevant record date, an Employee Plan participant cannot participate in new issues of securities to holders of ordinary shares, in relation to those options.
- If the Company makes a pro rata bonus issue of shares or other securities to holders of ordinary shares, and options have not been exercised, then the number of shares subject of the options will be increased by the number of shares that the participant would have received if the options had been exercised before the record date for the bonus issue.
- If the Company makes a pro rata issue of securities (other than a bonus issue) to holders of ordinary shares, the exercise price will be changed in accordance with the ASX Listing Rules.
- In the event of a capital reorganisation, the number of shares subject of each option will be adjusted in accordance with the ASX Listing Rules.
- Options will be forfeited if the applicable vesting conditions are not satisfied, or if the participant commits any act of fraud, defalcation or gross misconduct in relation to the Company or a related body corporate.
- If control of the Company changes, the Board has the discretion to waive any vesting conditions which have not been satisfied.
- The Company may appoint a trustee for the purpose of acquiring and delivering shares to participants and/or holding shares on behalf of participants.
- Participation in the Employee Plan may be extended to participants overseas on essentially the same or a similar basis in Australia, except that the participation may be governed by a different set of rules to accommodate the requirements of local laws and regulatory conditions.
- The Board has certain discretions under the Employee Plan. In particular, the Board may amend the rules of the Employee Plan or waive vesting conditions or disposal restrictions.

Copies of the rules of the Employee Plan are available on request from the Company's registered office.

Securities issued under the Employee Plan

The total number of securities issued under the Employee Plan since the date of the last approval (i.e. 23 October 2014) is:

Employee Plan	Securities issued
FY2015 (following 23 October 2014)	3,650,000 options 25,000 fully paid ordinary shares on the exercise of options
FY2016	2,450,000 options 4,392,499 fully paid ordinary shares on the exercise of options
FY2017	7,835,000 options 1,803,333 fully paid ordinary shares on the exercise of options

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by a Director who may participate in any employee incentive scheme of the Company and any associate of that Director.

However, the Company need not disregard a vote if:

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

A member of key management personnel and their closely related parties may not vote as a proxy on this resolution if the appointment does not specify how the proxy is to vote. However, the Chairman can vote undirected proxies provided that the proxy expressly authorises the Chairman to do so.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of this resolution.
The Chairman intends to vote undirected proxies in favour of this resolution.

Item 6 – Approval of additional 10% Placement Facility

Purpose

The purpose of this resolution is to authorise the Company to issue a further 10% of its issued share capital through one or more placements under ASX Listing Rule 7.1A during the 10% Placement Period (as defined below) in addition to and without using the Company's 15% placement capacity under ASX Listing Rule 7.1. This would effectively provide the Company with a total placement capacity of 25% (less that part of its placement capacity not available under ASX Listing Rule 7.1).

General

ASX Listing Rule 7.1A enables "eligible entities" to seek shareholder approval (by special resolution) at an annual general meeting, to issue equity securities of up to 10% of its total issued capital during the 12 month period after the annual general meeting ("10% Placement Facility").

An "eligible entity" for the purposes of ASX Listing Rule 7.1A is an entity that (as at the date of the annual general meeting):

- is not included in the S&P / ASX 300 Index; and
- has a market capitalisation of \$300 million or less.

As at the date of these Explanatory Notes, the Company is an "eligible entity" for the purposes of ASX Listing Rule 7.1A.

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company. The Company, as at the date of this Notice of Meeting has on issue one class of equity securities, namely ordinary shares (ASX Code: CGS).

The Company is seeking shareholder approval by a special resolution to have the ability to issue equity securities under the 10% Placement Facility. The exact number of equity securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and described below.

Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities that have obtained shareholder approval at an annual general meeting under ASX Listing Rule 7.1A may issue, or agree to issue, during the 12 month period after the date of the annual general meeting, a number of equity securities calculated in accordance with the following formula:

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

- A = The number of fully paid shares on issue 12 months before the date of issue or agreement to issue:
- plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
 - plus the number of partly paid shares that became fully paid in the 12 months;
 - plus the number of fully paid shares issued in the 12 months with approval of shareholders under ASX Listing Rules 7.1 or 7.4; and
 - less the number of fully paid shares cancelled in the 12 months.
- D = 10%.
- E = 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 shareholders under ASX Listing Rules 7.1 or 7.4.

Specific disclosures required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the below information is provided in relation to the approval of the 10% Placement Facility:

a. Issue Price

The equity securities (if any) will be issued at an issue price of not less than 75% of the volume weighted average price of the Company's equity securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

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

b. Risk of Economic and Voting Dilution

If Resolution 6 is approved by shareholders and the Company issues shares under the 10% Placement Facility, the existing shareholders' voting power in the Company will be diluted as shown in Table 1.

There is a risk that:

- the market price for the Company's equity securities in that class may be significantly lower on the date of the issue of the equity securities than on the date of the approval under Listing Rule 7.1A; and
- the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date.

Table 1

Table 1 shows the dilution of existing shareholders on the basis of the current market price of shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice of Meeting. The table also shows the voting dilution impact where the number of shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of shares issued under the 10% Placement Capacity.

Number of Shares on issue*	Number of Shares that may be issued under 10% Placement Facility	Dilution		
		Funds raised based on issue price of \$0.5425 (50% decrease in current issue price of \$1.085)	Funds raised based on issue price of \$1.085 (current issue price)	Funds raised based on issue price of \$1.6275 (50% increase in current issue price of \$1.085)
113,676,848	11,367,685	\$6,166,969	\$12,333,938	\$18,500,907
170,515,272 (50% increase)	17,051,527	\$9,250,453	\$18,500,907	\$27,751,360
227,353,696 (100% increase)	22,735,370	\$12,333,938	\$24,667,876	\$37,001,815

* The number of shares on issue (variable "A" in the formula) could increase as a result of the issue of shares that do not require shareholder approval under ASX Listing Rule 7.1 or that are issued with shareholder approval under ASX Listing Rule 7.1.

Table 1 has been prepared on the following assumptions:

- the current shares on issue are the shares on issue as at the date of this Explanatory Note;
- the current issue price set out above is the closing price of the shares on the ASX on 7 September 2017;
- the Company issues the maximum number of shares available under the 10% Placement Facility; and
- no options are exercised into shares before the date of the issue of the shares under the 10% Placement Facility.

c. Issue date

The Company will only issue equity securities under the 10% Placement Facility during the 10% Placement Period (as defined below).

Shareholder approval under ASX Listing Rule 7.1A is valid from the date of shareholder approval until the earlier of:

- the date that is 12 months after the date of approval under ASX Listing Rule 7.1A; or
- the date the Company obtains shareholder approval for a transaction under ASX Listing Rule 11.1.2 (significant change to nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking),

("10% Placement Period").

d. Purpose of Issue

The Company may seek to issue the equity securities under the 10% Placement Facility for:

- cash consideration. The Company may use the funds raised (without limitation):
 - in the pursuit of commercialising Cogstate technology in the Healthcare area (that is, use of Cogstate technology by primary care physicians), including but not limited to the pursuit of required regulatory registrations and staff additions to facilitate an expansion into strategic territories around the world;
 - for expansion of Cogstate's offering in the clinical trials market;
 - to help continue Cogstate's Research & Developments efforts, with a particular focus on Alzheimer's disease specifically, as well as other types of dementia;
 - general working capital; or
- non-cash consideration. This may include (without limitation) an acquisition of new assets and other investments. If such circumstances arise, the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

There are no current proposals to utilise the 10% Placement Facility. Should any specific proposals be approved by the Board, the Company will announce same to ASX as required by its continuous disclosure obligations.

e. Allocation Policy

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any equity securities using the 10% Placement Facility. The Company's allocation policy will be dependent on the prevailing market conditions at the time of any proposed issue. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to a range of factors, including but not limited to, the following:

- the methods for raising funds that are available to the Company, including but not limited to, a rights issue and other fundraising structures in which existing security holders can participate;
- the effect of the issue of the shares on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

f. Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained shareholder approval under ASX Listing Rule 7.1A at the Annual General Meeting on 17 October 2016. However, the Company has not issued any equity securities under ASX Listing Rule 7.1A since that date.

In accordance with ASX Listing Rule 7.3A.6, the following information is provided to shareholders regarding the equity securities issued in the previous 12 months preceding the date of the Meeting (that is, since 17 October 2016):

Listing Rule 7.3A.6(a)

The table below shows the total number of equity securities issued in the previous 12 months preceding the date of the Meeting and the percentage that those issues represent of the total number of equity securities on issue at the commencement of that 12 month period.

Total number of equity securities issued in the 12 months preceding the date of the Meeting	1,796,666
Percentage that they represent of the total number of equity securities on issue at the commencement of that 12 month period	1.61%

Listing Rule 7.3A.6(b)

The tables below set out specific details for each issue of equity securities that have taken place in the 12 month period preceding the date of the Meeting.

Options Granted:

Date of issue	17 October 2016
Number issued	750,000 Employee Options granted
Summary of terms	One third of options vest after two years, the remaining two thirds of options vest after three years and the options expire after five years.
Names of the persons who received securities or basis on which those persons were determined	Chief Executive Officer
Price	\$0.84
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	17 October 2016
Number issued	500,000 Employee Options granted
Summary of terms	One third of options vest after two years, the remaining two thirds of options vest after three years and the options expire after five years.
Names of the persons who received securities or basis on which those persons were determined	Non-Executive Directors
Price	\$0.84
Discount to market price (if any)	N/A

For cash issues

Total cash consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A

For non-cash issues

Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	31 December 2016
Number issued	3,380,000 Employee Options granted
Summary of terms	Vesting criteria subject to performance based hurdles and the options expire after five years.
Names of the persons who received securities or basis on which those persons were determined	New employees
Price	\$1.14
Discount to market price (if any)	N/A

For cash issues

Total cash consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A

For non-cash issues

Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	31 March 2017
Number issued	100,000 Employee Options granted
Summary of terms	One third of options vest after two years, the remaining two thirds of options vest after three years and the options expire after five years.
Names of the persons who received securities or basis on which those persons were determined	New employee
Price	\$1.15
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Options Exercised:

Date of issue	18-October-2016
Number issued	718,333 fully paid ordinary shares
Summary of terms	Employee options exercised. Shares issued rank pari passu with all other fully paid ordinary shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Management
Price	\$0.27
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	\$192,100
Amount of cash consideration spent	\$192,100
Use of cash consideration	Working capital
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	20-October-2016
Number issued	250,000 fully paid ordinary shares
Summary of terms	Employee options exercised. Shares issued rank pari passu with all other fully paid ordinary shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Chief Scientific Officer
Price	\$0.22
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	\$55,000
Amount of cash consideration spent	\$55,000
Use of cash consideration	Working capital
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	21-October-2016
Number issued	50,000 fully paid ordinary shares
Summary of terms	Non-Executive Director options exercised. Shares issued rank pari passu with all other fully paid ordinary shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Non-Executive Director
Price	\$0.22
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	\$11,000
Amount of cash consideration spent	\$11,000
Use of cash consideration	Working capital
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	28-October-2016
Number issued	50,000 fully paid ordinary shares
Summary of terms	Non-Executive Director options exercised. Shares issued rank pari passu with all other fully paid ordinary shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Non-Executive Director
Price	\$0.49
Discount to market price (if any)	N/A

For cash issues

Total cash consideration received	\$24,500
Amount of cash consideration spent	\$24,500
Use of cash consideration	Working capital
Intended use for remaining amount of cash (if any)	N/A

For non-cash issues

Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	3-November-2016
Number issued	100,000 fully paid ordinary shares
Summary of terms	Employee options exercised. Shares issued rank pari passu with all other fully paid ordinary shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Finance Manager
Price	\$0.22
Discount to market price (if any)	N/A

For cash issues

Total cash consideration received	\$22,000
Amount of cash consideration spent	\$22,000
Use of cash consideration	Working capital
Intended use for remaining amount of cash (if any)	N/A

For non-cash issues

Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	18-November-2016
Number issued	30,000 fully paid ordinary shares
Summary of terms	Employee options exercised. Shares issued rank pari passu with all other fully paid ordinary shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Senior Manager Quality Assurance
Price	\$0.22
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	\$6,600
Amount of cash consideration spent	\$6,600
Use of cash consideration	Working capital
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	21-November-2016
Number issued	100,000 fully paid ordinary shares
Summary of terms	Employee options exercised. Shares issued rank pari passu with all other fully paid ordinary shares on issue.
Names of the persons who received securities or basis on which those persons were determined	General Counsel
Price	\$0.22
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	\$22,000
Amount of cash consideration spent	\$22,000
Use of cash consideration	Working capital
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	24-May-2017
Number issued	133,333 fully paid ordinary shares
Summary of terms	Employee options exercised. Shares issued rank pari passu with all other fully paid ordinary shares on issue.
Names of the persons who received securities or basis on which those persons were determined	General Counsel
Price	\$0.32
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	\$43,000
Amount of cash consideration spent	\$43,000
Use of cash consideration	Working capital
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	26-May-2017
Number issued	233,333 fully paid ordinary shares
Summary of terms	Employee options exercised. Shares issued rank pari passu with all other fully paid ordinary shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Finance manager
Price	\$0.27
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	\$64,000
Amount of cash consideration spent	\$64,000
Use of cash consideration	Working capital
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	1-June-2017
Number issued	25,000 fully paid ordinary shares
Summary of terms	Employee options exercised. Shares issued rank pari passu with all other fully paid ordinary shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Director of Operations Healthcare
Price	\$0.21
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	\$5,250
Amount of cash consideration spent	\$5,250
Use of cash consideration	Working capital
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	5-June-2017
Number issued	100,000 fully paid ordinary shares
Summary of terms	Employee options exercised. Shares issued rank pari passu with all other fully paid ordinary shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Scientific Consultant
Price	\$0.21
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	\$21,000
Amount of cash consideration spent	\$21,000
Use of cash consideration	Working capital
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	29-June-2017
Number issued	6,667 fully paid ordinary shares
Summary of terms	Employee options exercised. Shares issued rank pari passu with all other fully paid ordinary shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Director Statistics
Price	\$0.28
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	\$1,867
Amount of cash consideration spent	\$1,867
Use of cash consideration	Working capital
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Voting Exclusion Statement

In accordance with ASX Listing Rules 7.3A.7 and 14.11, the Company will disregard any votes cast on this resolution by:

- a person who may participate in the proposed issue of equity securities under the 10% Placement Facility, and any person who might obtain a benefit (except a benefit solely in the capacity of a shareholder), if this resolution is passed; and
- any associate of a person referred to above.

However, the Company need not disregard a vote if:

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

At the date of this Notice of Meeting, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of equity securities under the 10% Placement Facility. Therefore, no existing shareholder's votes will be excluded under the above voting exclusion.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of this Resolution 6.

The Chairman intends to vote undirected proxies in favour of this Resolution 6.

If you do not wish to appoint the Chairman of the Meeting to vote in favour of Resolution 6, it will be important for you to complete the voting directions in respect of Resolution 6 on the Proxy Form.

Questions and comments by shareholders at the meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to shareholders to ask questions and make comments on the Financial Report, Directors' Report and the Auditor's Report and on the management of the Company at the Meeting.

The Company Auditor (or their representative) is required to attend the Meeting. At the Meeting, reasonable opportunity will be given to shareholders to ask the Company Auditor, Pitcher Partners (or their representative), questions relevant to:

- a) the conduct of the audit;
- b) the preparation and content of the Auditor's Report;
- c) the accounting policies adopted by the Company in relation to the preparation of its financial statements;
and
- d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to Pitcher Partners if the question is relevant to the content of Pitcher Partners' audit report or the conduct of the audit of the Company's financial report for the year ended 30 June 2017.

Relevant written questions for Pitcher Partners must be received by the Company no later than 5:00pm (Melbourne time) on Wednesday, 18 October 2017. A list of those relevant questions will be made available to shareholders attending the Meeting. 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 Meeting, the Chairman of the Meeting will give Pitcher Partners (or their representative) a reasonable opportunity to answer written questions submitted in accordance with the Corporations Act.

If written answers are tabled at the Meeting, they will be made available to shareholders as soon as practicable after the Meeting.

Please send any written questions for Pitcher Partners:

- to Link Market Services at the address on the enclosed reply paid envelope;
- by facsimile to +61 3 9664 1301; or
- to the registered office of the Company at Level 2, 255 Bourke Street, Melbourne, Vic, 3000,
- no later than 5:00pm (Melbourne time) on Wednesday, 18 October 2017.