

19 October 2012

Dear Acrux Shareholder,

I am pleased to invite you to attend Acrux's Annual General Meeting, for which the following documents are enclosed:

- Notice of the meeting, including explanatory statement and notes
- A personalised proxy form and return envelope

If you have elected to receive the Annual Report for the year ended 30 June 2012 in printed form, this is enclosed. A copy of the report can also be viewed on our website (www.acrux.com.au).

The Annual General Meeting will be held at the offices of Pitcher Partners, Level 19, 15 William Street, Melbourne, on Thursday 22 November 2012, commencing at 10:30 am.

If you are able to attend, I look forward to welcoming you and ask you please to bring the personalised proxy form with you to assist registration and admission to the meeting.

If you are unable to attend but wish to appoint a proxy, please either lodge your vote online, following the instructions on the proxy form, or complete the proxy form and return it to the registry in the envelope provided.

I encourage you also to consider electing to receive Acrux communications electronically, which can be done via the registry website (www.linkmarketservices.com.au), or by completing the enclosed election form.

Yours sincerely,



Ross Dobinson
Executive Chairman

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the members of Acrux Limited will be held at the offices of Pitcher Partners, Level 19, 15 William Street, Melbourne, Victoria, Australia on Thursday 22 November 2012 at 10:30 am.

AGENDA

Financial Statements and Reports

To receive and consider the financial report of the Company and the reports of the directors and auditor for the year ended 30 June 2012.

Remuneration Report

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

1. *That the Company's remuneration report for the year ended 30 June 2012 be adopted and approved.*

Re-election of Ross Barrow, Bruce Parncutt and Ross Dobinson as Directors

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

2. *That Ross Barrow, who in accordance with clause 56 of the Company's constitution offers himself for re-election as a Director, be re-elected as a Director of the Company.*
3. *That Bruce Parncutt who in accordance with clause 56 of the Company's constitution offers himself for re-election as a Director, be re-elected as a Director of the Company.*
4. *That Ross Dobinson, who in accordance with clauses 58 and 75 of the Company's constitution retires by rotation and being eligible offers himself for re-election as a Director, be re-elected as a Director of the Company*

By order of the Board



Jon Pilcher, CFO & Company Secretary
Date: 19 October 2012

EXPLANATORY STATEMENT

Receipt of Financial Statements and Reports

The Company's financial report and the reports of the directors and auditor for the year ended 30 June 2012 are placed before the meeting giving shareholders the opportunity to discuss these documents and to ask questions. No resolution is required in respect of these documents.

Resolution 1: Remuneration Report

The *Corporations Act* requires the directors' report to include certain information relating to director and executive remuneration in a "remuneration report". The remuneration report can be found at pages 27 to 32 of the Company's 2012 Annual Report. The *Corporations Act* further requires that each Australian listed public company put to a vote at its annual general meeting a resolution that the remuneration report be adopted. The vote is advisory only and does not bind the directors of the Company. However if the resolution to adopt the remuneration report receives a "no" vote of at least 25% of the votes cast at two consecutive AGM's, then a resolution must be put to shareholders at the second AGM as to whether another general meeting of the Company should be held within 90 days, at which all directors (other than the Managing Director) who were in office at the time the board approved the second remuneration report, would need to stand for re-election.

Resolutions 2 and 3: Re-election of Ross Barrow, Bruce Parncutt and Ross Dobinson as Directors.

During the year, the composition of the board changed significantly, reflecting a new phase for the business. Barrie Finnin and Ken Windle, who had each served as non-executive directors for more than ten years, retired and were replaced by Ross Barrow and Bruce Parncutt. Ross and Bruce bring highly regarded commercial and technical skills to the board. In addition, Richard Treagus stepped down as chief executive officer and managing director on 30 June 2012. The board determined that the current requirements of the business were best served by expanding the responsibilities of senior managers Jon Pilcher and Clive Blower, directly overseen by the Chairman Ross Dobinson in an executive director capacity. Ross, Jon and Clive have respectively 13, 10 and 5 years' experience managing the Acrux business.

Ross Barrow and Bruce Parncutt were appointed by the board as Non-Executive Directors of the Company effective 1 April 2012 and 30 April 2012 respectively. In accordance with clause 56.2 of the Company's constitution, each must be re-elected at the next annual general meeting. In

accordance with clauses 58 and 75 of the Company's constitution, Ross Dobinson retires by rotation and seeks re-election.

Ross Barrow (BSc.Hons, MBA) is Chair of the Human Capital Committee and a member of the Audit and Risk Committee. He has extensive experience in the life sciences sector. Ross was Chief Operating Officer and a director of Vision BioSystems Limited during the period when the company became a leader in the global histopathology market. Following acquisition by Danaher Corporation, Ross played a pivotal role overseeing the global integration of the company with Danaher's subsidiary, Leica Microsystems GmbH. Ross is currently the Chief Executive Officer and a director of drug development company Paranta Biosciences Limited.

Bruce Parncutt (BSc, MBA) is Chair of the Audit and Risk Committee and a member of the Human Capital Committee. His career spans almost 40 years in investment management, investment banking and stockbroking including seven years as Chief Executive of listed securities firm McIntosh Securities (1990 – 1996) and three years as Senior Vice President of Merrill Lynch (1997 – 1999). His experience includes extensive involvement in financial analysis, merger and acquisition transactions, capital-raising, and investment in companies across a broad spectrum from early stage to mature public companies. He holds a Bachelor of Science, an MBA, and is a Member of the Financial Services Institute of Australasia. Bruce is Chairman of the investment and corporate advisory firm, Lion Capital. He is a Trustee of The National Gallery of Victoria, Chairman of the NGV Foundation, and Chairman of Praemium Limited (ASX: PPS), since August 2011. He was previously a director of Stuart Petroleum Limited (from August 2010 to May 2011), McIntosh Securities Limited, Australian Stock Exchange Limited and Vision Systems Limited.

Ross Dobinson (BBus) has been a Director since 1998 and was appointed Non-Executive Chairman in January 2006 and then Executive Chairman effective 1 July 2012. He is a founder and former CEO of Acrux. Ross has a background in investment banking and stockbroking. He is currently Managing Director of TSL Group Ltd, a corporate advisory company specialising in establishing and advising life sciences companies. He has also been a director of Starpharma Holdings Limited (ASX: SPL), since May 1997 and is a director of a number of unlisted companies, including TPI Enterprises Ltd and Hexima Limited. Ross was executive chairman of Hexima Limited when the company was listed on ASX from July 2010 to June 2011.

NOTES

Entitlement to Vote and Proxies

Only registered holders of the Company's shares as at 20 November 2012 at 7pm are eligible to attend and vote at the AGM.

Voting exclusion

In respect of Resolution 1, adoption of the remuneration report, the *Corporations Act* requires that a member of the key management personnel (KMP) whose remuneration details are included in the remuneration report (or a closely related party of such KMP) must not vote and the Company will disregard any votes cast by such a person, unless:

- that person does so as a proxy; and
- the vote is not cast on behalf of a KMP whose remuneration details are included in the remuneration report (or a closely related party of such KMP); and either:
 - the proxy appointment specifies how the proxy is to vote on the resolution; or
 - the proxy is the Chairman of the AGM and the proxy appointment expressly authorises the Chairman to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP.

Voting by Proxy

A member entitled to attend and vote at this AGM is entitled to appoint not more than two proxies, using the enclosed proxy form. A proxy need not be a member of the Company. The proxy may be an individual or a body corporate. Your proxy's authority to speak and vote for you at the meeting is suspended if you are present at the meeting.

If you appoint one proxy, that proxy may vote on a show of hands. Where two proxies are appointed, each proxy may be appointed to represent a specific proportion of your voting rights on a poll but neither proxy has a vote on a show of hands. If you appoint two proxies and the appointment does not specify the proportion or number of your votes each proxy may exercise, section 249X of the *Corporations Act 2001* provides that each proxy may exercise half of the votes (ignoring fractions). If you appoint another member as your proxy, that person will have only one vote on a show of hands and does not have to vote on a show of hands in accordance with any direction by you.

You may direct your proxy how to vote by marking **X** in one of the three boxes opposite each item of business. All your votes will be cast in accordance with your direction, unless you indicate only a portion of votes are to be cast on any item by inserting the percentage of your voting rights applicable to the proxy appointed by the proxy form in the appropriate box. If you do not mark any of the boxes relating to the items of business, your proxy may vote as he or she chooses. If you mark more than one box relating to the same item of business any vote by your proxy on that item will be invalid.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. Proxies and the original or a certified copy of the power of attorney (if the proxy form is signed by an attorney) must be received **not later than 10:30am on 20 November 2012:**

- by lodging it on-line at the registry's website (www.linkmarketservices.com.au) in accordance with the instructions given there (you will be taken to have signed your proxy form if you lodge it in accordance with the instructions given on the website); **or**
- by post in the reply paid envelope provided addressed to Link Market Services Limited; **or**
- by facsimile to Link Market Services Limited on fax number (02) 9287 0309.

Documents received after that time will not be valid for the scheduled meeting.

Bodies Corporate

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of the Company's shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution. The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.



By mail:
Acrux Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: 1300 554 474 **Overseas:** +61 2 8280 7111

sample

SHAREHOLDER VOTING FORM

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

STEP 1

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 (excluding the registered shareholder) you are appointing as your proxy. I/we appoint the Chairman of the Meeting as an alternate proxy to the person named.

If no person/body corporate is named, the Chairman of the Meeting, is appointed as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at **10:30am on Thursday, 22 November 2012, at Pitcher Partners, Level 19, 15 William Street, Melbourne, Victoria** and at any adjournment or postponement of the meeting. I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel. **The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.**

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

VOTING DIRECTIONS

	For	Against	Abstain*
Resolution 1 Adoption of Remuneration Report (advisory only)	☐	☐	☐
Resolution 2 Re-election of a Director - Ross Barrow	☐	☐	☐
Resolution 3 Re-election of a Director - Bruce Parncutt	☐	☐	☐
Resolution 4 Re-election of a Director - Ross Dobinson	☐	☐	☐

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

STEP 3

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

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).

ACR PRX201R



HOW TO COMPLETE THIS 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 a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the meeting.

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. The appointment of the Chairman of the Meeting as your alternate proxy also applies to the appointment of the second proxy.

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.
- 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" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

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 **10:30am on Tuesday, 20 November 2012**, 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 > www.linkmarketservices.com.au

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) as shown on the front of the proxy form).



by mail:

Acrux 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, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**