

NOTICE IS GIVEN that the Annual General Meeting of CogState Limited (ABN 80 090 075 723) (the "Company") will be held on Wednesday 23rd October 2013 at the offices of Pitcher Partners (Company Auditor) at Level 19, 15 William Street, Melbourne, at 4:00pm.

ORDINARY BUSINESS

1. Financial Statement and Reports

To receive and consider the Financial Statements and the Reports of the Directors and of the Auditor for the year ended 30 June 2013.

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 2013 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. Re-Election of Director – Mr David Simpson

To consider and, if thought fit, pass the following resolution as an ordinary resolution:
That Mr David Simpson, a Director of the Company who retires by rotation at this Annual General Meeting in accordance with rule 48.1 of the Company's Constitution and, being eligible, offers himself for re-election, be elected as a Director of the Company.

b. 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 Annual General Meeting in accordance with rule 48.1 of the Company's Constitution and, being eligible, offers himself for re-election, be elected as a Director of the Company.

4. Issue of Options to Directors

a. Issue of options to Mr Martyn Myer

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:
That for the purpose of ASX Listing Rule 10.14, the proposed issue to Mr Martyn Myer of 50,000 options in the Company pursuant to the CogState Non-Executive Director Option Plan, as described in the Explanatory Notes to the Notice of Meeting, be approved.



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b. Issue of options to Mr David Simpson

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:
That for the purpose of ASX Listing Rule 10.14, the proposed issue to Mr David Simpson of 50,000 options in the Company pursuant to the CogState Non-Executive Director Option Plan, as described in the Explanatory Notes to the Notice of Meeting, be approved.

c. Issue of options to Mr Richard van den Broek

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:
That for the purpose of ASX Listing Rule 10.14, the proposed issue to Mr Richard van den Broek of 50,000 options in the Company pursuant to the CogState Non-Executive Director Option Plan, as described in the Explanatory Notes to the Notice of Meeting, be approved.

d. Issue of options to Mr Rodolfo Chapa

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:
That for the purpose of ASX Listing Rule 10.14, the proposed issue to Mr Rodolfo Chapa of 50,000 options in the Company pursuant to the CogState Non-Executive Director Option Plan, as described in the Explanatory Notes to the Notice of Meeting, be approved.

e. Issue of options to Mr Bradley O'Connor

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:
That for the purpose of ASX Listing Rule 10.14, the proposed issue to Mr Bradley O'Connor of 250,000 options in the Company pursuant to the CogState Employee Option Plan, as described in the Explanatory Notes to the Notice of Meeting, be approved.

The voting exclusion statement for these resolutions is set out in Item 4 of the Explanatory Notes to the Notice of Meeting.

5. Special Resolution – Approval of 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 shares 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 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 5 of the Explanatory Notes to the Notice of Meeting.



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PROXIES

A proxy form is enclosed. A shareholder entitled to attend and vote at the meeting has a right to appoint a proxy and that person need not be a shareholder of the Company. A proxy can be an individual or a body corporate. A shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a shareholder appoints two proxies and the proportion or the number of the shareholders' votes each proxy may exercise is not specified, each proxy may exercise half the votes. If more than one proxy for a member is present at the meeting, only the first named proxy may vote on a show of hands.

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: LinkMarket Services Limited
Level 12, 680 George Street
Sydney, NSW, 2000

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

Facsimile: (02) 9287 0309

VOTING ENTITLEMENT

The Directors have determined in accordance with the Corporations Regulations that, for the purposes of determining voting entitlements at the Annual General Meeting, shares will be taken to be held by the registered holders at 7.00 pm Melbourne time on Monday 21st October 2013.

BY ORDER OF THE BOARD



Mark Edwards
Company Secretary

13 September 2013



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Explanatory Notes

Item 1 – Receive and consider the financial and other reports

The 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, 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 which those of the Company's Directors (other than the Managing Director) who held office when the resolution was passed to make the Directors' Report considered at the second AGM must stand for re-election.

The Remuneration Report is set out in the Directors' Report in the 2013 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 2013 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.

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 the Remuneration Report.

Voting exclusion statement - No votes can be cast 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 and the Chairman may vote for someone other than a Prohibited Voter in accordance with a direction on the proxy form to vote as the proxy decides.

The Chairman of the meeting intends to vote undirected proxies in favour of Item 2.



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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.

Item 3 – Re-election of Directors

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

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

Mr van den Broek is an independent non-executive Director appointed on 26 August 2010. He sits on the Audit and Compliance Committee as well as 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. During the last three years, Mr van den Broek has also served as a Director of the following listed companies:

- Pharmaxis Ltd - Appointed: April 2009

The Directors (other than Mr van den Broek) unanimously recommend that shareholders vote for the re-election of Mr van den Broek.

Mr David Simpson BA (Honours) FAICD (Non-Executive Director)

Mr Simpson is an independent non-executive Director for the Company and Axon Sports. He sits on the Audit and Compliance Committee as well as the Remuneration and Nomination Committee. He is the Chairman for Cool Australia, an environmental charity, and also works as a business consultant and executive coach. The bulk of his previous career was in the multinational advertising industry holding a series of leadership roles for Omnicom and WPP in North America, Asia and South Africa as well as Australia.

The Directors (other than Mr Simpson) unanimously recommend that shareholders vote for the re-election of Mr Simpson.

The Chairman of the meeting intends to vote undirected proxies in favour of each of Items 3 (a) and (b).

Items 4 (a), (b), (c), (d) and (e) – Issues of Options to Directors

These resolutions seek shareholder approval for proposed issues of options to each Director of the Company.

ASX Listing Rule 10.14 requires a listed entity to obtain prior shareholder approval for the issue of securities to the Directors of the Company under an employee or a non-executive Director equity incentive scheme.

The Company is proposing to issue options to non-executive Directors under the Non-Executive Director Option Plan. The Company is proposing to issue options to Bradley O'Connor (Chief Executive and Executive Director) under the Employee Option Plan.



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The following information is provided in relation to the terms of the options and for the purposes of ASX Listing Rule 10.15:

- a. The options will be issued to each non-executive Director of the company as follows:

Non-executive Director name	Number of securities
Martyn Myer	50,000 options
David Simpson	50,000 options
Richard van den Broek	50,000 options
Rodolfo Chapa	50,000 options

- b. The Executive Director and Chief Executive Officer of the Company, Mr Brad O'Connor, will be issued with 250,000 options;
- c. The options will be issued for no consideration (but with an exercise price as described below);
- d. Each option entitles the holder to subscribe for a fully paid ordinary share in the Company at a price of \$0.49 per share at any time during the option exercise period. The strike price reflects the prevailing market price for the Company's shares at the time of this notice plus 4 cents per share;
- e. The options will be subject to the following vesting schedule over 3 years;
- One third of the options will vest on the 2nd anniversary of the date of issue; and
 - The remaining two thirds of the options will vest on the 3rd anniversary of the date of issue.
- f. The options will expire five years from the date of issue;
- g. Details in relation to Directors who have received securities since the last Listing Rule 10.14 approval, given at the Company's Annual General Meeting held on 25 October 2011, are:

Director name	Number of securities received	Acquisition price for each security
Martyn Myer	100,000 options	\$0.22
David Simpson	50,000 options	\$0.22
Richard van den Broek	50,000 options	\$0.22
Rodolfo Chapa	100,000 options	\$0.22
Brad O'Connor	250,000 options	\$0.22

- h. Martyn Myer, David Simpson, Richard van den Broek and Rodolfo Chapa are the only persons entitled to participate in the Non-Executive Director Option Plan.
- i. Brad O'Connor is the only Director (or associate of a Director) that is entitled to participate in the Employee Option Plan.
- j. There is no loan in relation to the acquisition by the Directors; and
- k. The options are expected to be issued by 31 October 2013, but in any event will be issued no later than 12 months after the meeting.



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Voting exclusion statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast on these resolutions by a Director of the Company or any of their associates. However, the Company is not required to disregard a vote if:

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

Further, a member of Key Management Personnel and their closely related parties may not vote as a proxy on these resolutions if the appointment does not specify how the proxy is to vote. However, the Chairman can vote undirected proxies, provided the proxy expressly authorises the Chairman to do so, which you may do by marking the designated box.

The Chairman of the meeting intends to vote undirected proxies in favour of these resolutions where authorised to do so by the relevant proxy form.

Given their interest in the subject matter of these resolutions, the Directors make no recommendation to shareholders on Items 4 (a), (b), (c), (d) or (e).

Item 5 – Approval of 10% Placement Facility

Purpose

The purpose of this resolution is to authorise the Company to issue a further 10% of its issued share capital 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 shares 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 shares 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).



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Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities that have obtained shareholder approval under ASX Listing Rule 7.1A may issue, or agree to issue, a number of shares 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 on agreement:

- 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 shares 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

a. Issue Price

The shares (if any) will be issued at an issue price of not less than 75% of the volume weighted average price of the Company's shares over the 15 trading days immediately before:

- the date on which the price at which the shares are to be issued is agreed; or
- if the shares are not issued within 5 trading days of the date mentioned above, the date on which the shares are issued.

b. Risk of Economic and Voting Dilution

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



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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. 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 \$0.225 (50% decrease in current issue price)	Funds raised based on issue price of \$0.45 (current issue price)	Funds raised based on issue price of \$0.675 (50% increase in current issue price)
78,036,834	7,803,683	\$1,755,829	\$3,511,658	\$5,267,486
117,055,251 (50% increase)	11,705,525	\$2,633,743	\$5,267,486	\$7,901,229
156,073,668 (100% increase)	15,607,367	\$3,511,658	\$7,023,315	\$10,534,973

c. Issue date

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

Shareholder approval under ASX Listing Rule 7.1A will cease to be valid on the earlier of:

- the date that is 12 months after the date of approval; 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),

d. Purpose of Issue

The Company may seek to issue the shares for the following purposes:

- to be predominantly utilised in the pursuit of commercialising Cogstate technology in the Healthcare area (that is, use of Cogstate technology by primary care physicians), including the pursuit of required regulatory registrations and staff additions to facilitate an aggressive expansion into strategic territories around the world; and
- Additionally, funds could be used to continue Cogstate’s Research & Developments efforts, with a particular focus on Alzheimer’s disease specifically as well as other types of dementia.



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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 shares. The Company's allocation policy will be dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of shares 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 has not previously obtained shareholder approval under ASX Listing Rule 7.1A.

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast on this resolution by:

- a person who may participate in the proposed issue of shares 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 shares. No existing shareholder's votes will therefore be excluded under the voting exclusion.

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.



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QUESTIONS AND COMMENTS BY SHAREHOLDERS AT THE MEETING

In accordance with the Corporations Act 2001, a reasonable opportunity will be given to shareholders to ask questions and make comments on the Financial Report, Directors' Report, Auditor's Report and the Remuneration Report and on the management of the Company at the meeting.

The auditor of the Company is required to attend the meeting. At the meeting, reasonable opportunity will be given to shareholders to ask the Company's auditor, Pitcher Partners, 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 2013.

Relevant written questions for Pitcher Partners must be received no later than 5:00pm (Melbourne time) on Friday 18th October 2013. A list of those relevant questions will be made available to shareholders attending the Annual General 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 a reasonable opportunity to answer written questions submitted in accordance with the Corporations Act.

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

Please send any written questions for Pitcher Partners:

- to Link Market Services at the address on the enclosed reply paid envelope; or
- 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 Friday 18th October 2013.



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