

15 July 2021

Dear Shareholder

NOTICE OF SHARE SALE FACILITY FOR HOLDERS OF LESS THAN MARKETABLE PARCELS

The Board of Directors of Nova Eye Medical Limited (ASX: EYE) (Nova Eye Medical, or the Company) are pleased to advise that the Company has established an opt-out Unmarketable Parcel Sale Facility (**UMP Facility**) for shareholders holding less than a marketable parcel of shares (**Minority Members**) as at 7.00pm (Adelaide time) 8 July 2021 (**Record Date**).

Nova Eye Medical's Constitution states that if the number of shares registered in the name of a member is less than a marketable parcel, the directors may send a notice to the member that the Company intends to sell the unmarketable parcel. A marketable parcel of Listed Securities within the meaning of the ASX Listing Rules is one with a value of at least A\$500 (\$500) (**Minimum Shareholding**).

The UMP Facility will facilitate the aggregation, and on-sale, of all Minority Members' holdings. The UMP Facility will allow all Minority Members to sell their shares without incurring any brokerage or handling costs. It will also allow the Company to save significant registry and communication costs in the future by reducing the number of shareholders required to be serviced.

The UMP Facility will be available to Minority Members recorded on Nova Eye Medical's register of members who, at 7:00pm (ACST, Adelaide time) on 8 July 2021 (**Record Date**) were holders of an "Unmarketable Parcel" in the Company (**Eligible Shareholders**). That is, shares with a value of less than the Minimum Shareholding of \$500. Based on a price of \$0.315 per share, being the Company's closing price on ASX at the Record Date, a Minimum Shareholding is a holding of 1,588 shares. A Minority Member is one who has a holding(s) of less than 1,588 shares.

Our records show that you are recorded on the Nova Eye Medical share register as a Minority Member as at the Record Date and accordingly are an Eligible Shareholder that is eligible to participate in the UMP Facility. As at the Record Date, the Company has 3,691 shareholders of which 1,429 (or 39%) are by definition Minority Members that hold less than marketable parcels. This represents a total of 500,383 shares that may be sold through the UMP Facility.

The total value of these shares held by Minority Members is approximately 0.3% of the market value of all Company shares on issue. Pursuant to clause 210 of Nova Eye Medical's Constitution and ASX Listing Rule 15.13, the Company may notify Eligible Shareholders that it intends to sell their holdings unless they complete and lodge the enclosed Share Retention Form by 5.00pm (ACST, Adelaide time) on 30 August 2021 (**Closing Date**).

Shares to be sold under the UMP Facility will be sold on-market by a broker appointed by the Company on the ASX in the ordinary course of trading. The Company will pay all brokerage and handling costs of the sale for Minority Members of Unmarketable Parcels under the UMP Facility, excluding tax consequences from the sale, which remain the shareholder's responsibility. The sale price of each of your shares will be the volume weighted average price of every share sold on ASX under the UMP Facility.

The Company strongly advises you to check holding details online through Computershare's Easy Update website at www.computershare.com.au/easyupdate/eye where you can provide your payment instructions, TFN/ABN, email address and elect how you want to receive your securityholder communication.

All Minority Members who are participating in the UMP Facility will receive the same sale price per share and the payment for your holding will be the volume weighted average sale price multiplied by the number of your shares

sold. As the sale price is an average, the proceeds that you receive may be more or less than the actual price received by the broker for the sale of your shares.

A summary of key dates in relation to the Facility are as follows:

| Event | Date |
|---|--|
| Unmarketable Parcel Record Date | 7.00pm (Adelaide time), 8 July 2021 |
| Despatch of Letter and Retention Form to holders of Unmarketable Parcels (Minority Members) | 15 July 2021 |
| Closing Date for Receipt of Share Retention Form from Minority Member | 5.00pm (Adelaide time), 30 August 2021 |
| Unmarketable Parcels for which Share Retention Forms have not been received are available for sale under the UMP Facility | 3 September 2021 |
| Unmarketable Parcel Payment Date | As soon as practicable following settlement of all shares sold under the UMP Facility. |

The Company may modify these dates or suspend or terminate the Facility. Any modification, suspension or termination will be notified to shareholders by way of a market announcement.

Eligible Shareholder options

As an Eligible Shareholder, your options are set out below:

1. Sell your Unmarketable Parcel

If you wish to sell your Nova Eye Medical Shares through the UMP Facility without incurring any brokerage or handling costs, you **DO NOT** need to take any action. Nova Eye Medical is authorised under clause 213 of its Constitution to sell your shares following the expiry of the six week notice period, unless the Company receives a completed Share Retention Form from you before the Closing Date.

Your shares will be pooled with other shares that are eligible to be sold under this UMP Facility and sold as soon as practicable after the Closing Date. All costs associated with the sale of your shares will be borne by the Company. You do not need to appoint a broker nor pay the brokerage and handling costs associated with the sale of shares under the UMP Facility. Any tax consequences arising from the sale of your shares will be your responsibility.

The shares will be sold on or around the market price of the Company's shares on the ASX (ASX:EYE), following the Closing Date. You will not have control over the timing at which your shares are sold, and the price you receive may differ from the price appearing in the media or quoted by the ASX on any given day and may not be the highest price on the day your shares are sold.

Sale proceeds will be paid to you, within 14 days of the completion of the sale of all shares sold under the UMP Facility in Australian dollars via the payment method recorded on the Nova Eye Medical register, by either direct credit or cheque. If you wish to be paid the proceeds by direct credit, you can update your details online through Computershare's Easy Update website at www.computershare.com.au/easyupdate/eye where you can provide your payment instructions, TFN/ABN, email address, and elect how you want to receive your securityholder communication.

2. Retain your existing holding

If you wish to retain your Nova Eye Medical Shares, **YOU MUST** either:

A. Opt out of the UMP Facility.

Complete and return the attached Share Retention Form to the address provided on the Share Retention Form by no later than 5.00pm (ACST, Adelaide time) on 30 August 2021 (**Closing Date**). If your Share Retention Form is not received by the Closing Date, or

B. Top up your existing holding.

Make your own arrangements outside of this UMP Facility to increase any of your holdings that are less than the Minimum Shareholding by purchasing additional Nova Eye Medical shares so that your registered holding is valued at no less than \$500 on the Closing Date based on \$0.315 per share (i.e., the closing price on ASX at the Record Date). Note that the increase of shares must be under the same holding identified by the holder number (SRN or HIN) as set out on the attached Share Retention Form; or

C. Consolidate "like holdings".

If you hold Nova Eye Medical shares in multiple holdings (with the same name and address) you can arrange to have those holdings consolidated into one Minimum Holding, i.e., one holding with a value of at least \$500 or more on the Closing Date.

If you successfully take one of these steps, Nova Eye Medical will not be entitled to sell your shares under the UMP Facility. Please note that your Share Retention Form cannot be returned by fax.

Important Information

Nova Eye Medical is not bound to sell all or any of the shares that may be available for it to sell under the UMP Facility, and there is no guarantee that Nova Eye Medical will be able to sell your shares.

Neither Nova Eye Medical nor any other person involved in the UMP Facility shall be liable for failure to sell the shares. The number of shares in the Company required for a Minimum Holding for the purposes of the UMP Facility was calculated based on the closing price of Nova Eye Medical shares on ASX on the Record Date.

This price may not be the same as the prevailing market price for Nova Eye Medical's shares at the time of any share sale at the completion of the Notice period. The Company has determined whether a shareholder is a Minority Member with a holding of less than a marketable parcel at the Record Date based on the closing price of the Company's shares on ASX on that date. The Company will not have any reference to any increase in the price of shares after the Record Date in determining whose shares may be sold pursuant to this UMP Facility.

The Company does not make any recommendation or provide any advice to you regarding whether to sell your holding under the UMP Facility or retain your existing holding. If you are a Minority Member holding less than a Marketable Parcel as at the Record date then, unless you take one of the steps outlined in section 2 of this letter, Nova Eye Medical will be entitled to sell your shares under the UMP Facility. Please read the instructions on your personalised Share Retention Form carefully before completing it. If you need help deciding what to do, or if you require information regarding the financial, legal or tax consequences of participating in the UMP Facility you should consult your financial, legal or taxation adviser. The attached terms and conditions set out further details of the UMP Facility which you should read before making any decision.

Yours faithfully,



Victor Previn
Chairman

Terms and Conditions of the Unmarketable Share Sale Facility (UMP Facility)

1. What is an Unmarketable Parcel?

An unmarketable parcel of shares is a holding of Nova Eye Medical shares less than a Marketable Parcel, being a parcel of shares valued at less than \$500 as at 7:00pm (ACST, Adelaide time) on 8 July 2021 (**Record Date**). Based on the closing price on ASX of Nova Eye Medical shares as at the Record Date, this is a holding of less than 1,588 shares.

As the determination of whether a parcel of shares is a Marketable Parcel, and accordingly whether a holder of such parcel is a Minority Member, is undertaken at the Record Date, any increase in the Nova Eye Medical share price after that date will not impact what constitutes a Marketable Parcel.

2. Why have I been sent this letter?

You have been sent this letter because, under Nova Eye Medical's Constitution, you are defined as a Minority Member of the Company. A Minority Member is one whose shareholding on the Record Date is less than a Marketable Parcel. However, please note that just because this parcel of shares is referred to as being 'unmarketable' for the purposes of the ASX Listing Rules and the Company's Constitution does not mean that it cannot be sold by you under normal circumstances.

3. Why did Nova Eye Medical establish the UMP Facility?

Nova Eye Medical recognises that Minority Members (i.e., holding less than Marketable Parcel) may find it difficult or expensive to dispose of their shares in the usual way. The Company is offering the UMP Facility to assist holders of less than Marketable Parcels to sell their shares without incurring brokerage or handling costs. The Company is also seeking to reduce the Company's administrative costs associated with maintaining a large number of shareholders with less than Marketable Parcels.

4. What if I want to retain my shares?

If you want to retain your Nova Eye Medical shares, you must either:

- A. Opt out of the UMP Facility by returning your Share Retention Form as per the instructions on the form.
- B. Top up your holding by the Closing Date so that you (specifically that particular holding) are the registered holding of at least 1,588 shares, being a Marketable Parcel. The increase must be under the same holding identified by the holder number (SRN or HIN) as set out on the attached Share Retention Form; or
- C. Combine holdings. If you currently have more than one holding (with the same name and address) on the Nova Eye Medical share register, you may wish to consider consolidating your holdings so that they are registered as one holding by the Closing Date. This may result in your consolidated holding no longer being a less than Marketable Parcel. Under these circumstances your shares will not be sold as part of this Facility.

5. What price will I receive for shares sold through the UMP Facility?

The price at which shares will be sold under the UMP Facility will be determined at the Directors' sole discretion, being the best price reasonably available at the time and the date on which the market price was determined. The price ultimately received will be determined by market conditions and may be different from the market price prevailing at the time. You will receive the sale price per share which has been calculated as the volume weighted average price of every share sold on ASX under the UMP Facility. Therefore, you will receive a proportionate share of the sale proceeds from all shares sold under the UMP Facility.

The Company does not give any assurance as to the likely sale price of the shares that may be achieved. You will not have control over the time at which your shares are sold, and the price you receive may differ from the price appearing in the media or quoted by the ASX on any day and may not be the best price on the day your shares are sold.

6. When will the proceeds from the sale of shares be sent to me?

Payment will be forwarded to you as soon as practicable following settlement of all shares sold under the UMP Facility via the payment method recorded on the Nova Eye Medical register, by either direct credit or cheque. Cheques will be made out in the name of the holding and posted to the address held on the Company's share register. Payment will be made in Australian Dollars.

Computershare will notify you by way of a transaction confirmation statement of the number of your shares sold and your sale proceeds.

7. What if my shares are held in a CHESS or broker sponsored holding?

If your shares remain in a CHESS or broker sponsored holding at 5:00pm (ACST – Adelaide time) on the Closing Date the Company may move those shares to an issuer sponsored holding and the shares will be sold through the UMP Facility.

8. Where can I get further information about the UMP Facility?

Applicants with further queries please call 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (AEST) Monday to Friday.



NOVAEYE
MEDICAL

Nova Eye Medical Limited
ACN 007 702 927

EYE



**Return your Form to the Company's
share registry:**



By Mail:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:

Phone:



(within Australia) 1300 850 505

(outside Australia) +61 3 9415 4000

Unmarketable Parcel Sale Facility

 **If you wish to retain your shares, your form must be received by 5.00pm (Adelaide time) 30 August 2021**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Shareholding Details

Use this form if you wish to retain your shares in Nova Eye Medical Limited. If you have recently bought or sold shares your shareholding may differ from that shown. If you have already sold all your shares in Nova Eye Medical Limited, do not complete or return this form. If you have more than one shareholding on Nova Eye Medical Limited's register and you do not wish to sell your shares under the Unmarketable Parcel Sale Facility, you should consider consolidating them. For further advice on how to do this, contact the number above.

Please check the details provided and update your address via www.investorcentre.com/au if any of the details are incorrect.

If you have a CHESS sponsored shareholding, please contact your Controlling Participant to notify a change of address.

Step 2: Signing Instructions

Individual: Where the shareholding is in one name, the shareholder must sign.

Joint Shareholding: Where the shareholding is in more than one name, all of the shareholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

Companies: Where the shareholding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

Overseas Companies: Where the shareholding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: Where the shareholding is in the name of a deceased estate, all executors must sign; and a certified copy or original, of the required documentation must accompany this form. Details of the documentation required can be found by searching "deceased estates" on our website www.computershare.com or by calling Computershare Investor Services Pty Limited on 1300 850 505 or +61 3 9415 4000. If the shareholding is in more than one name the surviving shareholder may sign the form and return it together with a certified copy of the death certificate of the other joint shareholder.

Step 3: Contact Details


Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form ➔

Share Retention Form

STEP 1

Shareholding Details

 For your security keep your SRN/
HIN confidential.



Change of address. If incorrect, mark this box and make the correction in the space to the left. Shareholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.

Shares held as at 7.00pm (Adelaide time) 8 July
2021:

STEP 2

Signature of Shareholder(s)

This section must be completed.

By signing and returning this form, in accordance with the requirements set out in 'Step 2: Signing Instructions' overleaf, I/we confirm that I/we understand that my/our **SHARES WILL NOT PARTICIPATE** in the Unmarketable Parcel Sale Facility.

Individual or Shareholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Shareholder 2

Director

Shareholder 3

Director/Company Secretary
(cross out titles as applicable)

STEP 3

Contact Details

Contact
Name

Contact
Daytime
Telephone

Date / /

Email
Address

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.