

**BODIEM LIMITED**  
**ACN 096 845 993**

**NOTICE OF 2012 ANNUAL GENERAL MEETING**

Notice is given that the 2012 Annual General Meeting of BioDiem Limited ("the Company" or "BioDiem") will be held at the InterContinental Melbourne, Trade Room, 495 Collins Street, Melbourne on Monday 12 November 2012, at 3:00pm (Melbourne, Victoria time).

Further details in respect of each of the resolutions proposed in this Notice of Annual General Meeting are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting. The details of the resolutions contained in the Explanatory Memorandum should be read together with, and form part of, this Notice of Annual General Meeting.

**BUSINESS**

**2012 Annual Financial Statements**

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2012 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

**Resolution 1 – Remuneration Report**

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

*"THAT the Company approves the adoption of the Remuneration Report for the year ended 30 June 2012."*

**Voting Note:**

- Any undirected proxies held by the Chairman of the meeting, other directors or other key management personnel or any of their closely related parties will not be voted on this Resolution. Please refer to the Proxy and Voting Instructions on Page 2.

**Resolution 2 – Re-Election of Director - Mr Hugh Matheson Morgan**

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

*"THAT in accordance with the Company's Constitution and ASX Listing Rule 14.4, Mr Hugh Matheson Morgan, having consented to act and being eligible for re-election, be re-elected as a Director of the Company."*

By the order of the Board



Richard Wadley  
Company Secretary

12 October 2012

The accompanying Explanatory Memorandum and the Proxy Form and Voting Instructions form part of this Notice of Meeting.

## PROXY AND VOTING INSTRUCTIONS

### Proxy Instructions

A member who is entitled to vote at a meeting may appoint:

- (a) one proxy if the member is only entitled to one vote; and
- (b) one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes, in which case any fraction of votes will be disregarded.

The proxy form (and the Power of Attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the Power of Attorney or other authority) must be received at the Company's Share Register no later than 3:00pm (Melbourne time) on Saturday 10 November 2012, being 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

Proxies may be lodged:

By mail:               Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne VIC 3001

By facsimile:       Within Australia: 1800 783 447, outside Australia: +61 3 9473 2500

Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

If you sign the proxy form and do not appoint a proxy, you will have appointed the Chairman of the meeting as your proxy. In that case, your shares will not be voted on Resolution 1 (Remuneration Report) unless you direct the Chairman of the meeting as your proxy how to vote by marking the appropriate box on the proxy form.

A proxy form is attached to this Notice.

### How the Chairman will vote undirected proxies

The Chairman of the meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions, except for Resolution 1 (Remuneration Report). Any undirected proxies held by the Chairman of the meeting will not be voted on Resolution 1.

Accordingly, if you appoint the Chairman of the meeting as your proxy, you should direct him how to vote on Resolution 1 (Remuneration Report) if you want your shares to be voted on that item of business.

### **Proxies that are undirected on Resolution 1 (Remuneration Report)**

If you appoint the Chairman of the meeting as your proxy and do not direct him how to vote on Resolution 1 (Remuneration Report), he will not vote your proxy on that item of business. The same will apply if you appoint any other director of the Company, any other of its key management personnel or any of their closely related parties. Key management personnel of the Company are the directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.

### **Corporate Representatives**

Any corporation which is a member of the Company may authorize (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the chairperson of the Meeting) a natural person to act as its representative at any general meeting.

### **Voting Entitlement**

The Company has determined in accordance with the Corporations Act 2001, that for the purpose of voting at the 2012 Annual General Meeting, shares will be taken to be held by those who hold them at 7:00pm (Melbourne, Victoria time) on Saturday 10 November 2012.

On a poll, members have one vote for every fully paid ordinary share held.

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## **EXPLANATORY MEMORANDUM**

### **PURPOSE OF INFORMATION**

This Explanatory Memorandum ("this Memorandum") accompanies and forms part of the Company's Notice of 2012 Annual General Meeting to be held at the InterContinental Melbourne, Trade Room, 495 Collins Street, Melbourne on Monday 12 November 2012, at 3:00pm (Melbourne, Victoria time). The Notice of 2012 Annual General Meeting incorporates, and should be read together with, this Memorandum.

### **2012 Annual Financial Statements**

The 2012 Annual Financial Statements, comprising the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2012 will be laid before the meeting. There is no requirement for shareholders to approve the Annual Financial Statements. However, shareholders will have the opportunity to ask questions about or make comments on the 2012 Annual Financial Statements and the management of the Company. A representative of the auditor will be invited to attend to answer questions about the audit of the Company's 2012 Annual Financial Statements.

The Company's 2012 Annual Financial Statements are set out in the Company's 2012 Annual Report which can be obtained from the Company's website, [www.biodiem.com](http://www.biodiem.com) or upon request to the Secretary at the Company's registered office, Level 10, South Tower, 459 Collins Street, Melbourne, Victoria, 3000 (telephone (03) 9613 4100).

### **Resolution 1 – Remuneration Report**

The Company is required, pursuant to the Corporations Act 2001, to propose a non-binding resolution regarding the Remuneration Report, which forms part of the Directors' Report in the Annual Financial Statements. The Remuneration Report sets out the Company's remuneration arrangements for directors.

Shareholders attending the 2012 Annual General Meeting of the Company will have an opportunity to discuss and put questions in respect of the Remuneration Report. In addition, shareholders will be asked to vote on the Remuneration Report.

The resolution is advisory only and does not bind the Company or its directors. The Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs (treating this AGM as the first such meeting), shareholders will be required to vote at the second of those AGM's on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director and CEO) must be put up for re-election.

Any undirected proxies held by the Chairman of the meeting, other directors or other key management personnel or any of their closely related parties will not be voted on this Resolution. 'Closely related parties' are defined by the Corporations Act 2001, and include specified family members, dependants and companies they control.

If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on this Resolution by marking either "For", "Against" or "Abstain" on the proxy form for this Resolution.

## **Resolution 2 – Re-Election of Director - Mr Hugh Matheson Morgan**

Pursuant to the Constitution of the Company, one-third of the Directors or, if their number is not a multiple of three, the number nearest to one-third, except the Managing Director, are required to retire by rotation at each Annual General Meeting. The Company has four directors, one of whom who is the Managing Director. Accordingly, one director is required to retire by rotation at the 2012 Annual General Meeting.

Additionally, under ASX Listing Rule 14.4, a director must not hold office without re-election past the third annual general meeting following the director's appointment, or three years whichever is longer. A director who retires in accordance with these provisions is eligible for re-election.

Accordingly, Mr Hugh Matheson Morgan retires by rotation and, being eligible, offers himself for re-election.

### *Hugh Matheson Morgan AC*

Mr Morgan was appointed as a Director of the Company on 25 September 2005. Mr Morgan is Chairman of the Company and is a non-independent Non-Executive Director and member of the Audit Committee and Remuneration and Nomination Committee of the Company.

Mr Morgan is Principal of First Charnock. Mr Morgan also serves as a member of the Lafarge International Advisory Board, an Emeritus Trustee of The Asia Society New York, Chairman Emeritus of the Asia Society AustralAsia Centre, President of the National Gallery of Victoria Foundation and Chairman of the Order of Australia Association Foundation. Mr Morgan sits on the Board of Hexima Limited as a Non-Executive Director.

Additionally, Mr Morgan was a Director of the Board of the Reserve Bank of Australia for 14 years. From 2003 to 2005 Mr Morgan was President of the Business Council of Australia and is immediate Past President of the Australia Japan Business Co-operation Committee. Mr Morgan is a Past Co-Chair of the Commonwealth Business Council and is continuing Emeritus Director. Mr Morgan is a graduate in Law and Commerce from the University of Melbourne and was Chief Executive Officer of WMC Limited from 1986 to 2003, a Director of Alcoa of Australia from 1977 to 1998 and a Director of Alcoa Inc from 1998 to 2001.

The non-candidate directors unanimously support the re-election of Mr Hugh Matheson Morgan.