

Notice of annual general meeting and explanatory notes

Opthea Limited
ACN 006 340 567

Date: 23 November 2017
Time: 11.00 am (Melbourne time)
Location: Computershare Conference Centre
Yarra Falls
452 Johnston Street,
Abbotsford, Melbourne, Victoria

In this document you will find:

- a notice of annual general meeting
- explanatory notes which have an explanation of and information about, the resolutions set out in the notice of annual general meeting.

Enclosed separately is a proxy form with attendance and registration details.

Notice of annual general meeting

The annual general meeting of Opthea Limited (**Opthea** or **the Company**), will be held at Computershare Conference Centre, Yarra Falls, 452 Johnston Street, Abbotsford, Melbourne, Victoria on Thursday, 23 November 2017 at 11.00am (Melbourne time).

This notice of annual general meeting (**Notice**) should be read in conjunction with the accompanying notes (including in relation to the required voting majorities, Directors' recommendations and voting, voting exclusion statements, appointing the Chair as your proxy, how to vote and proxies), explanatory notes accompanying the resolutions to be put to Shareholders and the accompanying proxy form, all of which are incorporated in, and comprise part of, this Notice.

If you are unable to attend the annual general meeting please complete and return the enclosed proxy form in accordance with the specified directions.

Business

1. Financial statements and reports

To receive and consider:

- (a) the financial statements;
- (b) the directors' report; and
- (c) the Auditor's report,

of Opthea for the year ended 30 June 2017.

2. Other business

To deal with any other business that may legally be brought before the annual general meeting in accordance with Opthea's constitution and the *Corporations Act 2001* (Cth) (**Corporations Act**).

Resolutions

3. Re-Election of Director (Resolution 1)

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

That Michael Sistenich be re-elected as a Director of the Company, who is retiring by rotation in accordance with article 58.1 of the Company's constitution.

4. Adoption of remuneration report (Resolution 2)

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

That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the remuneration report for the Company for the year ending 30 June 2017 be adopted.

Note: *In accordance with section 250R(3) of the Corporations Act, the vote on this resolution will be advisory only and will not bind Opthea or its Directors.*

5. Ratification of prior issue of shares (Resolution 3)

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

That for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval is given to the issue of 37,914,377 Shares to institutional and sophisticated investors on 12 April 2017, made by way of placement and at an issue price of \$0.93 per Share.

6. Approval of additional placement capacity (Resolution 4)

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

That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the explanatory notes to this Notice, be and is hereby approved.

By order of the Board

23 October 2017

A handwritten signature in black ink, appearing to be 'MT', followed by a horizontal line extending to the right.

Mike Tonroe
Company Secretary

Notes

Required voting majorities

Each of Resolutions 1, 2 and 3 require a simple majority of the eligible votes cast by Shareholders present and voting at the meeting, whether in person, by proxy or attorney, or in the case of corporate Shareholders or proxies, by a natural person representative, to be cast in favour of the relevant Resolution.

Resolution 4 is a special resolution requiring at least 75% of the eligible votes cast by Shareholders present and voting at the meeting, whether in person, by proxy or attorney, or in the case of corporate Shareholders or proxies, by a natural person representative, to be cast in favour of the relevant Resolution.

Directors' recommendations and voting

Resolution 1 – Re-election of Director

The Board (Mr Sistenich abstaining) unanimously recommends that all Shareholders entitled to vote, vote in favour of Resolution 1.

Resolution 2 – Adoption of remuneration report

The Board unanimously recommends that all Shareholders entitled to vote, vote in favour of Resolution 2.

Voting exclusions apply to members of the KMP details of whose remuneration are included in the remuneration report as well as Closely Related Parties of such members. Closely Related Parties of a member of the KMP include certain family members, dependants as well as companies they control. Voting exclusions also apply to members of the Company's KMP and their Closely Related Parties voting as proxies on this Resolution. See the section below headed 'Voting Exclusion Statements' for further details.

Resolution 3 – Ratification of prior issue of shares

The Board unanimously recommends that all Shareholders entitled to vote, vote in favour of Resolution 3.

Voting exclusions apply to certain persons. See the section below headed 'Voting Exclusion Statements' for further details.

Resolution 4 – Approval of additional placement capacity

The Board unanimously recommends that all Shareholders entitled to vote, vote in favour of Resolution 4.

Voting exclusions apply to certain persons. See the section below headed 'Voting Exclusion Statements' for further details.

Voting Exclusion Statements

Resolution 2 – Adoption of remuneration report

Opthea will disregard any votes cast on Resolution 2 by or on behalf of:

- (a) a member of the KMP, details of whose remuneration are included in the Company's remuneration report for the year ended 30 June 2017; or
- (b) a Closely Related Party of such a member.

However, the Company will not disregard the vote of a person described in paragraph (a) or (b) above on the Resolution if the vote is not cast on behalf of a person described in either paragraph and either:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person is the Chair of the meeting and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on the Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Resolution 3 – Ratification of prior issue of shares

Opthea will disregard any votes cast on Resolution 3 by any person who participated in the issue or any associate of any person who participated in the issue.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for the person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4 – Approval of additional placement capacity

Opthea will disregard any votes cast on Resolution 4 by any person who may participate in the issue of Equity Securities under the 10% Placement Facility or any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the Resolution is passed, or any associate of any of those persons.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for the person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Important note: The proposed allottees, if any, of any Equity Securities under the 10% Placement Facility are not as yet known or identified. In these circumstances (and in accordance with the note set out in Listing Rule 14.11.1 relating to Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

Appointing the Chair as your proxy

If you appoint the Chair of the meeting as your proxy and you do not specify how the Chair is to vote on a Resolution, the proxy appointment expressly authorises the Chair to exercise the proxy even if the Resolution may be connected directly or indirectly with the remuneration of a member of the KMP of the Company.

The Chair intends to vote all available and undirected proxies in favour of all Resolutions, subject to the above voting exclusions. In exceptional circumstances the Chair's intentions may change subsequently. If there is a change to how the Chair intends to vote undirected proxies, the Company will make an immediate announcement to ASX stating that fact and explaining the reasons for the change.

How to Vote

Voting entitlements

Opthea has determined that for the purposes of voting at the annual general meeting or at any adjourned meeting, Shares will be taken to be held by those persons recorded on the register of members at the Voting Entitlement Time (as specified below).

Voting Entitlement Time

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), all securities of the Company that are quoted on ASX at 7.00pm Melbourne time on Tuesday, 21 November 2017 (the **Voting Entitlement Time**), are taken, for the purposes of the above meeting, to be held by the persons who held them at that time. Only those persons will be entitled to vote at the annual general meeting on Thursday, 23 November 2017.

Joint Holders

When joint holders are named in the register of members only one joint holder may vote. If more than one of the joint holders is present at the meeting, only the person whose name appears first in the register of members will be entitled to vote. If more than one holder votes at the meeting, only the vote of the first named of the joint holders in the register of members will be counted.

Voting in person or by attorney

Shareholders or their attorneys wishing to vote in person should attend the meeting. Attendees are asked to arrive at least 15 minutes prior to the time the meeting is to commence, so that their shareholding may be checked against the register of members and their attendance noted. Shareholders should bring their bar coded proxy form with them to assist in Shareholder identification and registration. Attorneys should bring the original or a certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting.

Voting by corporate representative

Corporate Shareholders or proxies wishing to vote by corporate representative should:

- (a) obtain an appointment of corporate representative form from Computershare Investor Services Pty Limited;
- (b) complete and sign the form in accordance with the instructions on the form; and
- (c) bring the completed and signed form with them to the meeting.

Proxies

1. A Shareholder entitled to attend and vote at the meeting has a right to appoint not more than two proxies to attend and vote in the Shareholder's place.
2. The proxy need not be a Shareholder of the Company. A proxy may be an individual or a body corporate.
3. A Shareholder who is entitled to cast two or more votes may appoint up to two proxies to attend and vote at the meeting and, in the case of such an appointment, should specify the proportion or number of votes each proxy is appointed to exercise. If no such proportion or number is specified, each proxy may exercise half of the votes. Fractions of votes will be disregarded.
4. Where a Shareholder appoints two proxies, on a show of hands neither proxy may vote if more than one proxy attends and on a poll each proxy may only exercise votes in respect of those Shares or voting rights the proxy represents.
5. A proxy may decide whether to vote on an item of business, except where the proxy is required by law or the constitution to vote, or abstain from voting, in his or her capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may only vote on the item as directed. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit.
6. If the abstention box on the proxy form for any item of business is marked, the proxy will be directed not to vote on a show of hands or on a poll and the relevant Shares will not be counted in calculating the required majority on a poll.

7. Shareholders who intend to appoint the Company's Chair as proxy (including an appointment by default) should have regard to the information above under the heading 'Appointing the Chair as your proxy'.
8. The proxy form included in this Notice must be signed by the Shareholder or the Shareholder's attorney and, in the case of a joint holding, by each of the joint holders.
9. If the proxy form is signed by the Shareholder but does not name the proxy or proxies in whose favour it is given, or the proxy does not attend the meeting, the Chair may either act as proxy or complete the proxy form by inserting the name of a Director or the Company Secretary of Opthea.
10. The appointment of one or more duly appointed proxies will not preclude a Shareholder from attending this meeting and voting personally. If the member votes on a Resolution, the proxy must not vote as the member's proxy on that Resolution.
11. To be valid, a proxy form signed under a power of attorney or other authority (if any) must be accompanied by the signed power of attorney, or a certified copy of the power of attorney.
12. Proxies given by a corporation must be signed either under seal or under the hand of a duly authorised attorney. In addition, should the constitution of a corporation permit the execution of documents without using a common seal, the documents must be signed by two directors or a director and a company secretary, or for a proprietary company that has a sole director who is also a company secretary, that sole director.
13. If a body corporate is appointed as proxy, please write the full name of that body corporate (e.g. Company X Pty Ltd). Do not use abbreviations. The body corporate will need to ensure that it:
 - (a) appoints an individual as its corporate representative to exercise its powers at meetings, in accordance with section 250D of the Corporations Act; and
 - (b) provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.

If no such evidence is received before the meeting, then the body corporate (through its representative) will not be permitted to act as your proxy.

14. Shareholders wishing to vote by proxy must complete, sign, and deliver the enclosed personalised proxy form in accordance with the instructions on the form so that it is received prior to 11.00am Melbourne time on Tuesday, 21 November 2017 by:
 - (a) post in the reply paid envelope provided, to:

Opthea Limited
C/- Computershare Investor Services Pty Limited
GPO Box Reply Paid 242
Melbourne, Victoria, 3001;
 - (b) hand delivery, to:

Opthea Limited
C/- Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria, 3067;
 - (c) fax, to:

Opthea Limited
C/- Computershare Investor Services Pty Limited
on 1800 783 447 (within Australia) or;
+61 3 9473 2555 (outside Australia); or

- (d) intermediary online subscribers only (custodians), submit your voting intentions via www.intermediaryonline.com.

Recording devices

In the absence of special permission, the Chair will require that any recording or broadcasting device (including tape recorders, mobile telephones, still cameras and video cameras) and any article which may be dangerous, offensive or liable to cause disruption, be turned off or deposited outside the meeting.

Questions and comments by Shareholders at the meeting

1. In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders as a whole to ask questions about or to make comments upon the management of the Company including the remuneration report and the Resolutions at the meeting.
2. Shareholders may also provide written questions to the Company to be submitted no later than 5.00pm on Monday, 20 November 2017, and should be addressed as follows:

The Company Secretary
Opthea Limited
Level 0403, 650 Chapel Street
South Yarra VIC 3141
3. Any Shareholders who would like to submit a written question to Opthea's auditor, Deloitte Touche Tohmatsu (**Auditor**), in relation to its conduct of the external audit of the Company's financial statements for the year ended 30 June 2017, or the content of its audit report, may do so:
 - (a) in the reply paid envelope by mail or delivery to:

Computershare Investor Services Pty Limited
GPO Box 242, Melbourne, Victoria, 3001, Australia; or
 - (b) by facsimile on:

1800 783 447 (within Australia); or
+61 3 9473 2555 (outside Australia).
4. Written questions to the Auditor must be received by no later than 5:00pm Melbourne time on Thursday, 16 November 2017.
5. The Auditor may answer relevant submitted questions at the meeting or may table a written answer to those questions at the meeting. Any written answers tabled will be made available as soon as practicable after the meeting by posting them on the Company's website.

Definitions

Words that are defined in the Glossary have the same meaning when used in this Notice unless the context requires, or the definitions in the Glossary provide, otherwise.

Explanatory notes

These explanatory notes accompany and form part of, and should be read together with, the Notice.

The Corporations Act requires the financial report (which includes the financial statements and directors' declaration), the directors' report and Auditor's report to be laid before the annual general meeting. There is no requirement either in the Corporations Act or Opthea's constitution for Shareholders to approve the financial report, the directors' report or the Auditor's report. Rather, the purpose of presenting the reports is to give Shareholders an opportunity at the meeting to ask questions and to make comments on these reports.

Time will be allocated in the annual general meeting to deal with any business that may legally be brought before the annual general meeting in accordance with Opthea's constitution and the Corporations Act.

Resolution 1

1. Re-election of Director

Michael Sistenich was appointed non-executive Director of Opthea in November 2015 and is chairman of the remuneration and audit committees. Michael Sistenich was re-elected by Shareholders at the Company's extraordinary general meeting held on 7th March 2016.

Pursuant to article 58.1 of Opthea's constitution, at the close of each annual general meeting one third of the Directors must retire from office by rotation. The Directors to retire by rotation at an annual general meeting are those Directors who have been longest in office since their last election. Accordingly, Michael Sistenich offers himself for re-election as a Director.

(a) Biography

Michael Sistenich has extensive experience in the global biopharmaceutical industry. He has advised a wide range of global institutions, high net worth individuals and companies on healthcare investments over the past 20 years. He is a healthcare specialist in international investment management and investment banking and led the Bell Potter team that advised the Company through the \$17.4M capital raising in November 2014. Michael Sistenich is currently a director of Nohla Therapeutics, and previously served as Director of International Equities and Head of Global Healthcare Investments at DWS Investments, Deutsche Bank Frankfurt. Michael has long standing capital market connections and experience in the global healthcare investment community.

(b) Other current Directorships

Michael Sistenich is currently a director of these companies:

- Nohla Therapeutics, Inc.
- Jumpstart Fertility Pty Ltd

(c) Independence

Michael Sistenich is not considered to have any interest, position or relationship that might influence or reasonably be perceived to influence in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its Shareholders. Accordingly, the Board considers that Michael Sistenich is an independent Director.

Recommendation

The Board (Mr Sistenich abstaining) unanimously supports the re-election of Michael Sistenich as a Director and recommends that all Shareholders *vote in favour* of Resolution 1.

Resolution 2

2. Adoption of remuneration report

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the remuneration report as disclosed in the Company's 2017 annual report be adopted. The remuneration report is set out on pages 21 to 27 of the 2017 annual report which is available at: <http://www.opthea.com/pub/OptheaAnnualReport2017.pdf> and on the ASX's website at: <http://www.asx.com.au/asxpdf/20170830/pdf/431w6017f41yvf.pdf>, and which has been sent to those Shareholders who have requested the annual report in hard copy form.

Please note that the Corporations Act provides that the vote on this Resolution is advisory only and does not bind the Directors or the Company. The Chair will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the remuneration report at the meeting. The Company will take the outcome of the vote on Resolution 2 into consideration and the comments made by Shareholders at the meeting when reviewing the Company's remuneration practices and policies.

In accordance with the Corporations Act, if twenty-five percent (25%) or more of the eligible votes cast are voted against the adoption of the Company's remuneration report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution that another meeting of Shareholders be held within 90 days at which all of the Company's Directors (other than the Managing Director and Chief Executive Officer) who were in office at the date of issue of the relevant second consecutive remuneration report must be put up for re-election.

Recommendation

Noting that each Director has a personal interest in his/her own remuneration from the Company, the Directors recommend that all Shareholders *vote in favour* of Resolution 2, approving the adoption of the Company's 2017 remuneration report.

Resolution 3

3. Ratification of prior issue of Shares

(a) Background

In April 2017, the Company announced a A\$45 million capital raising of A\$0.93 per Share comprising of:

- (a) a placement of 37,914,377 Shares to raise approximately A\$35 million; and
- (b) a pro rata entitlement offer of approximately A\$10 million,

primarily to fund further clinical development of OPT-302 as a therapy for eye diseases. The placement component was made to institutional and sophisticated investors.

In order to refresh the Company's ability to raise capital, Shareholder ratification of the placement is sought at this time. As the issue of Shares under the entitlement offer was a pro rata offer to all existing Shareholders, the Company is not required to seek Shareholder approval for that component of the capital raising.

(b) Listing Rules

Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue during any 12 month period, any Equity Securities, if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides that a company may reinstate its capacity to issue up to 15% of the Equity Securities on issue in a 12 month period if Shareholders ratify the previous issue of securities.

Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.4:

- (a) the number of Shares allotted and issued pursuant to the placement was 37,914,377 Shares;
- (b) the Shares were issued at an issue price of \$0.93 each;
- (c) the Shares issued rank *pari passu* with all existing Shares;
- (d) the Shares were allotted and issued to various institutional and sophisticated investors; and
- (e) approximately A\$35 million was raised from the issue of these Shares, and the proceeds from the raising are being used primarily to fund further clinical development of OPT-302 as a therapy for eye diseases.

The Directors do not presently have any specific intention to issue Shares that would exceed the Company's capacity to issue Shares under Listing Rule 7.1 in the absence of Shareholder approval. Nevertheless, the Directors wish to preserve the flexibility to be able to issue the full 15% in the next 12 months without Shareholder approval. This will provide more scope for the Company to raise additional equity if required.

Recommendation

The Directors believe that Resolution 3 is in the best interests of the Company and unanimously recommend that Shareholders *vote in favour* of this Resolution.

Resolution 4

4. Approval of additional placement capacity

(a) General

ASX Listing Rule 7.1A enables an eligible entity to issue Equity Securities (as that term is defined in the ASX Listing Rules) representing up to 10% of its issued share capital over a period not exceeding 12 months after the entity's annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that 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 the annual general meeting at which approval is sought under ASX Listing Rule 7.1A. As at 16 October 2017, the Company's market capitalisation was approximately \$146,419,290 (based on the number of Shares currently on issue and the closing price of Shares on 16 October 2017 (being 73 cents)). Accordingly, the Company is an eligible entity as at 16 October 2017 and is expected to be an eligible entity as at the date of the annual general meeting.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The exact number of Equity Securities (if any) to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to section 4(b)(iii) below). The Company may use funds raised from any 10% Placement Facility for funding of specific projects and/or general working capital. It may also use the 10% Placement Facility for non-cash consideration purposes such as joint venture, licensing or collaboration agreements or the acquisition of new products (although the Company presently has no intention to do so).

(b) Description of ASX Listing Rule 7.1A

(i) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to the approval of the holders of ordinary securities by way of a special resolution at an annual general meeting.

(ii) Equity Securities

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 currently has two classes of quoted Equity Securities - ordinary shares and options.

(iii) Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting 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 is the number of fully paid ordinary securities on issue 12 months before the date of the issue or agreement:

(A) plus the number of fully paid ordinary securities issued in that 12 month period under an exception in ASX Listing Rule 7.2;

(B) plus the number of partly paid ordinary securities that became fully paid in that 12 month period;

(C) plus the number of fully paid ordinary securities issued in that 12 month period with approval of holders of ordinary securities under ASX Listing Rules 7.1 and 7.4;

(D) less the number of fully paid ordinary securities cancelled in that 12 month period.

Note: A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is 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 the issue or agreement to issue that are not issued with the approval of holders of ordinary securities under ASX Listing Rules 7.1 or 7.4.

(iv) ASX Listing Rule 7.1 and ASX Listing Rule 7.1A

The ability of an entity to issue Equity Securities under ASX Listing Rule 7.1A is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to section 4(b)(iii) above).

(v) 10% Placement Period

The approval of the holders of ordinary securities of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- the date of the approval by holders of ordinary securities of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(the 10% Placement Period).

(c) ASX Listing Rule 7.1A

The effect of Resolution 4 will be to allow the Company to issue Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period separate to the Company's 15% placement capacity under ASX Listing Rule 7.1.

(d) Specific Information required by ASX Listing Rule 7.3A

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

- Any Equity Securities issued will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 trading days on which trades in that class were recorded immediately before:
 - the date on which the price at which the Equity Securities are to be issued is agreed; or
 - if the Equity Securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company would be diluted as shown in the below table to the extent Shareholders do not receive any Shares under such issues. There is a risk that:
 - the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the annual general meeting; 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, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below 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:

- two examples where variable “A” has increased by 50% and 100%. Variable “A” is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro-rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders’ meeting; and
- two examples of where the price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in ASX Listing Rule 7.1A.2		Dilution		
		50% decrease in Deemed Price	Deemed price	100% increase in Deemed Price
		\$ 0.37	\$ 0.73	\$ 1.46
Current variable 'A'	10% voting dilution	20,057,437	20,057,437	20,057,437
200,574,370	Funds raised	\$ 7,320,965	\$ 14,641,929	\$ 29,283,858
50% increase in current variable 'A'	10% voting dilution	30,086,156	30,086,156	30,086,156
300,861,555	Funds raised	\$ 10,981,447	\$ 21,962,894	\$ 43,925,787
100% increase in current variable 'A'	10% voting dilution	40,114,874	40,114,874	40,114,874
401,148,740	Funds raised	\$ 14,641,929	\$ 29,283,858	\$ 58,567,716

The table above has been prepared on the following assumptions:

- Variable A is 200,574,370 being the number of ordinary securities on issue as at the date of this Notice;
- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
- No options have been exercised into Shares before the date of the issue of Equity Securities under ASX Listing Rule 7.1A. The Company has 11,075,000 unlisted options and 48,136,842 listed options (ASX: OPTO) on issue at the date of this Notice;
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
- The table does not demonstrate an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder’s holding at the date of the meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances;
- The table only demonstrates the effect of issues of Equity Securities under ASX Listing Rule 7.1A. It does not consider placements made under ASX Listing Rule 7.1, the “15% rule”; and
- The price of ordinary securities is deemed for the purposes of the table above to be \$0.73, being the closing price of the Company’s listed securities on ASX on 16 October 2017.

The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities or ASX Listing Rule 11.2 (disposal of main undertaking)).

The Company may seek to issue the Equity Securities for the following purposes:

- non-cash consideration including for joint venture, licensing or collaboration agreements or the acquisition of new products (although the Company presently has no intention to do so). In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or
- cash consideration. In such circumstances, the Company intends to use the funds raised towards advancing specific Company projects and/or general working capital.

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.

The Company's allocation policy is 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 Equity Securities will be determined on a case-by-case basis having regard to factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- the effect of the issue of the Equity Securities on the control of the Company;
- the financial position 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 but may include existing Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company were to pursue an acquisition and were it to be successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

The Company has not previously obtained Shareholder approval under ASX Listing Rule 7.1A.

Recommendation

The Directors believe that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders *vote in favour* of this Resolution.

Glossary

10% Placement Facility has the meaning given to that term in section 4(a).

10% Placement Period has the meaning given to that term in section 4(b)(v).

Accounting Standards has the meaning given to that term in the Corporations Act.

associate has the meaning given to it in the Listing Rules.

ASX means ASX Limited ACN 008 624 691 or, as the context requires, the financial market operated by it.

Auditor means Deloitte Touche Tohmatsu.

Board means the board of Directors.

Chair means the person appointed to chair the Company's annual general meeting. The Company intends to appoint Geoffrey Kempler, the Company's current non-executive chair, to act as chair at this meeting.

Closely Related Party has the meaning given to that term in section 9 of the Corporations Act.

Company means Opthea Limited ACN 006 340 567.

Corporations Act means *Corporations Act 2001* (Cth).

Directors means the directors of the Company and **Director** means any one of them.

Equity Securities has the meaning given to that term in the Listing Rules.

Glossary means this glossary.

KMP means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Listing Rule or ASX Listing Rule means the official listing rules of ASX.

Notice means this notice of annual general meeting.

Resolution means a resolution set out in this Notice.

Share means a fully paid ordinary share of the Company.

Shareholder means a holder of at least one Share.

VWAP means the volume weighted average price.

If you have any questions about the annual general meeting, the Resolutions to be put to Shareholders or the proposals being considered, please contact the Company Secretary, Mike Tonroe on +61 3 9826 0399.

Lodge your vote:**By Mail:**Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 AustraliaAlternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com**For all enquiries call:**(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

OPT

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

XX **For your vote to be effective it must be received by 11.00 am (Melbourne time) on Tuesday, 21 November 2017**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.**A proxy need not be a securityholder of the Company.**

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.**Turn over to complete the form** →

View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I999999999

**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

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



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Opthea Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Opthea Limited to be held at the Computershare Conference Centre, Yarra Falls, 452 Johnston Street, Abbotsford, Melbourne, Victoria on Thursday, 23 November 2017 at 11.00am (Melbourne time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 2 (except where I/we have indicated a different voting intention below) even though Resolutions 2 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 2 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Re-election of Director - Michael Sistenich	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of prior issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of additional placement capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____

OPT

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Computershare +