



## Notice Of Annual General Meeting

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Date: Thursday, 23<sup>rd</sup> October 2008  
Time: 1.00 pm  
Place: Ernst & Young Meeting Rooms  
Ernst & Young  
Level 23, 8 Exhibition Street  
Melbourne, Victoria, 3000

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Dear Shareholder

I have pleasure in inviting you to our 2008 Annual General Meeting. This year's meeting will be held at the offices of Ernst & Young at Level 23, 8 Exhibition Street, Melbourne on Thursday 23<sup>rd</sup> October 2008. The meeting will commence at 1:00pm with light refreshments available afterwards.

**Please note that 8 Exhibition Street is a secured building. In order to gain access to the Meeting please report to the Ground Floor Concierge Desk and advise the Concierge that you are attending the CogState Annual General Meeting at Level 23 of the Ernst & Young offices. The Concierge will issue you with a temporary pass and direct you to Level 23.**

We suggest that you take this letter with you when you attend the meeting as a reminder of the above procedures.

At the meeting we will present to you CogState's results for the year ended 30 June 2008, and CEO Brad O'Connor will present a review of the Company's operations, future prospects and growth strategy. Please refer to the attached agenda for a full listing of the items of business and explanatory notes.

If you are unable to attend, we nevertheless encourage you to participate by lodging the proxy form included in the Notice of Meeting. The proxy form can be returned to the Company's share registry, Link Market Services Limited, in the enclosed reply paid envelope, or by fax on (02) 9287 0309. To be valid, your proxy must be received no later than 1pm on Tuesday 21<sup>st</sup> October 2008.

On behalf of the directors of CogState, I look forward to your participation in our 2008 Annual General Meeting.

Yours sincerely

A handwritten signature in black ink, appearing to read "Martyn Myer", written over a white background.

**Martyn Myer**  
Chairman

19 September 2008

NOTICE IS GIVEN that the Annual General Meeting of CogState Limited (ABN 80 090 075 723) (“the Company”) will be held on Thursday 23<sup>rd</sup> October 2008 at the offices of Ernst & Young at Level 23, 8 Exhibition Street, Melbourne, at 1:00pm.

## 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 2008.

### 2. Re-Election of Director – Mr Richard Morgan

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

*“That Mr Richard Morgan, 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.”*

### 3. 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 145,000 share options in the Company pursuant to the CogState Limited Employee Share Option Plan, as described in the attached notes, be approved.*

#### b. Issue of options to Mr Richard Morgan

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 Morgan of 145,000 share options in the Company pursuant to the CogState Limited Employee Share Option Plan, as described in the Explanatory Notes to the Notice of Meeting, be approved.*

#### c. 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 145,000 share options in the Company pursuant to the CogState Limited Employee*



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*Share Option Plan, as described in the Explanatory Notes to the Notice of Meeting, be approved.*

**d. Issue of options to Dr Michael Wooldridge**

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 Dr Michael Wooldridge of 145,000 share options in the Company pursuant to the CogState Limited Employee Share 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 Brad O'Connor of 460,000 share options in the Company pursuant to the CogState Limited Employee Share Option Plan, as described in the Explanatory Notes to the Notice of Meeting, be approved.*

**4. Approval of Capital Raising**

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

*That, for the purposes of ASX Listing Rules 7.1 and 7.4, the issue of 7,783,765 fully paid ordinary shares in the Company for the purposes of undertaking a private placement, as described in the Explanatory Notes to the Notice of Meeting, be approved.*

**5. Remuneration Report (non-binding vote)**

To adopt the Remuneration Report as disclosed in the Annual Directors report for the year ended 30 June 2008.

**PROXIES**

A shareholder has a right to appoint a proxy and that person need not be a shareholder of CogState Limited. The appointment may be advised to the Company using the enclosed Proxy Form, by mail or facsimile. 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.

Please ensure that your proxy instructions are received no later than 1:00pm on Tuesday 21<sup>st</sup> October 2008, at the Company's share registry, Link Market Services.



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## **VOTING ENTITLEMENT**

The directors have determined in accordance with the Corporations Act 2001 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 Tuesday 21st October 2008.

## **BY ORDER OF THE BOARD**

Tony Panther  
Company Secretary

19 September 2008

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## **Explanatory Notes**

### **Resolution 1 – Receive and consider the financial and other reports (Ordinary Resolution)**

It is intended to provide an opportunity for shareholders to raise questions on the reports themselves and on the performance of the company generally.

### **Resolution 2 – Election of Director (Ordinary Resolution)**

The following information has been provided by the candidate in support of his election as director.

#### **Mr Richard Morgan, CBiol.MI.Biol Dip RC Path (Non-Executive Director)**

Mr Morgan is an independent non-executive Director. He sits on the Audit and Compliance Committee as well as the Remuneration and Nomination Committee. Mr Morgan has over 25 years experience in pharmaceutical research and development. He has held various senior management positions within Preclinical Safety, including Head of Toxicology at Wellcome plc and International Head of Toxicology and Preclinical Outsourcing for GlaxoWellcome plc, with responsibility for staff in the UK, USA and Italy. After leaving GlaxoSmithKline plc and after a period as Interim Head of Preclinical for PowderJect Pharmaceuticals, Mr Morgan established his own consultancy company (R&B HealthCare Ltd) providing advice on Toxicology and Preclinical Discovery and Development to client companies in the UK and Australia. Mr Morgan holds C.Biol. M.I.Biol (Laboratory Animal Pathology) from the Institute of Biology and Dip.RCPath (Toxicology) from the Royal College of Pathologists.

The board unanimously recommends that shareholders vote for the re-election of Mr Morgan.

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### **Resolutions 3 a, b, c, d and e – Issues of Options to Directors**

The resolution seeks shareholder approval for a proposed issue of share options to each director of the Company.

ASX Listing Rule 10.14 requires a listed entity to obtain shareholder approval for the issue of securities under an employee share incentive scheme, such as the CogState Limited Employee Share Option Plan (ESOP), to certain parties, which includes a director of the Company. As a consequence, the Company is required to obtain shareholder approval before issuing options to its directors.

The proposed issue of share options will be on the same terms as previous issues of options to directors and employees under the ESOP and there are no special modifications of the ESOP applicable to the proposed issue.

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

- a. The options will be issued to each director of the company;
- b. All non-executive directors will each be issued with 145,000 options;
- c. The Executive Director and Chief Executive Officer of the Company, Mr Brad O'Connor, will be issued with 460,000 options;
- d. The options will be issued under the CogState Limited Employee Share Option Plan for no consideration (but with an exercise price as described below);
- e. Each option entitles the holder to subscribe for a fully paid ordinary share in the Company at a price of \$0.1027 per share at any time during the option exercise period (this is the same price at which shares were issued by the Company to United Biosource Corporation on 30 July 2008, and the same price at which shares were issued by the Company pursuant to a rights issue in September 2008);
- f. The options will be subject to a vesting schedule over 3 years;
- g. The options will have an exercise period of ten years from the date of issue;
- h. 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 directors of the proxy form, or it is cast by the person chairing 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 holder decides.
- i. There is no loan in relation to the acquisition by the directors.
- j. The options are expected to be issued by 31 October 2008.

The board unanimously recommends that shareholders vote in favour of the resolutions.



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#### **Resolution 4 – Shares Issued Under Private Placement**

The Company is seeking shareholder approval, in accordance with ASX Listing Rules 7.1 and 7.4, of a private placement of shares by the Company, so as to refresh its flexibility and ability to issue further securities, if necessary.

The Company raised \$799,392.67 through a private placement of 7,783,765 shares at \$0.1027 per share on 30 July 2008. The number of ordinary fully paid shares of the Company at the time of the placement was 51,891,764. Therefore, the number of new shares issued through the placement represented 15% of the issued capital of the Company.

Subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of securities that a company may issue without shareholder approval in any 12 month period to 15% of its issued securities.

As the Company has reached this 15% limit it cannot issue further shares if required in the following 12 months without Shareholder approval, unless the Shareholders approve the 30 July 2008 share issue in accordance with ASX Listing Rule 7.4, which allows for shareholders to subsequently approve an issue of securities, provided the issue was not in breach of ASX Listing Rule 7.1.

The issue of the shares on 30 July 2008 did not breach ASX Listing Rule 7.1.

The following additional information is provided in accordance with ASX Listing Rule 7.5:

- a. The number of new shares allotted was 7,783,765;
- b. The new shares were issued at \$0.1027 per share, raising \$799,392.67;
- c. The new shares are fully paid ordinary shares and will rank equally with existing ordinary shares and are quoted on the ASX;
- d. The name of the allottee is United Biosource Corporation
- e. The funds raised by the placement will be directed to working capital, specifically additional sales resources in North America and Europe, where the company is aggressively growing sales of its diagnostic tests into its key market; clinical trials of pharmaceutical and biotechnology companies.
- f. In accordance with ASX Listing Rule 14.11, the company will disregard any votes cast on this resolution by a person who participated in the issue and 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 of the proxy form, or it is cast by the person chairing 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 holder decides.

The Board considers it prudent to refresh the Company's capacity to issue further securities and unanimously recommends that shareholders vote in favour of Resolution 4.

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## **Resolution 5 – Remuneration Report (non-binding vote)**

Under section 300A of the *Corporations Act 2001*, the Annual Directors Report must now include a separate identified remuneration report. Listed companies are further required to put the remuneration report up for adoption at the Company's Annual General Meeting. However, the vote on the resolution is advisory only and does not bind the Directors of the Company.

The board unanimously recommends that shareholders vote in favour of Resolution 5.

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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 about or make comments on the management of CogState at the meeting.

Similarly, a reasonable opportunity will be given to shareholders to ask the Company's auditor, Ernst & Young, 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 CogState Limited 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 Ernst & Young if the question is relevant to the content of Ernst & Young's audit report or the conduct of the audit of the CogState Limited financial report for the year ended 30 June 2008.

Relevant written questions for Ernst & Young must be received no later than 5:00pm (Melbourne time) on Thursday 16<sup>th</sup> October 2008. A list of those relevant questions will be made available to shareholders attending the Annual General Meeting. 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 Ernst & Young:

- 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 CogState Limited at level 7, 21 Victoria Street, Melbourne, Vic, 3000,

no later than 5:00pm (Melbourne time) on Thursday 16<sup>th</sup> October 2008.

The Company's principal register is maintained at the following address:

Link Market Services Limited  
Level 12, 680 George Street  
Sydney, NSW, 2000

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

Telephone: 1300 554 474  
(02) 8280 7111

Facsimile: (02) 9287 0309



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**APPOINTMENT OF PROXY**

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

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

**A** the **Chairman of the Meeting (mark box)**  **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/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 instructions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of the Company to be held at 1:00pm on Thursday, 23 October 2008, at The offices of Ernst & Young at Level 23, 8 Exhibition Street, Melbourne Vic 3000 and at any adjournment of that meeting.

Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using this form an additional form of proxy is available on request from the share registry. Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting. The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

**B** To direct your proxy how to vote on any resolution please insert  in the appropriate box below.

	For	Against	Abstain*		For	Against	Abstain*
<b>Resolution 2</b> Re-Election of Director – Mr Richard Morgan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Resolution 3d</b> Issue of options to Dr Michael Wooldridge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3a</b> Issue of options to Mr Martyn Myer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Resolution 3e</b> Issue of options to Mr Bradley O'Connor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3b</b> Issue of options to Mr Richard Morgan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Resolution 4</b> Approval of Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3c</b> Issue of options to Mr David Simpson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Resolution 5</b> Remuneration Report (non-binding vote)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**IMPORTANT: FOR ITEM 3a ABOVE**

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy in respect of Item 3a above, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even though he/she has an interest in the outcome of that Item and that votes cast by him/her for that Item, other than as proxyholder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 3a and your votes will not be counted in calculating the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of Item 3a.

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

**D SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED**

Securityholder 1 (Individual) <input style="width: 100%; height: 30px;" type="text"/> Sole Director and Sole Company Secretary	Joint Securityholder 2 (Individual) <input style="width: 100%; height: 30px;" type="text"/> Director/Company Secretary (Delete one)	Joint Securityholder 3 (Individual) <input style="width: 100%; height: 30px;" type="text"/> Director
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This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the securityholder's constitution and the *Corporations Act 2001* (Cwlth).



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# How to complete this Proxy Form

## 1 Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

## 2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in section A. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in section A. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

## 3 Votes on Items of Business

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

## 4 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

## 5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

## Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 1:00pm on Tuesday, 21 October 2008, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the reply paid envelope or:

- by posting or facsimile to CogState Limited's share registry as follows:

CogState Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Facsimile: (02) 9287 0309

- delivering it to Level 12, 680 George Street, Sydney NSW 2000.