



Notice of Annual General Meeting 2007

Notice is hereby given that the Annual General Meeting of the ordinary Shareholders of Hexima Limited ABN 64 079 319 314 (the Company) will be held at the Oaks on Collins at 480 Collins Street, Melbourne, Victoria on Friday 30 November 2007 at 3pm.

AGENDA

ORDINARY BUSINESS

1. Financial Statements and Reports

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report of the Company for the financial year ended 30 June 2007.

2. Remuneration Report

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

"That the Remuneration Report of the Company (which forms part of the Directors' Report) for the year ended 30 June 2007 be adopted and approved."

3. Election of Directors

- (a) To elect as a Director Mr Steven Michael Skala, who retires by rotation in accordance with clause 22.10 of the Company's Constitution and, being eligible, offers himself for re-election.
- (b) To elect as a Director Professor Adrienne Elizabeth Clarke, who retires by rotation in accordance with clause 22.10 of the Company's Constitution and, being eligible, offers herself for re-election.

SPECIAL BUSINESS

4. Employee Share Option Plan

To consider, and if thought fit, pass the following resolution -

"That the Company's Employee Share Option Plan ("**Plan**") described in the Explanatory Notes to the Notice convening this meeting is approved for all purposes (including the issue of securities under the Plan for the purposes of Australian Securities Exchange Listing Rule 7.2, exception 9)."

Voting Exclusion Statement

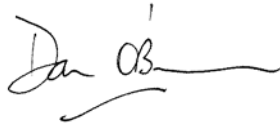
The Company will disregard any votes cast on the resolution associated with agenda item 4 by any Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associate of those Directors.

However, the Company need not discard a vote if:

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

Dated: 25 October 2007

By order of the Board



GF Dan O'Brien
Company Secretary

1. Material accompanying this notice

- (1) Explanatory Memorandum setting out details relevant to the business set out in this Notice of General Meeting ("**Notice**"). Terms used in this Notice, including the resolutions set out in this Notice have, unless otherwise defined, the same meanings set out in the Explanatory Memorandum.
- (2) Proxy Form and Appointment of Corporate Representative.

2. Voting and required majority

- (1) Resolutions 2 to 4 (inclusive)

Subject to paragraph 4 below, in accordance Section 249HA of the Corporations Act, for these resolutions to be effective –
 - (a) each resolution must be passed at a meeting of which not less than 28 days written notice specifying the intention to propose the resolutions has been given (unless consent to short notice has been received); and
 - (b) each resolution must be passed by more than 50% of all the votes cast by Shareholders entitled to vote (whether in person or by proxy, attorney or representative).
- (2) On a show of hands every Shareholder has, subject to paragraph 4 below, one vote. In a poll, every Shareholder has one vote for each fully paid Ordinary Share held.

3. Notes

- (1) The Company has determined that each person whose name appears on the Company's share register at 7pm (**AEDT**) on Wednesday, 28 November 2007 ("**Effective Time**"), will be entitled to vote on the resolutions set out in this Notice.
- (2) All Shareholders as at the Effective Time entitled to attend and vote at this meeting may appoint a proxy for that purpose. A proxy need not be a Shareholder of the Company.
- (3) The proxy form sent to you with this Notice should be used for this meeting.
- (4) If you are entitled to cast two or more votes at this meeting, you may appoint two proxies and you may specify the proportion or number of votes that each proxy is entitled to exercise. If you **do not** specify the proportion or number of votes each proxy may exercise, then each proxy will be entitled to exercise half of the votes. An additional proxy form will be supplied by the Company on request.
- (5) In the case of an individual, a proxy must be under the hand of the individual or his or her attorney who has been authorised in writing. In the case of a corporation, a proxy must be executed by the corporation under common seal or under the hand of its authorised officer or officers or attorney.
- (6) Any Shareholder may, by power of attorney, appoint an attorney to act on that Shareholder's behalf. The power of attorney, or certified copy, must be received by the Company as specified in paragraph (8).
- (7) Any corporation which is a Shareholder of the Company may appoint a representative to act on its behalf. Appointments of representatives must be received by the Company as specified in paragraph (8) at any time before the time of the meeting, or adjourned meeting, or handed in at the meeting.
- (8) Proxies, corporate representatives and powers of attorney granted by Shareholders must be received by the Company by no later than 3pm **AEDT** on Wednesday, 28 November 2007 at the Company's Share Registry:
 - (a) by delivering in person - Link Market Services, Level 12, 680 George Street, Sydney, New South Wales 2000; **or**
 - (b) by post - using the Reply Paid envelope addressed Hexima Limited, C/- Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235; **or**
 - (c) by facsimile - to Link Market Services on (02) 9287 0309.

EXPLANATORY MEMORANDUM

1. Financial Statements and Reports

As required by section 317 of the Corporations Act 2001, the Financial Report, Directors' Report and Auditor's Report of the Company for the financial year ending 30 June 2007 will be laid before the meeting. Shareholders will be provided with the opportunity to ask questions about the reports.

There is no requirement for a formal resolution on this item. Accordingly there will be no formal resolution put to the meeting.

2. Remuneration Report

The Remuneration Report of the Company for the financial year ending 30 June 2007 is contained in the Directors' Report, which is included within the Financial Report. The Remuneration Report includes an explanation of the Company's remuneration policy and the remuneration arrangements in place for Directors and certain senior executives whose remuneration is required by law to be disclosed.

Shareholders will have the opportunity to ask questions about the Remuneration Report. Following changes to the Corporations Act 2001, the Company is required to propose a non-binding resolution regarding the Remuneration Report.

Directors' recommendation

The Directors recommend that Shareholders vote in favour of the resolution to adopt the Remuneration Report.

3. Election of Directors

Pursuant to the Constitution of the Company and the ASX Listing Rules, directors are prohibited from holding office past the third annual general meeting following their appointment or three years, whichever is longer. Accordingly, Mr Steven Skala and Professor Adrienne Clarke retire at the Annual General Meeting to be held on 30 November 2007 and, being eligible for re-election, offer themselves for re-election.

Details of the candidates are set out below:

Steven M Skala

BA, LLB (Hons) (University of QLD), BCL (Oxford University)
Non-Executive Chairman

Steven Skala is Vice Chairman, Australia and New Zealand of Deutsche Bank AG. He is a former commercial lawyer with more than 20 years experience in commercial law. Between 1982 and 1985, he was a partner of law firm Morris Fletcher and Cross (now Minter Ellison). Between 1985 and 2004 was a partner of law firm, Arnold Bloch Leibler, and was Head of its Corporate and Commercial Practice for several years.

Mr Skala is the Chairman of Film Australia Limited and Media and Gaming Pty Limited, a Director of the Australian Broadcasting Corporation, Deutsche Australia Limited, Max

Capital Group Ltd, Wilson HTM Investment Group Limited, The Australian Ballet and The Centre for Independent Studies. he is also the Vice President of The Walter and Eliza Hall Institute for Medical Research.

Mr Skala has been a Director of the Company since 17 May 2002 and is also a member of the Audit and Remuneration Committees.

Professor Adrienne E Clarke AC

FAA, FTSE, BSc (Hons), PHD (The University of Melbourne)
Deputy Chairman, Chief Science Officer

Professor Adrienne Clarke is a founding member of Hexima, and became the Chief Science Officer in April 2006. Professor Clarke is Laureate Professor at The University of Melbourne. She was appointed to a Personal Chair at the School of Botany (awarded in 1982) and is past Director of the Plant Cell Biology Research Centre, The University of Melbourne (1982-1999), former Chairman of CSIRO (1991-96), former Lieutenant Governor of Victoria (1997-2000) and former Ambassador for Biotechnology for Victoria (2001-2003). She was made an Officer of the Order of Australia in 1991 and a Companion of the Order of Australia in 2004.

Professor Clarke was President of the International Society for Plant Molecular Biology (1997-98). She is a Foreign Member, American Academy of Arts and Science; Foreign Associate, National Academy of Sciences, USA; Companion, The Institute of Engineers, Australia; Fellow, Australian Academy of Science; and Fellow, Australian Academy of Technological Sciences and Engineering.

Professor Clarke is a Director of Fisher & Paykel Healthcare Ltd and was a Director of Woolworths Ltd until 30 September 2007.

Professor Clarke has been a Director of the Company since 15 November 2001 and is a member of the Remuneration Committee.

Directors' recommendation

The Directors, having conducted an assessment of the performance of Mr Skala and Professor Clarke, believe that it is in the interests of Shareholders that they each be re-elected as a member of the Board and recommend (with Mr Skala and Professor Clarke abstaining from voting in respect of their respective appointments) that Shareholders vote in favour of the corresponding resolution.

4. Employee Share Option Plan

Background

Resolution 4 in the Notice seeks approval to the issue of securities of the Company under and pursuant to the rules of the Company's Employee Share Option Plan ("**Plan**") as an exception to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 limits, with some exceptions, the number of securities which the Company may issue (including the issue of securities under an employee incentive scheme) to a maximum of 15% of its issued capital in 12 months without Shareholder approval.

One of the exceptions to ASX Listing Rule 7.1 is the issue of securities under an employee incentive scheme if Shareholders approve the terms of the employee incentive scheme.

If this Resolution is approved by the Shareholders, it will have the effect of enabling the securities issued by the Company under the Company's Employee Share Option Plan to be automatically excluded from the formula to calculate the number of securities which the Company may issue (within the 15% in 12 months rule) under ASX Listing Rule 7.1 during the next three year period. In order for the Company to continue to take advantage of this exception to ASX Listing Rule 7.1, Shareholder approval will need to be renewed every three years.

The Board is mindful of the need for Hexima to stay competitive and retain high calibre employees in the current competitive environment in the scientific research sector. The Plan is designed to assist with the attraction, motivation and retention of employees of Hexima ("**Employees**"), align the interests of Employees and Shareholders by matching rewards with the long-term performance of Hexima and accordingly, drive Hexima's improved performance.

Notwithstanding all of the above, any issue of securities under the Company's Employee Share Option Plan to Directors of the Company, or their respective associates, will still require Shareholder approval under ASX Listing Rule 10.14.

In accordance with ASX Listing Rule 7.2, exception 9, a summary of the key terms of the Plan follows.

Summary of the Plan

The Plan delivers to the holder of an Option a right to acquire a Share at a future date, subject to performance hurdles being met and payment of the exercise price.

Under the Plan:

- **Board Discretion** - the Board may offer options over ordinary fully paid Shares (Options);
- **Subject To Rules And Terms** - a grant of Options under the Plan is subject to both the Plan Rules and the terms of the specific grant;
- **5% Threshold** - the Board will ensure that the number of Shares, the subject of a particular Plan grant, when added to the total number of Shares, the subject of previous Plan grants, will not exceed 5% of the total number of issued Shares at the date on which the grant is made;
- **Eligible to Participate** - the Board has the discretion to determine which Employees are eligible to participate in the Plan;
- **Non Transferable** - an Option granted to an Employee is only exercisable by an Employee or a legal personal representative of the Employee and is not transferable, except with express approval of the Board or its delegate or by force of law on death or legal incapacity;
- **Exercise of Options** - the Board will prescribe a date or dates on which Options become exercisable. On or after the prescribed date, and provided all other vesting or exercise conditions prescribed by the Board have been achieved, the Employee may acquire that number of Shares by exercising the same number of Options. An Option will lapse if it is not exercised within the life of the Option.

- For personal use only
- **Exercise Price** - the exercise price will be calculated in accordance with the terms and conditions of the specific grant of Options and adjusted in accordance with the Plan rules. The Board may, in appropriate circumstances, set a nil exercise price.
 - **Entitlement on Exercise** - on exercise of Options, Hexima will issue the Shares resulting from the exercise of Options to the person exercising the Options.
 - **Early Exercise** - early exercise of the Options may be permitted in accordance with the Plan rules and at the discretion of the Board, or its delegate, in certain defined circumstances (including on a takeover, scheme of arrangement or winding up of Hexima, subject to Board or its delegate's approval and upon death, retirement, ceasing employment because of illness, incapacity, redundancy or an Employee or where otherwise permitted by the Board or its delegate). Unexercised Options of Employees whose employment is terminated for cause may only be exercise at the discretion of the Board or its delegate; and
 - **Performance Hurdles** - the vesting or exercise of Options may be made conditional on the achievement of performance hurdles set out in the terms and conditions of the specific grant. Any performance hurdles under the Plan will be set, from time to time, by the Board. The performance hurdles set by the Board will be disclosed each year in the Annual Report.
 - **Reconstruction and Bonus Issues** - an Employee's entitlement to Shares under an Option will be adjusted to take account of capital reconstructions and bonus issues as if the Option had been exercised before the determination of entitlements in respect of those issues.
 - **Restriction on Disposal of Shares** - the Board may impose a restriction on disposal of Shares issued on exercise of an Option.

Shareholder approval

Shareholders are asked to approve this Resolution pursuant to ASX Listing Rule 7.2, Exception 9.

Directors' recommendation

The Directors have considered all relevant information relating to this Resolution and, unanimously, recommend that you vote in favour of this Resolution. As stated in the Notice, in accordance with ASX Listing Rules 7.2, Exception 9 and 14.11, any votes cast in respect of this Resolution by a Director of the Company (except if ineligible to participate in any of the Company's employee incentive schemes), or their respective associates, will be disregarded, except as stated in the Notice.



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.

Please return your Proxy forms to:
Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000
Locked Bag A14, Sydney South NSW 1235 Australia
Telephone: 1300 554 474
From outside Australia: +61 2 8280 7781
Facsimile: (02) 9287 0309
ASX Code: HXL
Website: www.linkmarketservices.com.au



X99999999999

I/We being a member(s) of Hexima 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 3:00pm on Friday, 30 November 2007, at Oaks on Collins, 480 Collins Street, Melbourne, Victoria 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.

ORDINARY BUSINESS	For	Against	Abstain*
Resolution 1 To adopt the Remuneration Report for the year ended 30 June 2007	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2(a) To re-elect Mr Steven Skala as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2(b) To re-elect Professor Adrienne Clarke as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 To adopt the Employee Share Option Plan as summarised in the Notice of Meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

IMPORTANT: FOR ITEM 3 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 3 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 3 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 3.

* 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 type="text"/> Sole Director and Sole Company Secretary	Joint Securityholder 2 (Individual) <input type="text"/> Director/Company Secretary (Delete one)	Joint Securityholder 3 (Individual) <input type="text"/> Director
---	--	---

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* (Cwth).

Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website (www.linkmarketservices.com.au).



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 3:00pm on Wednesday, 28 November 2007, 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 Hexima Limited's share registry as follows:
Hexima Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Facsimile: (02) 9287 0309
- by delivering it to Level 12, 680 George Street, Sydney NSW 2000.