

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Integral Diagnostics Limited

ACN/ARSN 130 832 816

1. Details of substantial holder (1)

Name Integral Diagnostics Limited

ACN/ARSN (if applicable) 130 832 816

There was a change in the interests of the substantial holder on

25/3/2019

The previous notice was given to the company on

10/1/2019

The previous notice was dated

10/1/2019

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's	Voting power (5)	Person's votes	Voting power (5)
Ordinary	33,030,139	21.25%	29,510,585	18.79%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
12 Feb 2019	Integral Diagnostics Limited	Release from voluntary escrow	Non-cash pursuant to the voluntary escrow arrangements between Integral Diagnostics Limited and the registered holders of the securities as set out in the Restriction Deed (Radiologist/Management) lodged with ASX on 27 October 2015 (IPO Restriction Deed).	(53,810)	(53,810)
25 Feb 2019				(776,720)	(776,720)
1 Mar 2019		Issue of shares pursuant to the Company's Radiologist Loan Share Scheme.	Under the Radiologist Loan Share Scheme <ul style="list-style-type: none"> 555,427 shares were paid for by the relevant radiologists and are subject to a holding lock for up to four years (Self-Funded Shares); and 1,110,858 shares were issued pursuant to an interest free, limited recourse loan and are subject to a holding lock for a minimum of four years (Loan Shares). Details of the Radiologist Loan Share Scheme are attached.	1,666,285	1,666,285
25 Mar 2019		Release from voluntary escrow	Non-cash pursuant to the voluntary escrow arrangements between Integral Diagnostics Limited and the registered holders of the securities as set out in the Restriction Deed (Radiologist/Management) lodged with ASX on 27 October 2015 (IPO Restriction Deed).	(4,355,309)	(4,355,309)

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Integral Diagnostics Limited	The holders as set out in Annexure A.	The holders as set out in Annexure A.	<p>Restriction on disposal of shares under:</p> <p>a) voluntary escrow arrangements disclosed in Integral Diagnostics Limited's replacement Prospectus dated 9 October 2015, the announcements to ASX on 27 October 2015, 1 July 2016, 16 February 2018 and 2 July 2018 (and as set out in the IPO Restriction Deed, WDR Restriction Deed, NZ1 Restriction Deed, NZ Boyer Restriction Deed, NZ Gee Restriction Deed and GMI Restriction Deed);</p> <p>b) the Company's Regional Incentive Scheme and pursuant to an interest free, limited recourse loan as set out in section 3.3.1.4. of the IPO Prospectus dated 9 October 2015;</p> <p>c) the Company's Radiologist Loan Share Scheme which includes holding locks and forfeiture conditions on shares as set out above and detailed in the attached Radiologist Loan Scheme document,</p> <p>gives Integral Diagnostics a relevant interest in its own shares under section 608(1)(c) of the Corporations Act. Integral Diagnostics has no right to acquire these shares or to control the voting rights attached to these shares.</p>	29,510,585	29,510,585

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Integral Diagnostics Limited	L8, 14-20 Blackwood St, North Melbourne, Victoria 3205
Holders as set out in Annexure A	C/- L8, 14-20 Blackwood St, North Melbourne, Victoria 3205

Signature

print name	Kathryn Davies	capacity	Company Secretary
sign here	Kathryn Davies	date	27 / 3 / 2019

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure A

This is Annexure A of 1 page referred to in Form 604 Notice of change of interests of substantial holder

Kathryn Davies
Company Secretary
Date: 27 March 2019

Registered Holder	Ordinary Shares
A G TAYLOR (MEDICAL) PTY LTD ATF TAYLOR FAMILY A/C	213,911
ADSUE INVESTMENTS PTY LTD ATF ADSUE INVESTMENT A/C	360,593
AQUASUM PTY LTD ATF AQUASUM A/C	424,492
ASHLEY RODDAM WALTON & LOUISE WALTON ATF WALTON FAMILY A/C	75,634
BRETT SOUNNESS PTY LTD ATF SOUNNESS FAMILY A/C	115,739
BRUCE VALINTINE JACK & MELISA JANE JACK ATF BRUCE JACK FAMILY A/C	360,593
CREGGAN INVESTMENTS PTY LTD ATF CRANFIELD FAMILY A/C	252,796
GEORGE IOANNOU MEDICAL PTY LTD ATF IOANNOU FAMILY A/C	360,593
GERARD BENSOUSSAN ATF BENSOUSSAN INVESTMENT A/C	213,072
JOHAN FREDERIK WEILBACH ATF WEILBACH FAMILY A/C	418,931
LETHEAN HOLDINGS PTY LTD ATF HOWITT NO 8 A/C	1,213,052
MEAKIN PROFESSIONAL INVESTMENTS PTY LTD ATF HOWITT NO 6 A/C	1,213,052
MITTAL HOLDINGS PTY LTD ATF HOWITT NO 12 A/C	1,192,492
MS JULIE ELIZABETH BROADFOOT & MR COLIN GERARD BENNETT ATF BENNETT AND BROADFOOT A/C	88,617
NEW IMAGING PTY LTD ATF NEW IMAGING A/C	1,370,680
NW3 PTY LTD ATF HOWITT NO 7 A/C	1,213,052
PHILIPPA SHINE ATF SHINE SHARE A/C	426,144
REGATTA INVESTMENTS PTY LTD ATF REGATTA INVESTMENT A/C	177,241
ROBERTS & HALL HOLDINGS PTY LTD ATF ROBERTS & HALL FAMILY A/C	426,154
SRL INVEST PTY LTD ATF KDF SUPER FUND A/C	315,042
TANG MEDICAL PTY LTD ATF TANG FAMILY A/C	423,508
VISIONARY IMAGING PTY LTD ATF LU FAMILY PROSPERITY A/C	794,524
WATTS INVESTMENT HOLDINGS PTY LTD ATF WATTS FAMILY A/C	360,593
WILLOWBAY RISE PTY LTD ATF HOWITT NO 5 A/C	1,213,052
WYNDHAM SALTER PTY LTD ATF HOWITT NO 10 A/C	1,213,052
CLIGHT PTY LTD ATF LIGHTFOOT FAMILY A/C	776,720
JASMAT PTY LTD ATF BREMNER FAMILY A/C	1,462,060
JOHN LIVINGSTON PTY LTD ATF LIVINGSTON FAMILY A/C	1,553,440
MUZRAY PTY LTD ATF MURRAY FAMILY A/C	776,720
SIXTIETH ESROG PTY LTD ATF THE HOUGHTON CAPITAL DISCRETIONARY TRUST	119,442
ELDRIDGE PINES PTY LTD ATF N A WALTERS FAMILY ACCOUNT	119,442
JOHN MATTHEW ROGAN & ANNE MARGARET ROGAN ATF THE JM ROGAN FAMILY TRUST	119,442
PRENTES PTY LTD ATF THE NAGORCKA FAMILY TRUST	119,442
GOODEAR MUSIC PTY LTD ATF THE GOODEAR TRUST	376,682
PETER J ANSLEY & ST LEGER M REEVES & STEPHEN EICHSTEADT & THOMAS Q ST LEGER REEVES ATF MAGNOLIA A/C	3,710,685
BECA TRUSTEE SERVICES LTD ATF ABIKHAIR A/C	80,602
LUCINDA KATHLEEN BOYER	125,042
BREW NEURORADIOLOGY TRUSTEE LTD ATF BREW FAMILY A/C	277,641
JAMES CALDWELL	218,898
ANDREW WYN CLARKE & PAUL JOHN MCCORMICK ATF WYN FAMILY A/C	495,026
CORBEC LTD	80,602
RICHARD ROBIN GEE	40,000
JOHN KER AYTON HOPE	192,114
GARETH CAMPBELL HUGHES	89,530
MAURICE WILLIAM MORIARTY	632,804
REEF POINT LIMITED ATF REEF POINT A/C	277,641
RICHARD CLIFFORD SUDELL	191,621
SIMON GERARD VODANOVICH	147,656
ADAM NOEL WORTHINGTON & F H TRUSTEE PTY LTD & HELEN LOUISE MARY WORTHINGTON ATF BIRDINGTON A/C	247,514
ALPENGLOW AUSTRALIA PTY LTD	1,170,167
V MERCURI ATF MERCURI SUPER FUND	37,028
AZURERETREAT PTY LTD ATF BREADMORE SUPERANNUATION FUND	37,028
CIRROCUMULUS LENTICULARIS PTY LTD ATF THE CIRROCUMULUS LENTICULARIS SUPERANNUATION FUND	92,572
BRENDON RANDALL FRIESEN	27,771
HENG YEE WONG	22,217
NAZAR BOKANI	277,716
PE NOMINEES PTY LTD ATF THE ENGLISH SUPERANNUATION FUND	25,920
PRATHIBHA ELIZABETH ANN JOSE	62,948
RAJESH KHUJNERI	111,085
LAURA GROOMBRIDGE	27,771
BRUNIE DANGA-CHRISTIAN	55,542
YEOGIBEH INVESTMENTS PTY LTD	92,572
BEHDIN ABED	27,771
ANNABEL KUEK	27,771
VINCENZO MERCURI	74,057
ROSS BREADMORE	74,057
BRETT SOUNNESS	191,902
MICHAEL CHAN	44,434
PETER ROBERT ENGLISH	51,840
PATRICK JOSEPH EDWIN	125,897
CHEK POH BEH	185,144
	<u>29,510,585</u>

Integral Diagnostics Limited FY19 Loan Share Scheme

FY19 Loan Share Scheme In February 2019, Integral Diagnostics Limited (the **Company**) invited eligible radiologists to apply to participate in the FY2019 Loan Share Scheme (**Offer**). Offers were made under the Integral Diagnostics Limited Recourse Loan Plan (**Plan**). The terms of Offer are set out below.

Overview of Offer Participants were invited to make a cash contribution of between \$25,000 and \$250,000 toward the acquisition of shares in Integral Diagnostics Limited (**Self-Funded Shares**). Participants were then granted a limited recourse loan from a Group company, which was used to fund the acquisition of two additional shares for every one Self-Funded Share in Integral Diagnostics Limited (**Loan Shares**).

Participants Only Australian-resident radiologists who had been continuously employed with the Company or its related bodies corporate (the **Group**) for 12 months or more were eligible to participate in the Offer.

Share allocation date The allocation date for Self-Funded Shares and Loan Shares was 1 March 2019.
Participants were permitted to withdraw from the Plan prior to the allocation date and withdrawal would take effect no more than 45 days after giving notice.

Loan Share vesting period A vesting period applies to Loan Shares commencing on the allocation date (1 March 2019) and ending on the 4th anniversary of the allocation date (1 March 2023).

Loan repayment date 28 February 2029.

Initial Contribution Amount To participate, eligible employees were required to pay an amount between \$25,000 and \$250,000 (**Initial Contribution Amount**), toward the acquisition of shares in the Company before 28 February 2019.

Self-Funded Share terms **Allocation of Self-Funded Shares**

The number of Self-Funded Shares allocated to each participant was the value of the participant's Initial Contribution divided by the volume weighted average price of the Company's shares traded on the ASX on the 30 trading days up to (but not including) the allocation date (**Acquisition Price**). The Acquisition Price was \$2.7006.

Holders of Self-Funded Shares

Self-Funded Shares can be held directly by participants, or participants could nominate that an immediate family member, a corporate trustee or self-managed superannuation fund of which the participant is a director, or a company whose members comprise only the participant or their immediate family members, hold the Self-Funded Shares.

Holding Lock

Subject to the Board's discretion, dealing in Self-Funded Shares is restricted and the Self-Funded Shares are subject to a holding lock. Once this holding lock has been lifted, participants will be entitled to deal with the Shares subject to the Company's Securities Dealing Policy. The holding lock will apply until the earlier of a participant's cessation of employment with the Group or the time set out below:

- 25% of the Self-Funded Shares to be released from holding lock on 1 March 2020, being the 1st anniversary of the allocation date
- 25% of the Self-Funded Shares to be released from holding lock on 1 March 2021, being the 2nd anniversary of the allocation date
- 25% of the Self-Funded Shares to be released from holding lock on 1 March 2022, being the 3rd anniversary of the allocation date
- 25% of the Self-Funded Shares to be released from holding lock on 1 March 2023, being the 4th anniversary of the allocation date.

Rights attaching to Self-Funded Shares

Self-Funded Shares rank equally in all respects with other ordinary shares in the Company (for example, having rights with respect to voting and dividends).

Loan Share terms

Allocation of Loan Shares

Participants were provided with a limited recourse interest-free loan on 1 March 2019, which was used to acquire Loan Shares. The limited recourse loan was provided by Integral Diagnostics Limited.

The number of Loan Shares acquired for each participant was twice the number of Self-Funded Shares that the participant had elected to acquire.

Value of Loan

The value of the Loan was calculated as follows:

Value of Loan = (Number of Self-Funded Shares x 2) x Acquisition Price.

Dividends and repayment of the Loan

Participants are entitled to receive dividends for their Loan Shares, however all after-tax dividends and after-tax capital distributions in respect of the Loan Shares will be directed toward repayment of the Loan balance until the Loan is repaid or forgiven in full, or otherwise fully satisfied.

The final loan repayment date is 28 February 2029.

Participants are not entitled to participate in any dividend reinvestment plan operated by the Company in relation to a Loan Share while the Loan in respect that Loan Share remains outstanding.

Voting entitlement

Participants are entitled to exercise voting rights, in respect of Loan Shares from the allocation date.

Service condition and vesting

Loan Shares are subject to a service condition, which requires the participant to remain continuously employed by the Group until the 4th anniversary of the Allocation Date (1 March 2023) (**Service Condition**).

Unless the Board determines otherwise:

- if the Service Condition is satisfied, all Loan Shares will vest but will remain subject to a holding lock (see below); or

- if the Service Condition is not satisfied, no Loan Shares will vest. In these circumstances, Loan Shares will automatically be forfeited in full satisfaction of the outstanding Loan balance on the day the participant ceases employment with the Group.

Holding Lock

Unless the Board determines otherwise, the holding lock will apply until:

- 1 the Service Condition has been met and the participant has been notified that their Loan Shares have vested; and
- 2 the Loan in respect of the Loan Shares has been repaid in full, forgiven, or repayment arrangements have been agreed to by the Board.

Once the holding lock has been lifted the participants may deal in the Shares in accordance with the Company's Securities Dealing Policy.

Forfeiture

Loan Shares may be forfeited:

- to the extent that the Service Condition is not satisfied;
- on cessation of a participant's employment in certain circumstances;
- to prevent a participant from becoming entitled to any inappropriate benefits;
- in connection with a change of control event;
- if a participant contravenes the dealing restrictions;
- if a participant notifies the Company in writing that they elect to surrender the Loan Shares; or
- if a participant does not repay the Loan.

In addition, if a participant becomes bankrupt or insolvent or makes any arrangement or composition with their creditors generally, the Loan Shares may be forfeited at the Board's discretion.

The forfeiture of any Loan Shares is deemed to constitute full satisfaction of the relevant portion of the Loan and the participants will have no further obligation in relation to that portion of the Loan.

Cessation of employment

Self-Funded Shares

The holding lock applying to Self-Funded Shares will be lifted when a participant ceases employment with the Group and the participant may deal in the Shares once they have been notified that the holding lock has been lifted, subject to the requirements of the Company's Securities Dealing Policy.

Loan Shares

Where a participant ceases employment for cause or due to significant underperformance all unvested Loan Shares subject to the holding lock will be forfeited, unless the Board determines otherwise. Loan Shares will be forfeited in full satisfaction of the outstanding Loan balance.

Where a participant's employment with the Group ceases for any other reason (including due to resignation, redundancy, death, permanent disability, or ill health) then, unless the Board determines otherwise:

- all vested Loan Shares in respect of which a Loan amount is still outstanding will remain on foot and subject to the terms of this Offer; and
- all unvested Loan Shares will be forfeited. The participant's Loan Shares will be forfeited in full satisfaction of the outstanding Loan balance.

The Board may, at its discretion, determine to vest some or all of the unvested Loan Shares or leave on foot some or all of the unvested Loan Shares (which will remain subject to the original terms of Offer, as though the participant had not ceased employment).

Change of control

Self-Funded Shares

In the event of a takeover bid, as defined in section 9 of the *Corporations Act 2001* (Cth), or other transaction, event or state of affairs that in the Board's opinion is likely to result in a change in control of the Company or there is an actual change of control of the Company, the holding lock applying to any Self-Funded Shares will be lifted.

Loan Shares

In the event of a takeover bid or other transaction, event or state of affairs that in the Board's opinion is likely to result in a change in control of the Company, the Board retains absolute discretion to determine that vesting of some or all of a participant's unvested Loan Shares should be accelerated and that all or a pro rata amount of the Loan (by reference to the proportion of the unvested Shares that vest) will become repayable within the period notified to them.

For the purposes of the Offer, if an actual change of control occurs before the Board has exercised this discretion then, unless the Board determines otherwise:

- 1 all unvested Loan Shares will vest; and
- 2 the participant has the option to repay the Loan outstanding on their vested Loan Shares (including those which vest in accordance with subsection (1) above) within the period notified to them by the Board. If the Loan is not repaid, their Loan Shares will be forfeited.

Preventing inappropriate benefits – Loan Shares

Forfeiture and clawback provisions apply to the Loan Shares and are designed to prevent participants from obtaining an inappropriate benefit. Those provisions do not apply to the Self-Funded Shares.

The Board may determine that:

- some or all of a participant's unvested or vested Loan Shares will be forfeited; and/or
- some or all of a participant's vested Shares will be forfeited; and/or
- the participant is required to pay as a debt the net proceeds of the sale of Shares or dividends (other than those applied towards the repayment of the Loan) provided to them,

if it finds that the participant has engaged in any of the following conduct:

- the participant has acted fraudulently or dishonestly or engaged in gross misconduct;
 - the participant has acted in a manner which has brought the Company, the Group or any Group company into disrepute;
 - the participant has breached their duties or obligations to the Company or Group company;
 - the participant has been convicted or have had judgment entered against them in connection with the Group's affairs;
 - there is a financial misstatement circumstance;
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- the participant's Loan Shares vest (or may vest) as a result of the fraud, dishonesty or breach of obligations of any other person and the Board is of the opinion that the incentives would not have otherwise vested; or
 - the Company or another Group company is required or entitled to reclaim remuneration or reduce the participant's remuneration outcome under law, regulation, contract or Group policy.
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Bonus issues and rights issues

Bonus issues

Unless the Board determines otherwise, any shares issued to a participant by the Company in relation to their shares:

- 1 as bonus shares; or
- 2 as a result of a reorganisation of the issued capital of the Company (other than when the vesting of the shares has been waived, amended, or replaced),

during the period that the Loan remains outstanding, will become subject to the terms of the Offer as if they were shares originally allocated under the Plan.

Rights issues

While the Loan remains outstanding, the Board will determine in each case of a rights issue whether to offer, or procure a Group company or third party to offer, additional loan monies to assist a participant who holds shares to take up their rights and will determine the basis on which such loans are to be issued.

The Board retains absolute discretion to determine that no additional Loans be made but that a participant can elect, or direct the trustee on their behalf to elect, to take up rights at their own cost.

Dealing restrictions

Any dealing in a share while the Loan relating to that share remains outstanding is prohibited unless the Board determines otherwise. The participant may be permitted to deal in their shares if the dealing is required by law and the participant has provided satisfactory evidence of that fact to the Company.

Subject to the Securities Dealing Policy, participants are permitted to deal in those shares that have vested where an equivalent portion of the Loan with respect to those Shares has been repaid.
