



24 April 2020

Chairman Address to EGM

Adelaide, Australia, 24 April 2020 – Ellex Medical Lasers Limited (ASX:ELX; OTCQX: ELXMY, ELXMF), a world leader in medical technologies for the diagnosis and treatment of eye disease, announces the Executive Chairman's address to shareholders at today's Extraordinary General Meeting (**EGM** or **Meeting**) of shareholders utilising a fully virtual meeting platform (details of which are provided as an Appendix to this release).

Mr Victor Previn, Executive Chairman, Ellex Medical Lasers

Good morning and welcome to Ellex's Extraordinary General Meeting. It is now 10.00am. My name is Victor Previn, Executive Chairman of Ellex and Chairman of today's meeting. Today represents an important milestone in the evolution of your Company, with Ellex shareholders to vote on the sale of the Ellex Lasers & Ultrasound business to Lumibird Group SA (**Lumibird**) at today's EGM. The sale of the Ellex Lasers & Ultrasound Business has been structured by way of the sale of 100% of the shares in Adele Ellex SPV Pty Ltd, a wholly owned subsidiary of the Company for a cash consideration of A\$100 million. The Ellex Board proposes to distribute approximately \$61 million of the proceeds of the sale of the Ellex Lasers & Ultrasound Business to shareholders by way of the payment of a fully franked dividend and a capital return through an equal capital reduction, which is also subject to shareholder's approval at today's EGM. The equal capital reduction of \$41.5 million equates to approximately \$0.29 per Ellex share, while the \$19.5 million fully franked dividend equates to \$0.14 per Ellex share.

This represents a majority of transaction proceeds to be returned to shareholders. The balance of proceeds received from the sale will be used to fund tax liabilities arising from the transaction, closing adjustments, costs of the transaction and the retention of cash to grow the remaining business segments, iTrack™ and 2RT®.

The Board engaged the Independent Expert to provide the Independent Expert Report and determine whether the transaction with Lumibird is fair and reasonable to Ellex shareholders. The Independent Expert has determined that the transaction is fair and reasonable, and that the advantages outweigh the disadvantages of the transaction from the perspective of shareholders. Since the announcement of the transaction, no superior proposal has emerged.

Additionally, today Ellex seeks the approval of shareholders to change the name of the Company to Nova Eye Medical Limited, as the Ellex brand transfers to Lumibird on completion of the transaction. The Company has applied for and has been granted approval by ASX for a change to its ASX ticker from "ELX" to "EYE", subject to shareholders approving the name change at today's EGM. This new ticker clearly represents our continued focus on eye disease.

If approved by shareholders at today's EGM, the primary focus of Nova Eye Medical Limited will be on glaucoma disease via the iTrack™ business, with manufacturing in Fremont, California and a sales network across the USA, Europe and Asia Pacific. This segment generated first half product sales of \$6.6 million and an EBITDA loss of \$1.7 million.

Nova Eye Medical also retains the proprietary 2RT® laser technology as a therapy for patients with intermediate age-related macular degeneration (iAMD). This segment generated first half product sales of \$0.8 million and an EBITDA loss of \$0.2 million.

On a post transaction basis, Nova Eye Medical will be debt-free with approximately \$21 million in cash, including \$2 million held in an escrow account for 12 months.

We continue to assess potential product acquisitions that provide synergies for our dedicated glaucoma device sales channel. This activity is expected to result in at least one transaction during the 2020 financial year. Longer term, the plan is to build a portfolio of products within the high growth glaucoma consumable device market, while carefully investing into the business to drive revenue growth.

Both parties continue to work diligently to finalise the necessary steps for the transaction to complete. There are a number of conditions outstanding and Ellex is working towards achieving the conditions, but there is no guarantee at this time that they will be achieved.

With respect to a ruling from the Australian Taxation Office on the matter of the equal capital reduction, the Directors can report that the process of engagement with the ATO is underway and that the Directors expect that the ATO's views should be consistent with the tax comments in section 4.8 of the EGM Notice.

As you are all aware, we have determined that this Meeting will be held virtually as a result of the restrictions in place in response to the COVID-19 pandemic. The health and safety of our shareholders is paramount to Ellex. Our decision to move this Meeting to a virtual platform reflects new directives issued by both State and Federal Governments relating to the COVID-19 pandemic and restrictions for non-essential indoor gatherings, as well as social distancing measures.

With me today in the room is Mr Rahmon Coupe, a Non-Executive Director of Ellex. Also on the line is Mr Alex Sundich, a Non-Executive Director and Deputy Chairman of Ellex, who is based in Sydney and is unable to travel owing to significant domestic air travel restrictions in place. Our two US based non-executive directors, Mr Mike Southard and Mr Mike Mangano are also not with me today and are attending this Meeting via the virtual platform, also given the significant travel restrictions internationally.

Before we start with the formal business of the meeting, I have a couple of quick housekeeping points. I wish to draw your attention to the Virtual Meeting Guide, which is set out in the ASX release dated 14 April 2020 and is available on our website at <https://www.ellex.com/investors/asx-announcements/>.

Information on how to vote is set out in the Virtual Meeting Guide. Shareholders will be able to vote on all resolutions on their device throughout the duration of the Meeting. You will also be given a couple of minutes at the end of the meeting to complete your votes.

You will be able to ask questions by clicking on the Questions icon in the navigation bar. Further information on this is set out in the Virtual Meeting Guide. To ensure that questions that are asked reach me as we go through the Meeting, I ask that shareholders submit those questions as soon as possible. I will also undertake to answer questions submitted prior to the Meeting.

If you require any technical assistance during the meeting please call Computershare on +61 3 9415 4024.

I will now move to the formal business of the Meeting.

Given this Meeting is being held remotely, we will be conducting votes on each resolution by way of poll. When I open polling, you will be able to cast your vote by clicking on the Voting icon in the navigation bar.

Once we have tallied the poll votes they will be posted on the ASX announcements platform following the end of this Meeting.

- ENDS -

This release dated 24 April 2020 has been authorised for lodgement to ASX by the Board of Directors of Ellex Medical Lasers Limited and lodged by Kimberley Menzies, Company Secretary.

ABOUT ELLEX

Ellex designs, develops, manufactures and sells innovative product that help eye surgeons around the world to effectively and efficiently treat eye disease. Ellex is a world leader in this field. Headquartered in Adelaide, Australia, Ellex has ophthalmic lasers and devices that treat glaucoma, retinal disease primarily caused by diabetes, secondary cataract and vitreous opacities, as well as age-related macular degeneration. Manufacturing is carried out in Adelaide, Australia and Fremont, California. Sales and service directly to eye surgeons is conducted via subsidiary offices in Minneapolis, Lyon, Berlin and Tokyo. A network of more than 50 distribution partners around the world services other markets.

For additional information about Ellex and its products, please visit www.ellex.com

For further information on Ellex please contact:

Victor Previn
Executive Chairman
Ellex Medical Lasers Limited
3 Second Avenue, Mawson Lakes SA 5095
W +61 8 7074 8200
vprevin@ellex.com

Dr. Tom Duthy
Investor Relations & Corporate Development
Ellex Medical Lasers Limited
3 Second Avenue, Mawson Lakes SA 5095
M +61 402 493 727
tduthy@ellex.com

Hybrid and Virtual Meeting Guide

Getting Started

If you choose to participate online you will be able to view a live webcast of the meeting, ask the Directors questions online and submit your votes in real time and you will need to either:

- Visit <https://web.lumiagm.com> on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge and Firefox. Please ensure your browser is compatible; or
- Download the Lumi AGM app from the Apple App or Google Play Stores by searching for Lumi AGM.

Meeting ID: 345-382-121

To log in, you must have the following information:

Australian Residents

Username (SRN or HIN) and Password (postcode of your registered address)

Overseas Residents

Username (SRN or HIN) and Password (three-character country code) e.g. New Zealand - NZL; United Kingdom - GBR; United States of America - USA; Canada - CAN. A full list is provided at the end of this guide.

Appointed Proxy

To receive your username and password, please contact Computershare Investor Services on +61 3 9415 4024 during the online registration period which will open 1 hour before the start of the meeting.

Online registration will open 1 hour before the start of the meeting

- 1 To participate in the meeting, you will be required to enter the unique 9 digit Meeting ID provided above.



- 2 To proceed into the meeting, you will need to read and accept the Terms and Conditions.



OR



3 To register as a securityholder, select 'I have a login' and enter your username (SRN or HIN) and password (postcode or country code).



3a If you are a visitor, select 'I am a guest' and enter your name and email details. Please note, visitors will not be able to ask questions or vote at the meeting.



4 Once logged in, you will see the home page, which displays the meeting documents and information on the meeting. Icons will be displayed in different areas, depending on the device you are using.



5 View the webcast

To view proceedings you must tap the broadcast arrow  on your screen. Video and/or slides of the meeting will appear after approx. 30 seconds*. Toggle between the up or down arrow  to view another screen.

(*Dependant on the speed of your internet)



The broadcast bar allows you to view and listen to the proceedings



Home page icon, displays meeting information



Questions icon, used to ask questions



Voting icon, used to vote. Only visible when the chairman opens poll

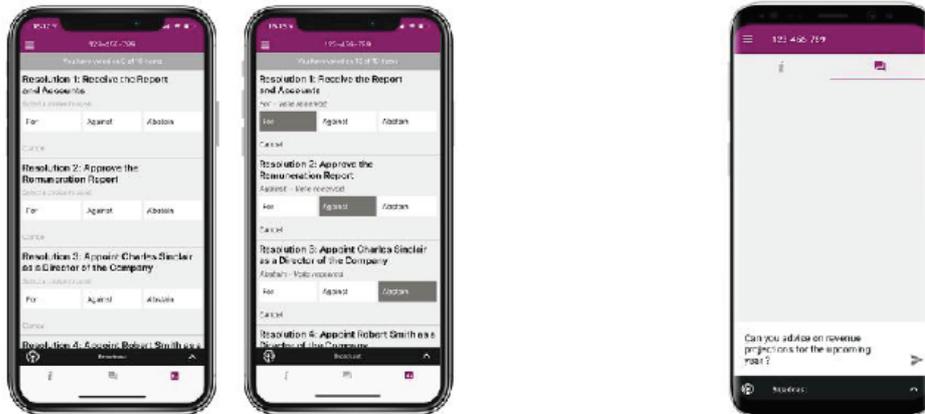
6 To Vote

When the Chairman declares the poll open:

- A voting icon  will appear on your device and the Meeting Resolutions will be displayed.
- To vote tap one of the voting options. Your response will be highlighted.
- To change your vote, simply press a different option to override.

The number of items you have voted or yet to vote on, is displayed at the top of the screen.

Votes may be changed up to the time the chairman closes the poll.



7 To Ask Questions

Tap on the Questions icon  to submit a question, type your question in the chat box at the bottom of the screen and then select the send icon .

Confirmation that your message has been received will appear.

On some devices, to vote, you may need to minimise the webcast by selecting the arrow in the broadcast bar, audio will still be available. To return to the webcast after voting, select the arrow again.

For Assistance

If you require assistance prior to or during the Meeting, please call +61 3 9415 4024



COUNTRY CODES Select your country code from the list below and enter it into the **password** field.

ABW ARUBA	CPV CAPE VERDE	ISM BRITISH ISLES	NPL NEPAL	TKM TURKMENISTAN
AFG AFGHANISTAN	CRI COSTA RICA	ISR ISRAEL	NRU NAURU	TLS EAST TIMOR
AGO ANGOLA	CUB CUBA	ITA ITALY	NZL NEW ZEALAND	DEMOCRATIC REP OF
AIA ANGUILLA	CXR CHRISTMAS ISLAND	JAM JAMAICA	OMN OMAN	TMP EAST TIMOR
ALA ALAND ISLANDS	CYM CAYMAN ISLANDS	JEY JERSEY	PAK PAKISTAN	TON TONGA
ALB ALBANIA	CYP CYPRUS	JOR JORDAN	PAN PANAMA	TTO TRINIDAD & TOBAGO
AND ANDORRA	CZE CZECH REPUBLIC	JPN JAPAN	PCN PITCAIRN ISLANDS	TUN TUNISIA
ANT NETHERLANDS ANTILLES	DEU GERMANY	KAZ KAZAKHSTAN	PER PERU	TUR TURKEY
ARE UNITED ARAB EMIRATES	DJI DJIBOUTI	KEN KENYA	PHL PHILIPPINES	TUV TUVALU
ARG ARGENTINA	DMA DOMINICA	KGZ KYRGYZSTAN	PLW PALAU	TWN TAIWAN
ARM ARMENIA	DNK DENMARK	KHM CAMBODIA	PNG PAPUA NEW GUINEA	TZA TANZANIA UNITED REPUBLIC OF
ASM AMERICAN SAMOA	DOM DOMINICAN REPUBLIC	KIR KIRIBATI	POL POLAND	UGA UGANDA
ATA ANTARCTICA	DZA ALGERIA	KNA ST KITTS AND NEVIS	PRI PUERTO RICO	UKR UKRAINE
ATF FRENCH SOUTHERN TERRITORIES	ECU ECUADOR	KOR KOREA REPUBLIC OF	PRK KOREA DEM PEOPLES REPUBLIC OF	UMI UNITED STATES MINOR OUTLYING
ATG ANTIGUA AND BARBUDA	EGY EGYPT	KWT KUWAIT	PRT PORTUGAL	URY URUGUAY
AUS AUSTRALIA	ERI ERITREA	LAO LAO PDR	PRY PARAGUAY	USA UNITED STATES OF AMERICA
AUT AUSTRIA	ESH WESTERN SAHARA	LBN LEBANON	PSE PALESTINIAN TERRITORY OCCUPIED	UZB UZBEKISTAN
AZE AZERBAIJAN	ESP SPAIN	LBR LIBERIA	PYF FRENCH POLYNESIA	VAT HOLY SEE (VATICAN CITY STATE)
BDI BURUNDI	EST ESTONIA	LBY LIBYAN ARAB JAMAHIRIYA	QAT QATAR	VCT ST VINCENT & THE GRENADINES
BEL BELGIUM	ETH ETHIOPIA	LCA ST LUCIA	REU REUNION	VEN VENEZUELA
BEN BENIN	FIN FINLAND	LIE LIECHTENSTEIN	ROU ROMANIA	VGB BRITISH VIRGIN ISLANDS
BFA BURKINA FASO	FLK FALKLAND ISLANDS (MALVINAS)	LKA SRI LANKA	RUS RUSSIAN FEDERATION	VIR US VIRGIN ISLANDS
BGD BANGLADESH	FRA FRANCE	LSO LESOTHO	RWA RWANDA	VNM VIETNAM
BGR BULGARIA	FRO FAROE ISLANDS	LTU LITHUANIA	SAU SAUDI ARABIA KINGDOM OF	VUT VANUATU
BHR BAHRAIN	FSM MICRONESIA	LUX LUXEMBOURG	SCG SERBIA AND MONTENEGRO	WLF WALLIS AND FUTUNA
BHS BAHAMAS	GAB GABON	LVA LATVIA	SDN SUDAN	WSM SAMOA
BIH BOSNIA & HERZEGOVINA	GBR UNITED KINGDOM	MAC MACAO	SEN SENEGAL	YEM YEMEN
BLM ST BARTHELEMY	GEO GEORGIA	MAF ST MARTIN	SGP SINGAPORE	YMD YEMEN DEMOCRATIC
BLR BELARUS	GGY GUERNSEY	MAR MOROCCO	SGS STH GEORGIA & STH SANDWICH ISL	YUG YUGOSLAVIA SOCIALIST FED REP
BLZ BELIZE	GHA GHANA	MCO MONACO	SHN ST HELENA	ZAF SOUTH AFRICA
BMU BERMUDA	GIB GIBRALTAR	MDA MOLDOVA REPUBLIC OF	SJM SVALBARD & JAN MAYEN	ZAR ZAIRE
BOL BOLIVIA	GIN GUINEA	MDG MADAGASCAR	SLB SOLOMON ISLANDS	ZMB ZAMBIA
BRA BRAZIL	GLP GUADELOUPE	MDV MALDIVES	SLE SIERRA LEONE	ZWE ZIMBABWE
BRB BARBADOS	GMB GAMBIA	MEX MEXICO	SLV EL SALVADOR	
BRN BRUNEI DARUSSALAM	GNB GUINEA-BISSAU	MHL MARSHALL ISLANDS	SMR SAN MARINO	
BTN BHUTAN	GNQ EQUATORIAL GUINEA	MKD MACEDONIA FORMER YUGOSLAV REP	SOM SOMALIA	
BUR BURMA	GRC GREECE	MLI MALI	SPM ST PIERRE AND MIQUELON	
BVT BOUVET ISLAND	GRD GRENADA	MLT MALTA	SRB SERBIA	
BWA BOTSWANA	GRL GREENLAND	MMR MYANMAR	STP SAO TOME AND PRINCIPE	
BLR BELARUS	GTM GUATEMALA	MNE MONTENEGRO	SUR SURINAME	
CAF CENTRAL AFRICAN REPUBLIC	GUF FRENCH GUIANA	MNG MONGOLIA	SVK SLOVAKIA	
CAN CANADA	GUM GUAM	MNP NORTHERN MARIANA ISLANDS	SVN SLOVENIA	
CCK COCOS (KEELING) ISLANDS	GUY GUYANA	MOZ MOZAMBIQUE	SWE SWEDEN	
CHE SWITZERLAND	HKG HONG KONG	MRT MAURITANIA	SWZ SWAZILAND	
CHL CHILE	HMD HEARD AND MCDONALD ISLANDS	MRS MONTSERRAT	SYC SEYCHELLES	
CHN CHINA	HND HONDURAS	MTQ MARTINIQUE	SYR SYRIAN ARAB REPUBLIC	
CIV COTE D'IVOIRE	HRV CROATIA	MUS MAURITIUS	TCA TURKS AND CAICOS ISLANDS	
CMR CAMEROON	HTI HAITI	MWI MALAWI	TCD CHAD	
COD CONGO DEMOCRATIC REPUBLIC OF	HUN HUNGARY	MYS MALAYSIA	TGO TOGO	
COG CONGO PEOPLES REPUBLIC OF	IDN INDONESIA	MYT MAYOTTE	THA THAILAND	
COK COOK ISLANDS	IMN ISLE OF MAN	NAM NAMIBIA	TJK TAJIKISTAN	
COL COLOMBIA	IND INDIA	NCL NEW CALEDONIA	TKL TOKELAU	
COM COMOROS	IOT BRITISH INDIAN OCEAN TERRITORY	NER NIGER		
	IRL IRELAND	NFK NORFOLK ISLAND		
	IRN IRAN ISLAMIC REPUBLIC OF	NGA NIGERIA		
	IRQ IRAQ	NIC NICARAGUA		
	ISL ICELAND	NIU NIUE		
		NLD NETHERLANDS		
		NOR NORWAY		