

NANOPAC INNOVATION LIMITED
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of NANOPAC INNOVATION LIMITED will be held at 10-1, 1st Floor, Jalan UST 10/1, Taipan Triangle, 47620 Subang Jaya Selangor, Malaysia on the 23rd day of May 2016 at 9.00am to consider and if thought fit pass as ordinary resolutions following the resolutions set out below:

Ordinary

1. ADOPTION OF ANNUAL FINANCIAL ACCOUNTS
2. APPROVAL TO ISSUE CDIs AT A MINIMUM OF US\$0.50 EACH PROVIDED THOSE CDIS ARE ESCROWED FOR A PERIOD OF 12 MONTHS FROM THE DATE OF ISSUE

That for the purposes of Listing Rule 6.25 of the Listing Rules of the National Stock Exchange of Australia Ltd and for all other purposes the Directors be authorised to issues up to 20,000,000 fully paid Chess Depository Instruments (CDIs) and underlying Ordinary Shares at a minimum issue price of US\$0.50 to a maximum of US\$0.99 each in the period from the date of the meeting until 31 December 2016 provided those CDIs are escrowed for a period of 12 months from the date of issue.

3. APPROVAL TO ISSUE CDIs AT A MINIMUM OF US\$1.00 EACH

That for the purposes of Listing Rule 6.25 of the Listing Rules of the National Stock Exchange of Australia Ltd and for all other purposes the Directors be authorised to issue up to 30,000,000 fully paid Chess Depository Instruments

(CDIs) and underlying Ordinary Shares at a minimum issue price of US\$1.00 in the period from the date of the meeting until 31 December 2016.

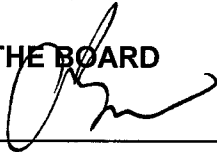
4. APPROVAL OF 3,055,538 CDIs ISSUED AT BETWEEN US\$0.50 and US\$1.47

That for the purposes of Listing Rule 6.25 of the Listing Rules of the National Stock Exchange of Australia Ltd and for all other purposes the issue and allotment of 3,055,538 at between US\$0.50 and US\$1.47 to subscribers who subscribed for shares prior to 31 December 2015 but which were not allotted and issued prior to that date.

An explanatory memorandum in respect of the resolution accompanies this notice.

DATED 18 April 2016

BY ORDER OF THE BOARD



ANDREW DAVID BRISTOW

SECRETARY

Proxies

Members entitled to vote may attend the general meeting in person or by proxy.

A proxy form for the meeting is attached .

Proxy forms must be completed and signed by a member wishing to appoint a proxy.

Proxies must be lodged at Nanopac Innovation Ltd Suite 214 Level 2, 33 Lexington Drive, Bella Vista NSW 2154 or at the following electronic address Highgatecorporateadvisors @ gmail.com at least 48 hours prior to the meeting.

CDI HOLDERS

Holders of Chess Depository Instruments (CDI's) are invited to attend but are not entitled to vote personally at the Annual General Meeting. Chess Depositing Nominees Pty Ltd (CDN) holds legal title to the Company's shares for

and behalf of the CDI holders as the beneficial owners of the Company's shares held by CDN, CDI holders should direct CDN on how to vote with respect of the resolutions described in the Notice of Meeting. CDN must exercise its right to vote by proxy at the Annual General Meeting in accordance with the Directors of CDI holders. A form of Direction to CDN is attached.

EXPLANATORY MEMORANDUM

SPECIAL BUSINESS

ITEMS 2 & 3

Items 2 & 3 Approval to issue additional CDIs.

At last years' AGM the Board was granted power to further 20,000,000 CDIs at a minimum of US\$0.50 provided CDIs are escrowed for a period of 12months and a further 30,000,000 CDIs at a minimum of US\$1.00 to the period of 31 December 2015

The Board now seeks the same additional approval for the issue of new CDIs from the date of this notice to 31 December 2016. Pursuant to NSX Listing Rules 6.25 the Directors cannot issue more than 15% of the number of securities on issue in any 12 month period without shareholder approval.

The company has on issue 75,037,379 shares represented by CDIs. Item 4 below is for the approval of the issue of 3,055,538 additional securities to persons who subscribed prior to 31 December 2015 but whose securities were not issued by that date.

The issue of new shares will have a dilutionary impact on existing security holders unless they acquire shares themselves in proportion to their current holdings. The above resolutions provide for the issue of up to 50,000,000 new shares represented by CDIs at a minimum of US\$0.50 and US\$1.00 respectively.

The number of shares that will be issued prior to 31 December 2016 is unknown at this stage. The dilutionary impact of various number of share being issued on the existing security holders can be seen in the table below:

Number of New Shares Holders	Percentage held by New Holders	Percentage Held by Existing
5,000,000	6.25%	93.75%
10,000,000	11.76%	82.24%
20,000,000	21.04%	78.96%
35,000,000	31.81%	68.19%
50,000,000	39.99%	60.01%

*This does not assume the sentences the subject of Item 4 are issued.

ITEM 4

Item 4 Issue of 3,055,538 CDIs and underlying shares.

NSX Listing Rule 6.25 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of

that 12 month period. By ratifying the issue of Shares pursuant to the Placement, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in NSX Listing Rule 6.25 without the requirement to obtain prior Shareholder approval.

As of the date of this notice the Company has allotted 8,092,817 CDIs in the previous 12 months. Of these 3,055,538 were issued relying on Listing Rule 6.25. A further 5,037,279 were allotted pursuant to Shareholder approvals. For the purposes of Listing Rule 6.25 and all other purposes the Company seeks to have these allotments ratified.