

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Admedus Limited

ACN/ARSN 088 221 078

1. Details of substantial holder (1)

Name Sio Partners LP
Sio Capital Management LLC

ACN/ARSN (if applicable) N/A

The holder became a substantial holder on 18 December 2018

2. Details of 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 on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid Ordinary Shares	131,120,851	131,120,851	22.2%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Sio Partners LP	Sio Partners LP's relevant interest under s608(1) of the Corporations Act in Ordinary shares issued under the Underwriting Agreement dated 28 November 2018 and as disclosed by Admedus Limited in their Entitlement Offer Shortfall Notice on 14 December 2018 and Appendix 3B: New Issue Announcement on 18 December 2018.	131,120,851 Ordinary shares in Admedus Limited
Sio Capital Management LLC	Pursuant to section 608(1)(b) of the Corporations Act, Sio Capital Management LLC as investment manager of Sio Partners LP has a relevant interest in the Fully paid Ordinary Shares held by Sio Partners LP	131,120,851 Ordinary shares in Admedus Limited

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of Securities	Person entitled to be registered as holder (8)	Class and number of securities
Sio Partners LP	Sio Partners LP	Sio Partners LP	131,120,851 Ordinary shares in Admedus Limited
Sio Capital Management LLC	Sio Partners LP	Sio Partners LP	131,120,851 Fully paid Ordinary Shares in Admedus Limited

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
Sio Partners LP	18 December 2018	\$8,617,251	131,120,851 Ordinary shares in Admedus Limited

Sio Capital Management LLC	18 December 2018	N/A	131,120,851 Ordinary shares in Admedus Limited
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6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Not applicable

7. Addresses

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

Name	Address
Sio Partners LP	535 Fifth Avenue, Suite 910, New York, NY 10017

Signature

print name **Michael Castor**

capacity **Managing Member of
Sio Capital Management LLC
(the Investment Manager)**

sign here



date **20/01/19**

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 7 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 total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. 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.
- (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) Details of the consideration must include any and all benefits, moneys 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 of 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.

Annexure A - Underwriting Agreement dated 28 November 2018

This is **Annexure A** of 48 pages (including this page) referred to in Form 603 - Notice of initial substantial holder



Underwriting Agreement

Admedus Limited
ACN 088 221 078

Sio Partners LP

Jones Day
Level 31, Riverside Centre
123 Eagle Street
Brisbane QLD 4000
www.jonesday.com

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Underwriting Agreement

Date 28 November 2018

Parties

Company **Admedus Limited ACN 088 221 078**
of Level 9, 301 Coronation Drive, Milton, Queensland 4064

Underwriter **Sio Partners, LP**, a limited partnership established under the laws of State of Delaware having its principal office located at 535 Fifth Avenue, Suite 910, New York, NY 10017

- Recitals**
- A. The Company is listed on the Official List and all of the Shares have been granted quotation on the Official List.
 - B. The Company proposes to make a pro-rata renounceable offer of the New Shares for subscription at the Price to Shareholders on the basis of 5 New Shares for every 7 Shares held on the Record Date, together with one free attaching New Option for every New Share subscribed on the terms and conditions set out in the Offer Document.
 - C. The Company has requested the Underwriter to partly underwrite the subscription of the New Securities to the Underwritten Amount, which the Underwriter has agreed to do on the following terms and conditions.

It is **agreed** as follows.

1. Definitions and interpretation

1.1 Definitions

In this agreement:

Accredited Investor has the meaning given that term in clause 9.6(a)(i).

AEDT means Australian Daylight Savings Time.

AEST means Australian Eastern Standard Time.

Affiliate has the meaning given to that term in Rule 501(b) under the US Securities Act and includes, in respect of any person, any other person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such

person; and in this agreement control (including in the terms controlled by and under common control with) means the possession, direct or indirect, of the power to direct or cause the direction of the management, policies or activities of a person, whether through the ownership of securities, by contract or agency or otherwise.

Allotment Date means the proposed date of allotment of the New Securities specified in the Timetable.

Application means an application to subscribe for the New Securities duly made in accordance with the Offer Document accompanied by payment of the Price in respect of each New Share for which an application is made.

ASIC means the Australian Securities and Investments Commission.

ASIC Exemption means any necessary relief, exemption or declaration required by the Company from ASIC for the purposes of the Offer.

ASX means ASX Limited and, as the context requires, the Australian Securities Exchange operated by ASX Limited.

ASX Waiver means any necessary waiver or confirmation required by the Company from ASX for the purposes of the Offer or Official Quotation.

Board means the board of Directors.

Business Day has the same meaning as in the Listing Rules.

Certificate means a certificate signed by two directors or a director and the company secretary of the Company, which certifies to the Underwriter as at the date of the certificate that to the best of those persons' knowledge and information after due enquiry, other than as disclosed in the certificate:

- (a) the Company has complied with all obligations on its part to be performed as at the date of the certificate:
 - (i) under this agreement; and
 - (ii) in respect of the Offer under statute or otherwise;
- (b) none of the termination events set out in clause 13.1 has occurred;
- (c) the representations and warranties set out in clause 9.1 are true and correct.

Claim means any allegation, debt, cause of action, judgment, order, liability, claim, proceeding, suit or demand of any nature howsoever arising and whether present or future, fixed or unascertained, actual or contingent whether at law, in equity, under statute or otherwise.

Closing Date means the closing date specified in the Timetable to close the subscription lists for the Issue or such other date as the Company notifies the Underwriter in writing.

Commitment Letters means one or more commitment letters dated on or around the date of this agreement addressed to the Company from existing Shareholder(s) under which those Shareholder(s) commit to take up their full Entitlement under the Offer on terms acceptable to the Underwriter, acting reasonably.

Completion means the date on which allotment of the last of the New Securities occurs in accordance with the Offer Document.

Constitution means the constitution of the Company lodged with ASIC.

Corporations Act means the *Corporations Act 2001* (Cth).

Controller means any person described in section 9 of the Corporations Act.

Director means a director of the Company.

Due Diligence Committee means the due diligence committee formed by the Company in connection with the Offer.

Due Diligence Committee Report means the report of the Due Diligence Committee to the Directors and the Underwriter dated on or about the date of this agreement, inclusive of all its annexures.

Due Diligence Investigations mean the activities referred to in clause 5.

Due Diligence Planning Memorandum means the memorandum including its schedules, annexures and attachments setting out the responsibilities and purpose of the Due Diligence Committee, the final form of which is annexed to the Due Diligence Committee Report.

Entitlement means the right to subscribe for New Shares and New Options under the Offer.

Entitlement and Acceptance Form means a personalised entitlement and acceptance form to subscribe for Entitlement New Shares and New Options in the form of the entitlement and acceptance form accompanying the prospectus.

Event of Insolvency means:

- (a) a receiver, manager, receiver and manager, trustee, administrator, Controller or similar officer is appointed in respect of a person or any asset of a person;
- (b) a liquidator or provisional liquidator is appointed in respect of a corporation;
- (c) any application (not being an application withdrawn or dismissed within 7 days) is made to a court for an order, or an order is made, or a meeting is convened, or a resolution is passed, for the purpose of:
 - (i) appointing a person referred to in paragraphs (a) or (b);
 - (ii) winding up a corporation; or
 - (iii) proposing or implementing a scheme of arrangement;
- (d) any event or conduct occurs which would enable a court to grant a petition, or an order is made, for the bankruptcy of an individual or his estate under any Insolvency Provision;
- (e) a moratorium of any debts of a person, or an official assignment, or a composition, or an arrangement (formal or informal) with a person's creditors, or any similar proceeding or arrangement by which the assets of a person are subjected conditionally or unconditionally to the control of that person's creditors or a trustee, is ordered, declared, or agreed to, or is applied for and the application is not withdrawn or dismissed within 7 days;

- (f) a person becomes, or admits in writing that it is, is declared to be, or is deemed under any applicable Act to be, insolvent or unable to pay its debts; or
- (g) any writ of execution, garnishee order, mareva injunction or similar order, attachment, distress or other process is made, levied or issued against or in relation to any asset of a person.

Force Majeure means any act of God, war, revolution, or any other unlawful act against public order or authority, an industrial dispute, a governmental restraint, or any other event which is not within the control of the parties.

Governmental Agency means any government or any government department, governmental, semi-governmental, administrative, fiscal, judicial, investigative, review or regulatory body, department, commission, authority, tribunal, agency, stock exchange or entity in any jurisdiction relevant to the Offer or the Company.

Indemnified Party means the Underwriter or any of its Affiliates (including the successors of all of the foregoing persons).

Issue means the issue of the New Securities offered pursuant to the Offer Document.

Listing Rules means the Listing Rules from time to time of ASX.

Lodgement Date means the date so specified in the Timetable or such other date as the Company notifies the Underwriter in writing.

Loss includes any loss, damage or liability of any kind (including one which is prospective or contingent and one the amount of which is not ascertained), all costs (including all legal costs on a full indemnity basis and whether or not the subject of a court order), and all expenses (including without limitation the reasonable value of employee time incurred in connection with the Relevant Claim).

Moratorium Period means the period of 6 months from the date of this agreement.

New Securities means the New Shares and New Options issued pursuant to the Offer Document.

New Shares means Shares the subject of the Offer.

New Options means the Options the subject of the Offer.

Offer means a pro rata renounceable offer to the Shareholders to subscribe for the New Shares at the Price on the basis of 5 New Shares for every 7 Shares of which the Shareholder is the registered holder as at the Record Date together with one free attaching New Option for every New Share subscribed pursuant to the Offer Document.

Offer Document means where applicable:

- (a) the prospectus under section 713 of the Corporations Act setting out the terms and conditions of the Offer and will be issued by the Company and lodged with ASIC by the Lodgement Date;
- (b) Appendix 3B for the Offer; and/or
- (c) any announcement, presentation or material given to ASX by the Company in respect of the Offer (or any relevant part of the Offer),

and includes any amendment, replacement or supplement to any of the above documents.

Offer Period means the period commencing on the Opening Date and ending on the Closing Date.

Official List means the Official List of ASX.

Official Quotation means the grant by ASX of "Official Quotation" (as that term is used in the Listing Rules) of all of the New Shares and New Options when allotted which if conditional may only be conditional on the allotment of the New Shares and New Options and other customary ASX conditions.

Opening Date means the opening date for the Issue specified in the Timetable or such other date as the Company notifies the Underwriter in writing.

Option means an option to acquire a Share at an exercise price of \$0.08 with an expiry date of 3 years from the date of issue, for which Official Quotation will be sought.

Price means \$0.08 per New Share.

Public Information means the Offer Documents, any releases to ASX, all official public filings and all public or media statements made (on or after the Lodgement Date and up to and including the Allotment Date) by or on behalf of the Company (or with its consent), including in relation to the business and operations of the Company or any Relevant Company, any component of the Offer, the progress of the Offer, the results of the Offer, including amendments or updates to any of the above.

QIB has the meaning given that term in clause 9.6(a)(i)(A).

Record Date means the date specified in the Timetable as the record date or such other date as the Company notifies the Underwriter in writing.

Relevant Company means the Company and each Subsidiary.

Related Body Corporate has the meaning given to it in the Corporations Act.

Related Entity means, in relation to a party to this agreement, any employee, officer, agent, adviser, Related Body Corporate or Affiliate of that party and any employee, officer, adviser or agent of any such Related Body Corporate or Affiliate.

Registry means the Company's share registry being Computershare Investor Services Pty Limited ACN 078 279 277.

Shares means fully paid ordinary shares in the capital of the Company.

Shareholders means all persons registered as holders of Shares on the Record Date after adjusting the share register of the Company in respect of transfer and transmissions of Shares in the Company made or lodged prior to that date and time.

Shortfall Notice means the notice from the Company to the Underwriter specifying the number of Shortfall Securities.

Shortfall Notice Deadline Date means the day specified in the Timetable as the date by which the Company must give the Underwriter written notice of the Shortfall Securities.

Shortfall Securities means, subject to the deeming provisions of clause 7.2 and clause 7.5(b), those of the Underwritten Securities for which Valid Applications have not been received by the Closing Date.

Shortfall Settlement Date means the day specified in the Timetable as the date by which the Underwriter must lodge Applications for Shortfall Securities.

Subsidiary means:

- (a) each company which at the date of execution of this agreement or at the time of Completion is a subsidiary of the Company within the meaning of the Corporations Act; and
- (b) each company stated in the Offer Document whose issued capital is to be acquired by the Company, and any subsidiary of such company within the meaning of the Corporations Act,

and for the avoidance of doubt excludes any company which was a subsidiary of the Company but liquidated or wound up prior to the date of execution of this agreement.

Supplementary Offer Document means any supplementary Offer Document or replacement Offer Document or both in relation to the Offer lodged pursuant to section 719 of the Corporations Act.

Terminate means termination by the Underwriter of all further obligations of the Underwriter under this Agreement pursuant to clause 2 or clause 13.1.

Termination Event means an event described in clause 13.1.

Timetable means the timetable for the Offer set out in Schedule 1 as varied from time to time by written agreement of the Company and the Underwriter.

Underwritten Amount means \$12,264,000.

Underwritten Securities means 153,300,000 New Shares which are to be offered at the Price together with one attaching New Option for every New Share subscribed in accordance with the Offer Document.

US Securities Act means the U.S. Securities Act of 1933, as amended.

Valid Application means an Application:

- (a) that is made in conjunction with an application form accompanying the Offer Document, and that is properly completed in accordance with the instructions in that form and in the Offer Document;
- (b) that is accompanied by any supporting documents required by the Offer Document to accompany that form;
- (c) that is received by the Company on or before the Closing Date at a place specified in the Offer Document for lodgement of forms or is otherwise duly received in accordance with the provisions of the Offer Document for electronic lodgement of applications or submitted to the Registry;
- (d) that is not withdrawn before it ceases to be capable of being withdrawn; and

- (e) in respect of which payment of the Price for the relevant number of New Shares is received and is cleared (either before or after the Closing Date) when presented (either before or after the Closing Date) for payment by the relevant financial institution on which the payment is drawn.

1.2 Interpretation

In this agreement:

- (a) headings are for convenience only and do not affect interpretation;

and unless the context indicates a contrary intention:

- (b) a reference to any party includes that party's successors, substitutes and assigns, including any person taking by way of novation;
- (c) a reference to this agreement or to any other agreement, deed or document includes, respectively, this agreement or that other agreement, deed or document as amended, novated, supplemented, varied or replaced from time to time;
- (d) words importing the singular include the plural (and vice versa), words denoting a given sex include the other sex, and words denoting individuals include corporations (and vice versa);
- (e) reference to any legislation or to any section or provision of any legislation includes any statutory modification or re-enactment or any statutory provision substituted for it, and ordinances, by Acts, regulations, and other statutory instruments issued under any legislation;
- (f) references to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this agreement, and a reference to this agreement includes any schedule, exhibit and annexure;
- (g) if any day appointed or specified by this agreement for the payment of any money or doing of any thing falls on a day which is not a Business Day, the day so appointed or specified will be deemed to be the next Business Day;
- (h) references to currency are references to Australian currency;
- (i) references to payments to any party to this agreement will be construed to include payments to another person upon the direction of such party;
- (j) all payments to be made under this agreement must be made by unendorsed bank cheque or other immediately available funds and in Australian currency; and
- (k) all reference to time is to AEST unless otherwise specified.

2. Conditions Precedent

- (a) The obligations of the Underwriter under this agreement to subscribe for the Shortfall Securities under clause 8 are subject to the satisfaction of the following conditions precedent:
 - (i) **(ASX and ASIC relief)** the Company obtaining before 8.00am on the Lodgement Date all approvals, consents, modifications or waivers of or from ASX, ASIC or any other Governmental Agency which are necessary to

implement the Offer within the Timetable (including, if applicable, ASX's agreement to grant the trading halt included in the Timetable);

- (ii) **(Due Diligence Report)** delivery to the Underwriter of the Due Diligence Committee Report and all other opinions, questionnaires, reports and sign offs to be provided to the Due Diligence Committee or to the Directors (as applicable) in relation to the Offer contemplated by the Due Diligence Planning Memorandum (each in a form and substance acceptable to the Underwriter) by 8.00am on the Lodgement Date;
 - (iii) **(Commitment Letter)** prior to 8.00am on the Lodgement Date, the Company receiving the signed Commitment Letters or entering into underwriting agreements with one or more other underwriters to underwrite New Securities, together committing to subscribe for not less than \$2.1 million;
 - (iv) **(Offer Document)**: the relevant Offer Document being lodged with ASIC and/or ASX, as relevant, by the Lodgement Date; and
 - (v) **(Certificate and new circumstances certificates)** delivery by the Company to the Underwriter of:
 - (A) a duly executed Certificate by 9am on the Settlement Date; and
 - (B) a new circumstances certificate, in accordance with, and signed by all relevant persons as required by, the Due Diligence Planning Memorandum, by 9am on the Settlement Date;
 - (vi) **(Shortfall notification)** delivery by the Company to the Underwriter of a Shortfall Notice by 5pm on the Shortfall Notification Date;
 - (vii) **(Official Quotation)** ASX not indicating that it will not grant permission for Official Quotation on or before 10.00am on the Settlement Date.
- (b) If any of the conditions precedent set out in clause 2(a) above is not satisfied by their respective deadlines, the Underwriter may terminate this agreement by notice in writing to the Company.
- (c) The conditions in clause 2(a) are inserted into this agreement for the sole benefit of the Underwriter and the Underwriter may, by notice in writing to the Company, on or before the due date for satisfaction of the conditions, either waive the requirement for satisfaction or grant an extension of time for satisfaction of the conditions.

3. Appointment of Underwriter

3.1 To underwrite the Offer

The Company appoints the Underwriter to underwrite the subscription of the Underwritten Securities and the Underwriter accepts that appointment on the terms and conditions of and the considerations appearing in this agreement.

3.2 Sub-underwriting

- (a) The Underwriter may appoint at its own cost sub-underwriters to sub-underwrite such portion of the New Securities following prior consultation with the Company. If the sub-underwriter is a U.S. person, the Company may refuse to allot New Securities to the sub-underwriter if the sub-underwriter does not provide the warranties in clause 9.6 to the Company.

- (b) The Underwriter must not use or direct any general solicitation or engage in directed selling efforts in the United States or to U.S. persons (as defined in Regulation S of the US Securities Act) to solicit offers to buy or subscribe for the Shortfall Securities.

4. Company's obligations

4.1 Offer Document and conduct of issue

The Company must:

- (a) **(Lodge Offer Document):** lodge the relevant Offer Document with ASIC and ASX by the Lodgement Date;
- (b) **(Timetable):** make and conduct the Offer in accordance with the Timetable;
- (c) **(Complying Offer):** ensure that the Offer and the Issue take place in compliance with the terms of the Offer Document, the Listing Rules, any applicable Act or regulation and any modification, exemption, declaration, waiver, direction or ruling by ASIC or ASX (including any ASIC Exemption or ASX Waiver) and complies with the regulatory requirements of the Commonwealth of Australia and all States and Territories of Australia and the laws and regulatory requirements in respect of any country in which the Offer Document is to be issued;
- (d) **(Notification of change)** where the Company becomes aware of:
 - (i) a misleading or deceptive statement in the Offer Document;
 - (ii) an omission from the Offer Document of information required to be included by the Corporations Act;
 - (iii) a new circumstance that has arisen since the relevant Offer Document was lodged with ASIC and ASX that would have been required to be included by the Corporations Act if it had arisen before the relevant Offer Document was lodged with ASIC and ASX,

that is materially adverse from the point of view of an investor, immediately advise the Underwriter in writing and must, subject to receiving prior written consent of the Underwriter (acting reasonably, unless the Company has a statutory obligation to issue a Supplementary Offer Document and the Underwriter does not consent within a reasonable time following request by the Company (but without prejudice to clause 13.1)), lodge a Supplementary Offer Document with ASIC; and

- (e) **(Reasonable Information):** from the date of this agreement until Completion, keep the Underwriter promptly and fully informed of all strategies, developments and discussions relevant to the Offer and the Offer Document, and all material strategies, developments and discussions relevant to the Company or a Relevant Company, and ensure that no initiatives relevant to the Offer, or material strategies, developments and discussions relevant to the Company or a Relevant Company, are undertaken without prior consultation with the Underwriter and ensure that such matters are in accordance with this Agreement.

4.2 Application for Official Quotation

The Company must, in accordance with the Listing Rules and the Offer Document, and in any event as soon as applicable after the date of this agreement:

- (a) on or before the Opening Date apply to ASX for permission for all the New Shares and New Options to be listed for quotation on the Official List; and
- (b) do everything reasonably necessary, including the execution of documents, to ensure that ASX grants Official Quotation, provided that any such approvals for admission and Official Quotation may be subject only to such customary conditions as are acceptable to the Underwriter (acting reasonably).

5. Due Diligence Investigations

5.1 Company's responsibilities

Until Completion, the Company must:

- (a) make such enquiries as are reasonable; and
- (b) take all reasonable steps and exercise due diligence,
to ensure that:
 - (c) there is no omission from the Offer Documents of material required by applicable Australian law to be included in the Offer Documents;
 - (d) the issue of any Offer Documents does not constitute conduct by any person which is misleading or deceptive or likely to mislead or deceive (whether by reason of statements included in, or omissions from, those Offer Documents) and that those Offer Documents do not become misleading and deceptive; and
 - (e) the Company becomes aware of any information or material change which may need to be disclosed to ASX in accordance with the Company's obligations under the Corporations Act.

5.2 Due Diligence Committee

The Company must establish a Due Diligence Committee to assist with complying with its obligations under this clause.

5.3 Due Diligence Committee Report

The Company must provide the Underwriter with full and free access to, and on request, copies of the Due Diligence Committee Report and all materials and documents used or created in connection with the Due Diligence Investigations (including the management questionnaire), on receipt of reasonable notice from the Underwriter, and must maintain those materials and documents for at least six years from Completion for that purpose.

5.4 Access to premises, books and records

The Company agrees to allow the Underwriter and its officers and advisers reasonable access to the premises, books and records of the Company at all reasonable times:

- (a) until Completion; or
- (b) during any regulatory enquiry or litigation proceedings in relation to the Offer,

to enable the Underwriter to obtain any information about the Company and any matters which the Underwriter reasonably requires in relation to the Offer. The Company must provide

any information, assistance and facilities which the Underwriter reasonably requires for those purposes.

5.5 Supplementary disclosure

If at any time after the Lodgement Date, the Company forms the view or becomes aware that the issue of any Offer Documents and any Public Information, did or may constitute conduct by any person which is misleading or deceptive or likely to mislead or deceive (whether by reason of statements included in, or omissions from, those Offer Documents and any Public Information), the Company must promptly notify the Underwriter of that matter and must, if requested by the Underwriter (acting reasonably), take such corrective action as the Underwriter considers appropriate, including by making an appropriate announcement to ASX in a form approved by the Underwriter (such approval not to be unreasonably withheld or delayed), and as soon as practicable, if required, give a Corrective Statement to ASIC in a form approved by the Underwriter (such approval not to be unreasonably withheld or delayed). Any approval given by the Underwriter under this clause is provided without prejudice to the rights of an Underwriter to Terminate this agreement.

6. Undertakings

The Company:

- (a) **(notice of breach)** must promptly after becoming aware, notify the Underwriter of:
 - (i) any breach of any obligation, representation, warranty or undertaking given by it under this agreement;
 - (ii) the occurrence of a termination event in clause 13.1; or
 - (iii) the non-satisfaction of any of the conditions in clause 2;
- (b) **(breach)** must not, and must procure that no Relevant Company, before Completion, commits, is involved in or acquiesces in any activity which breaches:
 - (i) the Corporations Act;
 - (ii) any other material provision of applicable law or any order of any Governmental Agency that is binding on it;
 - (iii) the Listing Rules (except where compliance has been waived, or as modified by ASX);
 - (iv) the Constitution; or
 - (v) any legally binding requirement of ASIC or ASX;
- (c) **(moratorium on debt)** must ensure that, except:
 - (i) with the prior written consent of the Underwriter (acting reasonably); or
 - (ii) where the Company has followed the process set out in clause 6(d), in which case the Company may undertake a debt raising in accordance with that clause,

no Relevant Company will incur any new debt during the Moratorium Period and for a further period of up to 6 months following the expiration of the Moratorium Period if

the Underwriter continues to hold a voting power in the Company of at least 5%, other than debts to trade creditors in the ordinary course of business;

- (d) **(first refusal)** for so long as the undertaking in clause 6(c) applies, grants the Underwriter a right of first refusal to participate in any new debt raising. If the Company has offered the right of first refusal to the Underwriter and the Underwriter declines to participate in the debt raising, the Company may undertake the debt raising through other third parties on terms no more favourable to those parties than that offered to the Underwriter without the further consent of the Underwriter;
- (e) **(moratorium on equity)** must not, during the Moratorium Period without the prior written consent of the Underwriter (acting reasonably):
 - (i) issue or allot, or agree to issue or allot; or
 - (ii) indicate in any way that it may or will issue or allot, or agree to issue or allot, any shares or other securities that are convertible or exchangeable into equity, or that represent the right to receive equity, of the Company, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of securities of that type however settled, provided however that this undertaking does not restrict the Company from issuing any securities pursuant to:
 - (iii) any long term incentive scheme to employees and officers approved by the Directors and which complies with the Listing Rules; or
 - (iv) the terms of any Commitment Letter or underwriting agreement referred to in clause 2(a)(iii);
- (f) **(amendment of Offer Documents)** must obtain the prior written consent of the Underwriter to the form and content of, and any amendments to, any Offer Documents, such consent not to be unreasonably withheld or delayed provided that where the Company is required by the Corporations Act or the Listing Rules to amend any Offer Documents it must to the extent practicable consult with the Underwriter (taking into account the timing of the required release of amended information), and take account of the comments of the Underwriter as to the form, content and timing of release of that information prior to its release;
- (g) **(no changes to Constitution)** not, from the date of this agreement until Completion, amend the Constitution except with the prior written consent of the Underwriter;
- (h) **(confidentiality)** keep the terms of this agreement confidential except as required by law or to comply with the Listing Rules, provided however the Company may include a summary of the key terms of this agreement in the Offer Documents;
- (i) **(notifications)** give notice to the Underwriter no later than 1 Business Day after becoming aware of any of the following:
 - (i) an application being made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the New Securities, the Offer Documents or the Public Information;
 - (ii) ASIC commencing any investigation or hearing under Part 3 of the ASIC Act in relation to the New Securities, the Offer Documents or the Public Information; or

- (iii) any other Governmental Agency taking an action similar or analogous to those described in sub-paragraphs (i) and (ii);
- (j) **(correspondence with Governmental Agency)** promptly provide the Underwriter with copies of all correspondence from ASIC, ASX, ACCC or FCA (or any of their respective advisers) to it (or any of its advisers), and give the Underwriter a reasonable opportunity to comment on any such correspondence from it (or any of its advisers) to ASIC, ASX, ACCC or FCA (or any of their respective advisers), in each case where and to the extent that such correspondence relates to the Offer from the date of this agreement until Completion; and
- (k) **(business)** must for the Moratorium Period, carry on its business, and procure that each Relevant Company carries on its business, in the ordinary course and not dispose (or permit any other Relevant Company to dispose) of any material part of the business or property of the Group (taken as a whole) except in the ordinary course or as contemplated in any disclosure made to ASX by the Company prior to the date of this Agreement or in the Offer Documents without the prior written consent of the Underwriter (such consent not to be unreasonably withheld or delayed), provided however that this undertaking does not restrict the Company from:
 - (i) entering into an agreement to sell its Infusion business; or
 - (ii) undertaking a scale back of Australian based support services and relocation to the United States.

7. Processing of applications and allotment

7.1 Applications and allotment

The Company must:

- (a) **(Registry)**: use its reasonable endeavours to ensure that the Registry:
 - (i) is instructed and enabled to receive Applications and application monies for the New Securities;
 - (ii) credits the designated bank account on a daily basis during the Offer Period with the application monies received, in accordance with any requirements of the Corporations Act; and
 - (iii) keeps adequate records of all Applications and application monies received (regardless of whether they are Valid Applications) during the Offer Period;
- (b) **(Notify Underwriter)**: during the Offer Period, give (or procure to be given by the Registry) written notice to the Underwriter when and as required by the Underwriter of the Valid Applications received;
- (c) **(Acceptance of Valid Applications)**: accept all Valid Applications for New Securities;
- (d) **(Allot Shares)**: promptly allot and issue the New Securities in accordance with the Valid Applications;
- (e) **(Comply with Act and issue holding statements)**: complete the allotment of New Securities and cause the despatch of holding statements for the New Securities in accordance with the Listing Rules, Constitution and Corporations Act; and

- (f) **(Documents to ASX and ASIC):** execute and perform all documents and things as may be necessary to ensure Official Quotation of the New Shares and New Options and send to ASX and ASIC all information required by the Listing Rules and the Corporations Act.

7.2 Shortfall facility

- (a) Where an Eligible Shareholder has submitted a Valid Application for their full Entitlement, that Eligible Shareholder may apply for additional New Shares in the manner described in the relevant Offer Document.
- (b) The Company must ensure that the issue of any additional New Shares to Eligible Shareholders would not result in breach of any provisions of the Corporations Act or the Listing Rules.

7.3 Valid Applications to go in relief of Underwriter's obligations

All Valid Applications received by the Company, from all sources, will be deemed to have been accepted in full by the Company and will go in relief of the obligations (if any) of the Underwriter under this agreement.

7.4 Consents of authorities

It is the sole responsibility of the Company to obtain any authorisation (including from ASX) which is required for the allotment of any of the New Securities under any Valid Application, whether the Valid Application is lodged by the Underwriter or not.

7.5 Prompt banking of cheques

- (a) The Company undertakes that it will promptly bank for collection all cheques accompanying Applications.
- (b) If the Company elects to issue New Securities pursuant to an Application before clearance of the cheque for the subscription monies, the Underwriter is not liable for the dishonour of the cheque and the issue will be treated as valid for the purposes of determining, and will go in relief of, the Underwriter's obligations under this agreement.

7.6 Retention of subscription moneys

The Company undertakes to the Underwriter that it will retain all subscription moneys in trust for the relevant applicants for New Securities in accordance with section 722 of the Corporations Act, and will not permit any subscription moneys of an applicant to be withdrawn or committed other than immediately after or simultaneously with completion of the allotment of the New Securities offered under the Offer Document and if those events have not taken place within 10 Business Days after the Closing Date, it will cause the same to be refunded to each person whose Valid Application was accepted.

7.7 Records

The Company will maintain (and permit the Underwriter to inspect at any reasonable time) accurate records of the receipt of Applications, the banking of subscription moneys, the processing of Applications and the despatch of holding statements for the New Securities.

8. Shortfall Securities

8.1 Applications

If:

- (a) the conditions precedent described in clause 2(a) have been satisfied;
- (b) the Company has complied with its obligations under this agreement and has not breached any of the undertakings, warranties or representations made by it in this agreement (other than a breach which is capable of remedy and which is remedied by the Company promptly following request by the Underwriter);
- (c) this agreement has not been terminated by the Underwriter under clause 13;
- (d) the Company has not received Valid Applications for all of the Underwritten Securities on or before the Closing Date;
- (e) Official Quotation has been duly granted for the New Shares and remains in full force and effect and no further conditions have been attached to the Official Quotation which are not customary;
- (f) any ASIC Exemption and ASX Waiver required to conduct the Offer not being withdrawn or amended in a material respect by the Shortfall Settlement Date;
- (g) the Company has, after the Closing Date but before 12.00pm (AEST) on the Shortfall Notice Deadline Date, given to the Underwriter notice in writing stating the number of Shortfall Securities and setting out the calculations made by the Company to determine the Shortfall Securities,

(each a "**condition subsequent**") then, but not otherwise, the Underwriter must lodge or cause to be lodged Applications for the Shortfall Securities with the Company on or before 5.00 pm on the Shortfall Settlement Date and pay or procure payment to the Company of the Price for the Shortfall Securities in accordance with clause 0. The Underwriter is not required subscribe for Shortfall Securities in accordance with this clause to the extent doing so would result in a contravention of section 606 of the Corporations Act. Number of Shortfall Securities allocated to the Underwriter.

8.2 Notwithstanding any clause to the contrary in this agreement, the parties agree that:

- (a) the Company must allocate any Shortfall Securities up to a value of \$6,000,000 to the Underwriter in priority to other underwriters; and
- (b) if the Company fails to raise at least \$12,000,000 under the Offer, then the Company must include in the notice referred to in clause 8.1(g) such number of Shortfall Securities as is required to ensure that the Company raises at least \$12,000,000. For the purposes of this clause 8.2(b), the calculation of whether \$12,000,000 has been raised will be determined by:
 - (i) including all subscription moneys paid for Valid Applications (other than in respect of Star Bright Holding Limited or its associates);
 - (ii) including the \$6,000,000 underwritten by the Underwriter referred to in clause 8.2(a), net of fees and expenses payable to the Underwriter;

- (iii) including any amounts underwritten by other underwriters net of fees and expenses payable to those underwriters;
- (iv) excluding any Entitlement taken up or amounts underwritten by Star Bright Holding Limited or its associates; and
- (v) if a binding and unconditional sale and purchase agreement is entered into by the Company for the sale of its Infusion business, including the consideration that will be payable to the Relevant Company on completion of the business sale (but excluding any deferred consideration).

8.3 **Payment by the Underwriter**

- (a) Any payments to be made by the Underwriter to the Company under this agreement must be paid by electronic transfer in cleared funds to the Company's nominated Australian bank account.
- (b) The Underwriter will not be in default of its obligations under clause 8.1 if it has transferred the Price for the relevant Shortfall Securities to the Company on or before 5.00pm on the Shortfall Settlement Date but due to a delay in the banking system such funds have not been credited to the Company's bank account by that time.

8.4 **Late clearances**

For the purposes of the definition of "**Shortfall Securities**" and clause 8.1(d) it is agreed that:

- (a) if an Application satisfies paragraphs (a) to (e) of the definition of "**Valid Application**" in circumstances where the due clearance on presentation under paragraph (e) occurs after the Closing Date then that Application shall nevertheless be considered a Valid Application received by 5.00 pm on the Closing Date; and
- (b) Shortfall Securities shall not include those New Securities for which applications are received, and have been accepted by the Company pursuant to clause 7.2.

8.5 **Issue and Allotment**

The Company shall issue and allot New Securities the subject of Valid Applications for Shortfall Securities received in accordance with clause 8.1 on the Allotment Date.

8.6 **Default by Underwriter**

If the Underwriter does not, in accordance with clause 8.1, lodge or cause to be lodged with the Company Valid Applications for the Shortfall Securities, the Company is irrevocably authorised as agent and attorney of the Underwriter to apply for such Shortfall Securities on behalf of, and in the name of, the Underwriter and to instruct the Directors to issue those Shortfall Securities to the Underwriter. The Price for the Shortfall Securities will be a debt due and immediately recoverable by the Company from the Underwriter.

8.7 **Placement to Underwriter**

- (a) If the number of Shortfall Securities is less than 68,750,000 New Shares and New Options (being a value of \$5,500,000), the Underwriter may by notice in writing within one month of the Completion Date require the Company to offer a placement of new Shares at the Price to the Underwriter for an aggregate amount up to the difference between the value of the Shortfall Securities and \$6,000,000, with one free attaching Option for each new Share subscribed (**Additional Placement**).

- (b) If the Underwriter provides notice under clause 8.7(a) advising that it wishes to proceed with the Additional Placement and:
- (i) the Company has insufficient placement capacity under Listing Rule 7.1 and, if applicable, Listing Rule 7.1A to issue the new Shares and Options under the Additional Placement; or
 - (ii) the subscription of new Shares and Options under the Additional Placement would cause the Underwriter's voting power in the Company to increase:
 - (A) from 20% or below to more than 20%; or
 - (B) from a starting point that is above 20% and below 90%,
- then the Additional Placement will not proceed unless and until the Company has obtained Shareholders' approval under Listing Rule 7.1 and/or section 611, item 7 of the Corporations Act (as applicable).
- (c) The Company will use reasonable endeavours to, as soon as practicable, convene an extraordinary general meeting of Shareholders to seek the approvals if required under clause 8.7(b). The Company will also seek approval from Shareholders at such extraordinary general meeting for the exercise of the New Options by the Underwriter.
- (d) If Shareholders do not approve the Additional Placement at the extraordinary general meeting, then the Additional Placement will not proceed.
- (e) Completion of the Additional Placement will take place:
- (i) if clause 8.7(b)(i) or 8.7(b)(ii) applies, two Business Days after approval of Shareholders is obtained; or
 - (ii) otherwise, two Business Days after notice is received from the Underwriter under clause 8.7(a).
- (f) At completion of the Additional Placement:
- (i) the subscription monies payable by the Underwriter for the further placement will be paid to the Company in accordance with clause 0; and
 - (ii) the Company will, subject to payment of subscription monies under clause 8.7(f)(i) being satisfied:
 - (A) allot the new Shares and Options under the Additional Placement to the Underwriter;
 - (B) apply to ASX for the new Shares and Options under the Additional Placement to be admitted to official quotation; and
 - (C) register the Underwriter as the holder of the new Shares and Options under the Additional Placement (including, for the avoidance of doubt, delivery of an irrevocable direction to the Registry to promptly register the Company in the Company's register of members as the holder of the new Shares and Options) and cause the Registry to deliver a new holding statement to the Underwriter in respect of those new Shares and Options.

9. Representations and warranties

9.1 Company's representations and warranties

As an inducement for the Underwriter to enter this agreement, the Company represents, warrants and undertakes to the Underwriter that, as at the date of this agreement and at all times up until Completion:

- (a) **(Offer Document)**: the Offer Document and the Public Information:
 - (i) complies with section of the Corporations Act and there are no statements in the Offer Document and the Public Information that are misleading or deceptive or likely to mislead or deceive (including, without limitation, statements which are taken to be misleading under section 728(2) of the Corporations Act);
 - (ii) the issue and distribution of the Offer Document and the Public Information will not involve any conduct which is misleading or deceptive or likely to mislead or deceive;
 - (iii) there are no omissions from the Offer Document and the Public Information of material required by the Corporations Act, the Listing Rules or any other applicable law to be included; and
 - (iv) the Offer Document and the Public Information contains all information required to comply with all applicable Laws including the Corporations Act, the Listing Rules and any applicable laws, rules and binding regulatory requirements;
- (b) **(disclosure obligations)** the Company is not in breach of, and will not before Completion breach, any provision of Chapter 6CA of the Corporations Act or Chapter 3 of the Listing Rules.
- (c) **(no breach)** once the Offer Documents have been filed with ASIC and released to the ASX (as applicable), the Company is not in breach of, and neither the entry into nor performance by it of its obligations under this agreement nor any transaction contemplated under this agreement constitutes or will constitute a breach of:
 - (i) the Corporations Act (as varied by any modification or exemption);
 - (ii) a material provision of any other law to which it is subject or any order of any Governmental Agency that is binding on it;
 - (iii) the Listing Rules (except where compliance has been waived, or as modified, by ASX);
 - (iv) the Constitution; or
 - (v) any legally binding requirement of ASIC or ASX.
- (d) **(no member approval)** no approval by holders of the Shares is required to undertake the Offer, or to offer for issue the New Securities;
- (e) **(purpose)** the Company's purpose for making the Offer is to:
 - (i) repay an existing loan owed to Star Bright Holding Limited, plus accrued interest;

- (ii) pay for restructuring costs;
 - (iii) fund research and development projects including the Transcatheter Aortic Valve Replacement project; and
 - (iv) provide for ongoing working capital and operational costs of the business;
- (f) **(no third party debt)** on Completion there will be no debts owing to third parties by any Relevant Company other than trade creditors in the ordinary course of business;
- (g) **(related parties)**: none of the Company's related parties (as that term is defined in the Listing Rules) or associates of those related parties will participate in the Offer, other than as permitted under applicable laws (including the Listing Rules);
- (h) **(no ASIC modifications or ASX waivers)** no modification or exemption under the Corporations Act, or waiver of any Listing Rule, is required for the Company to make the Offer;
- (i) **(conduct)** the Company has not engaged in, and will not engage in, conduct that is misleading or deceptive or which is likely to mislead or deceive in connection with the Offer;
- (j) **(disclosure)** all the information supplied to the Underwriter, their representatives (including their officers, employees and agents) and their advisers (including prior to the date of this agreement) by or on behalf of the Company (including disclosures in response to the management questionnaire provided by or on behalf of the Underwriter to the Company or its advisers):
 - (i) was (at the time of supply), true, accurate and complete;
 - (ii) will be when provided in its final form, true, accurate and complete; and
 - (iii) was not (at the time of supply) and will not be when provided in its final form, misleading or deceptive (including by omitting any information which is likely to be material to a decision to subscribe for the New Securities);
- (k) **(Certificates)** the Certificates it gives to the Underwriter will be true and correct and not misleading or deceptive and contain no omissions as at the date the relevant Certificate is given;
- (l) **(New Shares)** the New Shares (and any new Shares issued on exercise of the New Options) will from their date of issue rank equally in all respects, including for future dividends payable with the other Shares and will be freely tradeable, and will be validly issued fully-paid free from all encumbrances, other than those provided for in the Constitution;
- (m) **(eligible for quotation)** the New Shares will be eligible under the Listing Rules and other requirements of ASX for quotation;
- (n) **(future matters)** each statement in any of the Offer Documents and the Public Information that relates to a future matter (including prospective financial information), and each expression of opinion, belief, expectation or intention in the Offer Documents and the Public Information, was made on reasonable grounds and after due and careful enquiry in good faith using assumptions believed by the directors of the Company to be reasonable;
- (o) **(financial information)** the financial information in the Offer Documents is fairly presented and has been prepared after due and careful enquiry in good faith using

assumptions believed by management and directors of the Company to be reasonable in light of applicable law and applicable accounting standards;

- (p) **(events since last accounts date)** since 31 December 2017, except as otherwise disclosed to ASX by the Company prior to the date of this agreement or as otherwise disclosed in the Offer Documents:
 - (i) the business of the Company and the Relevant Companies has been carried on in the ordinary and usual course; and
 - (ii) there has been no change in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company or the Relevant Companies from that set out in the full year report for the period 31 December 2017;
- (q) **(litigation)** except as disclosed to ASX by the Company prior to the date of this agreement, the Company or any Relevant Company are not involved in, and none of their properties are subject to, any litigation, arbitration, administrative or government proceeding or investigation and, to the knowledge of the Company, no such litigation, arbitration, administrative or governmental proceeding or investigation is pending or threatened;
- (r) **(anti-money laundering)** the operations of the Company and the Relevant Companies are and have been conducted at all times in compliance with applicable financial record keeping and reporting requirements imposed by law or regulation in Australia or otherwise applicable to the Company and in compliance with the money laundering and proceeds of crime statutes of all jurisdictions in which the Company and the Relevant Companies operate, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Agency (collectively, the **Money Laundering Laws**); and no action, suit or proceeding by or before any court or Governmental Agency, authority or body or any arbitrator involving the Group with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened;
- (s) **(no Event of Insolvency)**: no Event of Insolvency has occurred in relation to any Relevant Company nor is there any act which has occurred or any omission made which may result in an Event of Insolvency occurring in respect of a Relevant Company;
- (t) **(corporate authority)**: it is a duly registered corporation and validly exists under the Corporations Act, and all necessary corporate action and authorisations to permit the Company to enter into this agreement, for the Company to lodge the Offer Document with ASIC and ASX, and for the Company to make the Offer, have been obtained and are and will be in full force and effect;
- (u) **(Constitution)** the Company has power under the Constitution to enter into and perform its obligations under this agreement and the Offer Documents, and nothing in the Constitution prevents the Company from entering into, or performing its obligations under, this agreement and the Offer Documents;
- (v) **(binding obligations)**: this agreement constitutes a legal, valid and binding obligation on the Company and subject to any necessary stamping is enforceable in accordance with its terms; and
- (w) **(compliance with laws)**: each Relevant Company has complied with the Offer and the Offer Document will comply with the Corporations Act, the Listing Rules and its constitution in all material respects.

9.2 Notice of breach

The Company must comply with the terms and conditions of this agreement and shall immediately give notice in writing to the Underwriter of any breach by the Company of this agreement including any breach of any of the representations, warranties and undertakings contained in this agreement.

9.3 Acknowledgments

- (a) The Company acknowledges that the Underwriter has entered into this agreement in reliance on the representations, warranties and undertakings given by the Company in this agreement.
- (b) References in this agreement to the knowledge or awareness of the Company shall be taken to be a reference to:
 - (i) the actual knowledge or awareness of any of any of its directors and senior executives; and
 - (ii) the knowledge or awareness that any of the persons referred to in clause 9.3(b)(i) would have after due and careful inquiry in relation to the matter that a reasonable person would have made in the circumstances in order to give that representation or warranty.

9.4 Underwriter's investigations

The representations, warranties and undertakings under this Agreement are not affected or extinguished by any investigation made by, or on behalf of, the Underwriter into the affairs of the Group or by any other event or matter.

9.5 Underwriter's representations and warranties

As an inducement for the Company to enter this agreement, the Underwriter represents, warrants and undertakes to the Company that as at the date of this agreement and at all times up until Completion:

- (a) **(status)**: the Underwriter is a body corporate duly registered and validly existing under the laws of its place of incorporation;
- (b) **(power)**: the Underwriter has the power to enter into and comply with all of the terms and conditions of this agreement;
- (c) **(Authorisations)**: the Underwriter has obtained all approvals and authorities that may be required to permit the Underwriter to enter into this agreement and to perform the obligations under this agreement in accordance with its terms including the obtaining and holding of all licences and permits required under any relevant laws;
- (d) **(foreign securities laws)** it is a person to whom an offer of the New Securities can lawfully be made, and to whom the New Securities can be lawfully Issued under, and without causing the Company to breach, any applicable foreign securities offering laws and regulations without the need for any prospectus or other disclosure document or for any registration, lodgement or other formality to be complied with, in the jurisdiction in which the Underwriter is situated, including without limitation the US Securities Act and the United States Securities Exchange Act of 1934, as amended, including the rules and regulations thereunder, and the rules and regulations of the United States Financial Industry Regulatory Authority;

- (e) **(validity of obligations)**: the obligations of the Underwriter under this agreement are valid and binding; and
- (f) **(no Event of Insolvency)**: no Event of Insolvency has occurred in relation to the Underwriter nor is there any act which has occurred or any omission made which may result in an Event of Insolvency occurring in respect of the Underwriter.

9.6 US Securities Act

- (a) The Underwriter acknowledges that:
 - (i) the Shortfall Securities are offered under this agreement by the Company on the basis that the Underwriter is:
 - (A) a "qualified institution buyer" (**QIB**) as defined in Rule 144A under the US Securities Act; or
 - (B) an institutional "accredited investor" within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the US Securities Act (**Accredited Investor**);
 - (ii) in connection with the Offer and sale to the Underwriter of the Shortfall Securities, the Company is relying on an exemption from registration under Section 4(a)(2) of the US Securities Act for a transaction not involving a public offering in the United States and that the Company has no obligation to register the Shortfall Securities under the US Securities Act or to comply with the requirements for any exemption or safe harbor from the registration requirements of the US Securities Act to facilitate resales of the Shortfall Securities, including without limitation the preparation, publication and/or dissemination of adequate current public information meeting the requirement of Rule 144(c) under the US Securities Act or any information described in Rule 144A(d)(4) under the US Securities Act, and that such Underwriter may be required to hold such Shortfall Securities indefinitely;
 - (iii) the Shortfall Securities have not been approved by the SEC or any other governmental or semi-governmental agency or authority outside of Australia;
 - (iv) the Shortfall Securities can only be resold if such Shortfall Securities are offered and sold by the Underwriter:
 - (A) in an "offshore transaction" (as defined in Rule 902(h) under the US Securities Act) complying with Regulation S under the US Securities Act, including in regular brokered transactions on the ASX where neither the Underwriter nor any person acting on its behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;
 - (B) in a transaction exempt from registration under the US Securities Act pursuant to Rule 144 thereunder (if available);
 - (C) pursuant to an effective registration statement under the US Securities Act (which the Underwriter acknowledges that the Company has no obligation to file or make available); or
 - (D) to a person whom Underwriter reasonably believes is a QIB, as defined in Rule 144A under the US Securities Act that is purchasing

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for its own account or for the account of one or more other QIBs in a transaction meeting the requirements of Rule 144A under the US Securities Act (if available),

and in each of the cases (A) through (D), in accordance with any applicable securities laws of any state of the United States or any other jurisdiction; and

- (v) the Shortfall Securities offered and sold pursuant to Section 4(a)(2) of the US Securities Act will constitute "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act, and for so long as they remain restricted securities, the Underwriter agrees not to deposit the Shortfall Securities in any unrestricted American Depositary Receipt facility that has been or may be established with respect to the ordinary shares of the Company.
- (b) The Underwriter agrees that it (or any other person for whose account or benefit the Underwriter is purchasing the Shortfall Securities) will notify any person to whom any Shortfall Securities are sold or otherwise transferred pursuant to clauses 9.6(a)(iv)(B) or 9.6(a)(iv)(D) prior to any such transfer, that such person will be bound by the provisions in clauses 9.6(a)(v) and 9.6(c) to the extent they remain applicable.
- (c) The Underwriter consents to the Company making a notation on its records and/or giving instructions to any transfer agent for the Shortfall Securities in order to implement and enforce the restrictions on transfer set forth and described in this agreement.
- (d) The Underwriter represents, warrants and undertakes to the Company that as at the date of this agreement and at all times up until Completion:
 - (i) it is either a QIB or an Accredited Investor acquiring the Shortfall Securities for its own account and is acquiring the Shortfall Securities for investment purposes and not with a view to the distribution thereof;
 - (ii) it is not purchasing the Shortfall Securities as a result of any form of "general solicitation" or "general advertising" (within the meaning of Rule 502(c) of Regulation D under the US Securities Act) or as a result of any "directed selling efforts" (within the meaning of Rule 902(c) of Regulation S under the US Securities Act);
 - (iii) it has such knowledge and experience in financial and business matters so that the Underwriter is capable of evaluating the merits and risks (including for tax, legal, regulatory, accounting and other financial purposes) of its prospective investment in the Shortfall Securities and is able to bear the economic risk of its investment in the Shortfall Securities, including a total loss of such investment; and
 - (iv) in making its investment in the Shortfall Securities, the Underwriter is not relying on the advice or recommendations of the Company.

9.7 Notice of Breach

The Underwriter must comply with the terms and conditions of this agreement and shall immediately give notice in writing to the Company of any breach by the Underwriter of this agreement including any breach of any of the representations, warranties and undertakings contained in this agreement. Such notification does not limit or affect the liability of the Underwriter for any such breach.

9.8 Independent construction

Each of the paragraphs and sub-paragraphs of clauses 9.1 and 9.5 will be construed independently and no paragraph or sub-paragraph will be limited by implications arising from any other paragraph or sub paragraph.

9.9 Acknowledgements

The Underwriter acknowledges that the Company has entered into this agreement in reliance on the representations, warranties and undertakings given by the Underwriter in this agreement.

10. Fees and expenses

10.1 Underwriting fee

(a) On Completion the Company must pay to the Underwriter (or as the Underwriter may in writing direct) either:

- (i) if the value of Shortfall Securities specified in the notice given by the Company to the Underwriter under clause 8.1(g) is equal to or less than \$6,000,000, an underwriting fee of \$180,000 (being 3% of \$6,000,000), payable to the Underwriter regardless of the number of New Securities subscribed by the Underwriter and by way of setoff against the aggregate Price payable by the Underwriter to the Company for Shortfall Securities (other than to the extent that the fee exceeds the Price payable); or
- (ii) if the value of Shortfall Securities specified in the notice given by the Company to the Underwriter under clause 8.1(g) is greater than \$6,000,000, an underwriting fee of:
 - (A) \$750,000 (being 12.5% of \$6,000,000); plus
 - (B) 25% of the value above \$6,000,000 for Shortfall Securities specified in the notice given by the Company to the Underwriter under clause 8.1(g),

such fee to be paid to the Underwriter by way of setoff against the aggregate Price payable by the Underwriter to the Company for Shortfall Securities.

- (b) Subject to clause 10.2(a), all sub-underwriting and selling fees to third parties will be met by the Underwriter.
- (c) For the avoidance of doubt, if Completion does not occur then the fee in clause 10.1(a) is not payable.

10.2 Expenses

- (a) The Company agrees to reimburse reasonable third party costs incurred by the Underwriter up to a cap of \$65,000 (inclusive of GST).
- (b) Each party will bear its own costs in relation to the preparation, execution and performance of this agreement.

11. GST

11.1 GST payable

If GST becomes payable by a party to this agreement ("**Supplier**") on any supply it makes under or in connection with this agreement:

- (a) any amount payable or consideration to be provided under this agreement for that supply ("**Agreed Amount**") is exclusive of GST;
- (b) an additional amount will be payable by the party providing consideration for that supply under this agreement ("**the Recipient**"), equal to the amount of GST payable on that supply as calculated by the Supplier in accordance with the GST Act and payable at the same time and in the same manner as for the Agreed Amount; and
- (c) the Supplier will provide a tax invoice (or equivalent documentation which complies with the GST Act) to the Recipient in respect of that supply, no later than the time at which the Agreed Amount for that supply is to be provided under this agreement.

11.2 Variation

If, for any reason, the GST payable by the Supplier in respect of a supply it makes under this agreement varies from the additional amount it receives from the Recipient under clause 11.1 in respect of that supply, the Supplier will provide a refund or credit to or will be entitled to receive the amount of this variation from the Recipient (as appropriate).

11.3 Definitions

"**GST**", "**GST Act**" and other terms used in this clause 11 have any meanings used in the A New Tax System (Goods and Services Tax) Act 1999 (as amended from time to time) or any replacement or other relevant legislation and regulations, except "**GST Act**" also includes any applicable rulings. Any reference to GST payable by the Supplier includes any GST payable by the representative member of any GST group of which the Supplier is a member.

12. Discharge of Underwriter's obligations

All obligations of the Underwriter under this agreement (other than those in clause 18) are discharged when any of the following events occurs:

- (a) on the date on which all of the New Securities have been subscribed;
- (b) the Underwriter lodges or causes to be lodged with the Company, applications for Shortfall Securities accompanied by the Price, in accordance with clause 8.1;
- (c) on the date the Underwriter terminates this agreement under clauses 2(b) or 13;
- (d) the Company does not give a valid notice in accordance with clause 8.1(g) by 12.00pm on the Shortfall Notice Deadline Date;
- (e) the Quotation Approval has not been duly obtained by the Shortfall Notice Deadline Date; or
- (f) if Completion has not taken place within fifteen Business Days of the Closing Date.

13. Termination by Underwriter and Company

13.1 Termination events

The Underwriter may without cost or liability to themselves and without prejudice to any rights under clauses 10 or 11 or for damages arising out of any breach by the Company of its representations, warranties or obligations under this agreement, by notice in writing to the Company, upon or at any time prior to Completion terminate its obligations under this agreement if:

- (a) (**Commitment Letter**) the Commitment Letters or underwriting agreements referred to in condition 2(a)(iii) are terminated, withdrawn, revoked or rendered void, voidable, illegal or otherwise unenforceable or a condition in those letters or agreements are not capable of being satisfied;
- (b) (**indices fall**): the All Ordinaries Index as published by the ASX is at any time after the date of this agreement 15% or more below its respective level as at the close of business on the Business Day prior to the date of this agreement and remains so for three consecutive trading days prior to Completion; or
- (c) (**Offer Document**): the Company does not lodge the Offer Document on the Lodgement Date or the Offer Document or the Offer is withdrawn by the Company; or
- (d) (**no Official Quotation**): Official Quotation has not been granted by the Shortfall Notice Deadline Date or, having been granted, is subsequently withdrawn, withheld or qualified; or
- (e) (**non-compliance with disclosure requirements**): the Offer Document does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
 - (A) the effect of the Offer on the Company; and
 - (B) the rights and liabilities attaching to the New Securities; or
- (f) (**misleading Offer Document**): there is a statement in the Offer Document that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Offer Document (having regard to the provisions of sections 711, 713 and 716 of the Corporations Act) or if any statement in the Offer Document becomes or misleading or deceptive or likely to mislead or deceive or if the issue of the Offer Document is or becomes misleading or deceptive or likely to mislead or deceive;
- (g) (**Certificate**) a Certificate is not furnished when required to be furnished by the Company under this agreement or a Certificate contains a statement which is untrue, incorrect or misleading or deceptive (including by omission);
- (h) (**restriction on allotment**): the Company is prevented from allotting the New Securities within the time required by this agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (i) (**withdrawal of consent to Offer Document**): the Offer is withdrawn, or any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Offer Document or to be named in the Offer Document, withdraws that consent;

- (j) **(ASIC application):** an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Offer Document, the Shortfall Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn;
- (k) **(ASIC hearing):** ASIC gives notice of its intention to hold a hearing under section 739 or any other provision of the Corporations Act in relation to the Offer Document to determine if it should make a stop order in relation to the Offer Document;
- (l) **(ASIC action):**
 - (i) an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Offer or the Offer Documents, and any such application whether or not withdrawn is not withdrawn within 2 Business Days after it is made or before the Settlement Date; or
 - (ii) ASIC commences any investigation or hearing under Part 3 of the *Australian Securities and Investments Commission Act 2001* (Cth) in relation to the Offer or the Offer Documents and any such investigation or hearing is not withdrawn within 2 Business Days after it is commenced or before the Settlement Date;
- (m) **(Takeovers Panel):** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;
- (n) **(Authorisation)** any authorisation necessary to conduct the business or the Offer (including any ASIC Exemption or ASX Waiver) is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;
- (o) **(Event of Insolvency):** an Event of Insolvency occurs in respect of a Relevant Company or there is an act or omission, or a circumstance arises which is likely to result in the Company or a Relevant Company experiencing an Event of Insolvency;
- (p) **(Timetable)** any event specified in this agreement (including the Timetable), is delayed by two or more Business Day (other than a delay caused solely by the Underwriter) without the prior consent of the Underwriter;
- (q) **(other Termination Events):** any of the following events occurs:
 - (i) **(Force Majeure):** a Force Majeure affecting the Company's business or any obligation under the agreement lasting in excess of 2 Business Days occurs;
 - (ii) **(default)** a default by the Company in the performance of any of its obligations under this agreement occurs;
 - (iii) **(representations and warranties)** a representation or warranty made or given by the Company under this agreement is breached or proves to be, or has been, or becomes, untrue or incorrect or misleading or deceptive;
 - (iv) **(change in law)** there is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or prospective law or any new regulation is made under any law, or a Governmental Agency or the Reserve Bank of Australia adopts a policy, or there is an official announcement on behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a Governmental Agency that such a law or regulation will be introduced or

policy adopted (as the case may be) (other than a law or policy which has been announced before the date of this agreement), any of which prohibits the Offer;

- (v) **(change in management)** there is a change or termination (or a change or termination is announced) of the Chief Executive Officer of the Company;
- (vi) **(failure to comply)** the Company fails to comply with a provision of its Constitution, the ASX Listing Rules, the Corporations Act, applicable laws, or a requirement, order or request, made by or on behalf of ASIC, ASX or any Governmental Agency and which, in the reasonable opinion of the Underwriter, has or is likely to have a material adverse effect on the Offer;
- (vii) **(adverse change)** any adverse change, or an event that is likely to lead to an adverse change, occurs in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company or any Relevant Company (in so far as the position in relation to the Relevant Company affects the overall position of the Company), from the position disclosed in the Offer Documents in the form on the Lodgement Date or as most recently disclosed to ASX by the Company before the date of this agreement;
- (viii) **(disruption in financial markets)** either:
 - (A) a general moratorium on commercial banking activities in Australia, the United States of America, the United Kingdom or Hong Kong is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries in any such case continuing for more than 1 trading day; or
 - (B) trading in all securities quoted or listed on ASX, the London Stock Exchange, the New York Stock Exchange or the Hong Kong Stock Exchange, is suspended or limited in a material respect for more than 1 trading day;
- (ix) **(prosecution)** any of the following occur:
 - (A) the Company, any of its directors or a senior executive, is charged in relation to any fraudulent conduct whether or not in connection with the Offer;
 - (B) a director or a senior executive is charged with an indictable offence; or
 - (C) any Government Agency commences any public proceedings against any of the directors of the Company (in their capacity as a director of the Company), or announces that it intends to take such action; or
 - (D) any director of the Company is disqualified from managing a corporation under Part 2D.6 of the Corporations Act; and
- (x) **(hostilities)** in respect of or involving any one or more of the United States of America, Australia, any member of the European Union, Japan, Hong, Kong, the Peoples Republic of China, Iraq, North Korea, Syria and the United Kingdom:
 - (A) hostilities not presently existing commence; or

- (B) a major escalation in existing hostilities occurs; or
- (C) a declaration is made of war or a major terrorist act is perpetrated on any of those countries.

13.2 Notification

The Company will immediately give notice to the Underwriter of the occurrence of any event which will, or which with the giving of notice or lapse of time will, give the Underwriter a right to terminate its obligations under this agreement.

14. Indemnities

The Company indemnifies each of the Indemnified Parties on the terms and conditions set out in Schedule 2.

15. Enquiries by Underwriter

15.1 Additional information

The Company will as reasonably practicable provide to the Underwriter any information and documents requested by the Underwriter at any time and from time to time up to Completion concerning:

- (a) the Offer; or
- (b) the application for Official Quotation.

15.2 Confidentiality

The Underwriter agrees not to, and will procure that its employees, officers, representatives and professional advisers do not, disclose any information or document provided or made available under clause 15.1, and to maintain strict confidentiality in relation to them, except to the extent that the information or document is available to the public generally or the Underwriter is required to disclose the information or document in accordance with its obligations under the law, or under the Listing Rules or the information or document is required in connection with any claim, proceedings or investigation in connection with the Offer or any Offer Document.

16. Notices

Any notice or other communication which must be given, served or made under or in connection with this agreement:

- (a) must be in writing;
- (b) is sufficient if executed by the party giving, serving or making the notice or on its behalf by any attorney, director, secretary, other duly authorised officer or solicitor of such party;
- (c) will be deemed to have been duly served, given or made in relation to a person if it is hand delivered or posted by prepaid post to the address or emailed to the email address (or at such other address or number as is notified in writing by that person to the other parties from time to time); and
- (d) will be deemed to be served, given or made:

- (i) **(in the case of prepaid post)**
 - (A) within Australia to an Australian postal address, on the fifth Business Day after the date of posting; or
 - (B) outside of Australia to an Australian postal address, or within Australia to an address outside of Australia, on the tenth Business Day after the date of posting;
- (ii) **(in the case of delivery by hand)** on delivery; and
- (iii) **(in the case of email)** when sent to the address, unless the sender receives a notification that the email was not delivered.

The relevant notice details are as follows:

Admedus Limited

Address: Level 9, 301 Coronation Drive, Milton, Queensland 4064

Email: wpaterson@admedus.com

Attention: Wayne Paterson

with a copy (for information purposes only) to:

Attention: Isaac West, Jones Day

Email: iwest@jonesday.com

Underwriter

Address: c/o Sio Capital Management, LLC, 535 Fifth Avenue, Suite 910, New York, NY 10017

Email: michael.castor@siocapital.com

Attention: Michael Castor

with a copy (for information purposes only) to:

Attention: Niro Ananda, Clayton Utz

Email: nananda@claytonutz.com

17. Time

17.1 Time is of the essence

Subject to clause 17.2, time is of the essence of this agreement.

17.2 Force Majeure

If between the Lodgement Date and the Shortfall Notice Deadline Date there occurs or subsists an event of Force Majeure affecting the delivery of mail or the transmission by facsimile or email or communication by telephone within Australia, the time stipulated by this agreement for the fulfilment by the parties of their obligations, the Closing Date is extended by the period of the event of Force Majeure.

18. Confidentiality

Notwithstanding the effect of clause 15.2, each of the parties will procure that neither it nor any of its Related Bodies Corporate will make any public announcement or disclosure to any person in relation to this agreement or information of which it has become aware in connection with this agreement unless it first consults with and obtains the agreement in writing of the other parties, which agreement will not be unreasonably withheld, save that each party may disclose to the extent:

- (a) that the same is required by law, the Listing Rules or any governmental or semi-governmental agency or authority;
- (b) required to make disclosures to the directors, secretary, professional advisers and bankers of that party and its Related Bodies Corporate so long as the party uses all reasonable endeavours to ensure that the matters disclosed are kept confidential;
- (c) that an accurate summary of this agreement may appear in the Offer Document; and
- (d) necessary to provide information to potential sub-underwriters so long as the party uses all reasonable endeavours to ensure that the matters disclosed are kept confidential.

19. No fiduciary

The Company acknowledges and agrees that:

- (a) the Underwriter has been engaged solely as an independent contractor to provide the services set out in this Agreement. In providing these services, the Underwriter is acting solely in a contractual relationship with the Company on an arm's length basis;
- (b) the Underwriter may have interests that differ from those of the Company. The Underwriter may take into account any factors (including those solely in its interest) they consider appropriate in performing duties or exercising rights under this agreement;
- (c) the Underwriter is not acting as financial adviser in connection with the transactions contemplated by this agreement or fiduciary to or agent of the Company or any other persons or advising the Company or any other persons including as to any legal, financial, tax, investment, accounting or regulatory matters in any jurisdiction. The Company must consult its own advisers on those matters and are responsible for making its own independent investigations and appraisals of the transactions contemplated by this Agreement. The Underwriter has no responsibility or liability to the Company regarding these matters;
- (d) any communication, whether written or oral, given by the Underwriter to the Company, or any communications between the Underwriter and the Company or, can only be used and relied on by the Company and may not be used or relied on by any third party and may not be disclosed to any third party or circulated or referred to publicly without the prior written approval of the Underwriter, except that the Company may disclose such communications to its professional advisers in connection with the Offer provided that they each:
 - (i) have been informed of the confidential nature of such communications and agreed to treat such communications confidentially; and

- (ii) have been informed that such communications were prepared exclusively for the information of the Company and accordingly that they may not rely on such communications;
- (e) the Underwriter is not required to give tax, legal, regulatory, accountancy or other specialist or technical advice in connection with the transactions contemplated by this agreement;
- (f) any review by the Underwriter of the Company, the Offer, the terms of the New Securities and related matters will be performed solely for the benefit of that Underwriter and not on behalf of the Company or any other person;
- (g) the Underwriter will use and rely primarily on the information provided to it by or on behalf of the Company and on information available from generally recognised public sources in relation to this Offer without having independently verified the same, and the Underwriter does not assume responsibility for the accuracy or completeness of such information for which the Company will be solely responsible; and
- (h) the Underwriter may perform the services contemplated by this agreement in conjunction with its Affiliates, and any Affiliates performing these services are entitled to the benefits of and are subject to the terms of this agreement.

The Company waives to the full extent permitted by applicable law any claims it may have against the Underwriter arising from an alleged breach of fiduciary obligations in connection with the transactions contemplated by this agreement and the process leading up to the Offer.

20. General

20.1 Governing law

This Agreement is governed by and is to be construed according to the laws of Queensland.

20.2 Jurisdiction

Each of the parties irrevocably:

- (a) submits to and accepts generally and unconditionally the non-exclusive jurisdiction of the courts and appellate courts of Queensland with respect to any legal action or proceedings which may be brought at any time relating in any way to this agreement; and
- (b) each of the parties irrevocably waives any objection it may now or in the future have to the venue of any action or proceedings, and any claim it may now or in the future have that the action or proceeding has been brought in an inconvenient forum.

20.3 Severability

Any provision of this agreement which is illegal, void or unenforceable is only ineffective to the extent of that illegality, voidness or unenforceability, without invalidating the remaining provisions.

20.4 Amendments

This agreement may not be modified, amended or otherwise varied except by a document in writing signed by or on behalf of each of the parties.

20.5 Exercise of rights

- (a) A party may exercise a right, power or remedy at its discretion, and separately or concurrently with another right, power or remedy. A single or partial exercise of a right, power or remedy by a party does not prevent a further exercise of that or any other right, power or remedy. Failure by a party to exercise or delay in exercising a right, power or remedy does not prevent its subsequent exercise.
- (b) The exercise by the Underwriter of any of its termination rights under clause 13 does not prejudice any rights the Underwriter may have to seek damages for loss caused to the Underwriter as a result of a breach by the Company of this agreement.

20.6 Remedies cumulative

The rights, powers and remedies provided in this agreement are cumulative with and not exclusive of the rights, powers or remedies provided by law independently of this agreement.

20.7 Enforcement of indemnities

It is not necessary for a party to make payment before enforcing a right of indemnity conferred by this agreement.

20.8 Assignment

The rights and obligations of a party under this agreement cannot be assigned without the prior written consent of the other party which consent must not be unreasonably withheld.

20.9 Waiver

No waiver of one breach of any term or condition of this agreement will operate as a waiver of another breach of the same or any other term or condition of this agreement. Delay by either party in exercising its rights under this agreement does not amount to a waiver of those rights.

20.10 Written agreement, waiver, consents, approvals

Any agreement, waiver, consent or approval given by a party under this agreement will only be effective and only binds that party if it is given in writing and executed by that party or on its behalf by an officer for the time being of that party.

20.11 Further acts

Each party will promptly do and perform all further acts and execute and deliver all further documents required by law or reasonably requested by the other party to carry out and effect the intent and purpose of this agreement.

20.12 Approvals

Subject to any law to the contrary and unless this agreement expressly provides otherwise, where the doing or execution of any act, matter or thing is dependent on the consent or approval of a party, that consent or approval may be given or withheld in the absolute discretion of that party or may be given subject to such conditions as that party thinks fit in its absolute discretion.

20.13 Counterparts

This Agreement may be executed in any number of counterparts (whether in original or a copy transmitted by fax), all of which taken together constitute one and the same document.

20.14 **Merger**

- (a) The rights and obligations of the parties in respect of representations, warranties, undertakings and indemnities in this agreement will be continuing representations, warranties, undertakings and indemnities and accordingly will not be merged or extinguished by or on completion of the Issue, or be prejudiced or affected by any investigation or examination made by or on behalf of the Underwriter and will survive the termination of this agreement.
- (b) Notwithstanding Completion the provisions of this agreement will remain in full force and effect as to the obligations of the parties remaining to be performed after Completion.

20.15 **Entire Agreement**

This Agreement shall constitute the sole understanding of the parties with respect to the subject matter and supersedes and replaces all other agreements with respect thereto.

Schedule 1

Timetable

Lodgement Date	Wednesday, 28 November 2018
Record Date	7.00pm AEDT on Monday, 3 December 2018
Opening Date	Tuesday, 4 December 2018
Rights trading ends	Thursday, 6 December 2018
Closing Date	5.00pm AEST on Thursday, 13 December 2018
Shortfall Notice Deadline Date (notice of the Shortfall Securities)	Friday, 14 December 2018
Shortfall Settlement Date	Friday, 14 December 2018
Notify ASX of under subscriptions	Friday, 14 December 2018
Allotment Date	Monday, 17 December 2018
Allotment of Shortfall Securities	Monday, 17 December 2018
Despatch of shareholding statements	Tuesday, 18 December 2018

Schedule 2

Indemnity

1. Definitions

In this Schedule 2:

Indemnifying Party means the Company.

Relevant Claim means any Claim in respect of which an Indemnified Party seeks or proposes to seek indemnification pursuant to this agreement.

Relevant Loss means any Loss related, directly or indirectly, to the Offer, including without limitation any Loss related, directly or indirectly, to:

- (a) the issue of New Securities;
- (b) any Offer Documents or Public Information;
- (c) any materials in relation to the Offer made or distributed by or on behalf of the Indemnifying Party;
- (d) any materials in relation to the Offer made or distributed by an Indemnified Party with the prior authorisation of the Indemnifying Party;
- (e) any breach by the Indemnifying Party of any applicable law, its obligations under this agreement or any other obligation in respect of any Offer Documents or the Offer, including any of the representations and warranties by the Indemnifying Party contained in this agreement not being or ceasing to be true and correct;
- (f) an act or omission of the Indemnified Party in connection with the Offer or this agreement, whether or not involving activities undertaken before or after the signing of this agreement or any other matter or activity referred to or contemplated by this agreement in any jurisdiction; or
- (g) any review, inquiry or investigation undertaken by any regulatory or Governmental Agency in relation to the Offer or the Offer Documents.

2. Indemnity

- (a) Subject to clause 3 and to the maximum extent permitted by law, the Indemnifying Party must indemnify and hold harmless each Indemnified Party from and against any Relevant Loss.
- (b) Where clause 2(a) applies and an Indemnified Party has paid some or all of a Relevant Loss, the Indemnifying Party must reimburse the Indemnified Party the amount of that loss as soon as reasonably practicable after the Indemnified Party seeks reimbursement.
- (c) The indemnity in this agreement is a continuing obligation, independent from the other obligations of the Company under this agreement and continues after this agreement ends. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity under this agreement.

3. Exclusion from indemnity

- (a) Clause 2(a) does not apply to the extent that the Relevant Loss is finally determined by a court of competent jurisdiction to:
 - (i) have resulted directly from the fraud, recklessness, wilful misconduct or gross negligence of an Indemnified Party;
 - (ii) represent any amount in respect of which the indemnity would be illegal, void or unenforceable under any applicable law; or
 - (iii) comprise a fine or penalty for a contravention of the Corporations Act.
- (b) Clause 3(a) does not apply to the extent the Relevant Loss is caused or contributed to by:
 - (i) the Company or a Related Entity of the Company; or
 - (ii) the Indemnified Party's reliance on information contained in an Offer Document or Public Information or other information provided to the Underwriter or the Indemnified Party by or on behalf of the Company or one of its Related Entities in connection with the Offer.
- (c) If:
 - (i) the Indemnifying Party has made a payment to an Indemnified Party in accordance with clause 2; and
 - (ii) it is subsequently determined that clause 3(a) applies in respect of the Relevant Loss, the Indemnified Party must reimburse the Indemnifying Party the amount of that loss as soon as reasonably practicable after the Indemnifying Party seeks reimbursement.

4. Release and exclusion

- (a) Subject to sub-clauses 4(a)(i) and (ii), the Company unconditionally and irrevocably releases each Indemnified Party from any Claim, including in negligence, that the Company or any of its Related Entities has, or may in the future have in relation to a Relevant Loss.
 - (i) The release in clause 4(a) does not apply to the extent that the Relevant Loss has been finally determined by a court of competent jurisdiction to have resulted directly from the fraud, recklessness, wilful misconduct or gross negligence of the Indemnified Party.
 - (ii) The qualification in clause 4(a)(i) does not apply to the extent the Relevant Loss is caused or contributed to by one or more of the matters set out in clause 3(b).
- (b) The Company agrees that the Indemnified Parties are not liable in any circumstance for any special, indirect or consequential loss.
- (c) The Company agrees that no Claim related, directly or indirectly, to the Offer may be made against any of the Underwriter's Related Entities.

- (d) The Company must not make, and must procure that none of its Related Entities makes, a Claim against an Indemnified Party that is the subject of a release or an exclusion contained in this clause 4.
- (e) The Company agrees that any release or exclusion provided in this clause 4 may be pleaded as a bar to any Claim commenced now or taken at any time by the Company against any Indemnified Party, or any person on behalf of the Company, with respect to or in any way connected with the subject matter of that release or exclusion even if the release or exclusion prove to be ineffective for any reason.
- (f) The Underwriter holds the benefit of the:
 - (i) indemnities in clause 2(a) and clause 6.3(b)(ii);
 - (ii) releases in clause 4(a) and 4(c);
 - (iii) covenant not to sue in clause 4(d); and
 - (iv) bar to any Claim in clause 4(e),
 on its own behalf and on trust for its Related Entities.

5. Notice of Claims

- (a) An Indemnified Party must notify the Company as soon as reasonably practicable (and in any event within 25 Business Days) after the Indemnified Party becomes aware of a Relevant Claim against it.
- (b) If an Indemnified Party breaches clause 5(a):
 - (i) clause 2(a) does not apply in respect of a Relevant Loss to the extent that the amount of the Relevant Loss has been finally determined by a court of competent jurisdiction to have been materially increased as a direct result of that breach; and
 - (ii) the Indemnified Party's rights under this agreement are otherwise not affected.

6. Defence of Claims and subrogation

6.1 Company defence of Relevant Claim

If:

- (a) a Relevant Claim is made against an Indemnified Party; and
- (b) the Indemnifying Party confirms that clause 2(a) applies in respect of any Relevant Loss that might result from that Relevant Claim,

the Company may by notice to the Indemnified Party (within 20 Business Days of receipt of the relevant notice under clause 5(a)) assume the conduct of the defence to the Relevant Claim.

6.2 Subrogated Claim

If:

- (a) a Relevant Claim is made against an Indemnified Party;

- (b) the Indemnifying Party confirms that clause 2(a) applies in respect of any Relevant Loss that might result from that Relevant Claim;
- (c) the Company has assumed the conduct of the defence to the Relevant Claim in accordance with clause 6.1; and
- (d) the Indemnified Party has a Claim against a person other than one of its Related Entities which could result in a reduction of the Relevant Loss,

the Company may by notice to the Indemnified Party (within 20 Business Days of receipt of the relevant notice under clause 5(a)) exercise the right to be subrogated to, enjoy the benefit of, and conduct that Claim in the name of the Indemnified Party (a **Subrogated Claim**).

6.3 Conduct of Claims

- (a) Without limiting clause 2(a), in conducting a Subrogated Claim or the defence of a Relevant Claim on behalf of an Indemnified Party, the Company must:
 - (i) consult with the Indemnified Party and its associated Underwriter regarding the appointment of legal counsel;
 - (ii) act with the utmost good faith towards the Indemnified Party;
 - (iii) take all reasonable steps to prosecute the Subrogated Claim and defend the Relevant Claim;
 - (iv) take all reasonable steps to protect the reputation and standing of the Indemnified Party; and
 - (v) keep the Indemnified Party fully informed about the conduct of the Subrogated Claim and the defence of the Relevant Claim provided that if the provision of such information would in the reasonable opinion of senior counsel satisfactory to the Underwriter (acting reasonably) lead to a loss of legal professional privilege, the provisions of clause **Error! Reference source not found.** with respect to the provision of such information will apply.
- (b) When the Company is prosecuting a Subrogated Claim in the name of, or conducting the defence of a Relevant Claim on behalf of, an Indemnified Party, the Indemnified Party must take all reasonable steps to assist the Company to do so, provided the Company:
 - (i) reimburses the Indemnified Party's costs and expenses of doing so; and
 - (ii) indemnifies the Indemnified Party against any Loss arising from providing the assistance.

6.4 Legal advice

If the Company conducts a Subrogated Claim or the defence of a Relevant Claim:

- (a) an Indemnified Party may at any time obtain independent legal advice in respect of a Subrogated Claim or Relevant Claim in which case the Indemnified Party must notify the Company as soon as practicable that it is doing so; and
- (b) the cost of any such legal advice referred to in clause 6.4(a) is a Relevant Loss and must be paid by the Indemnifying Party provided and to the extent those expenses

are incurred with the prior written consent of the Indemnifying Party, such consent not to be unreasonably withheld or delayed.

6.5 Reassumed Claims

- (a) An Indemnified Party may at any time by notice to the Company assume the conduct of a Subrogated Claim or the defence to a Relevant Claim (**Reassumed Claim**).
- (b) If an Indemnified Party gives the Company a notice under clause 6.5(a) in respect of a Reassumed Claim, it will have sole conduct of the Subrogated Claim or Relevant Claim and will have absolute discretion with respect to the progress and negotiation (if any) of any such claim and will use reasonable commercial endeavours to keep the Company fully informed of all material developments in the progress of the Subrogated Claim or Relevant Claim, as applicable.
- (c) Clause 2(a) applies to any Relevant Loss that might result from the Reassumed Claim except to the extent the Relevant Loss is finally determined by a court of competent jurisdiction to have been solely and directly caused by the failure of the Indemnified Party to conduct the Reassumed Claim in a reasonable manner.

7. Settlement of Claims

7.1 Company settlement

The Company must not settle or compromise a Subrogated Claim or Relevant Claim on behalf of an Indemnified Party, or consent to judgment against the Indemnified Party in respect of a Subrogated Claim or Relevant Claim, unless:

- (a) it has first given the Indemnified Party reasonable notice of its intention to do so; and
- (b) either:
 - (i) it has the prior written consent of the Indemnified Party (which consent the Indemnified Party may in its absolute discretion withhold or grant subject to conditions); or
 - (ii) the settlement or compromise includes an unconditional release of the Indemnified Party from all liability in respect of the subject matter of the Subrogated Claim or Relevant Claim and does not provide, represent or imply the Indemnified Party is liable, culpable or at fault in any way.

7.2 Indemnified Party settlement

- (a) An Indemnified Party may at any time and in its sole discretion settle or compromise a Relevant Claim or consent to judgment against the Indemnified Party in respect of a Relevant Claim.
- (b) Before the Indemnified Party settles or compromises, or consents to judgment against it in respect of, a Relevant Claim, the Indemnified Party must notify and consult with the Company and have regard to the Company's views (including the Company's views of the terms of its insurance policies) in relation to the Relevant Claim.

8. Contribution to Relevant Losses

- (a) If there is a Relevant Loss suffered by an Indemnified Party for which the indemnity provided in clause 2(a) is void, unenforceable, inapplicable or unavailable (for any

reason whatsoever, other than as a result of the operation of clause 3(a)) or the Indemnifying Party is otherwise unable to perform its obligations in respect of all of that Relevant Loss, then to the maximum extent permitted by law, the Indemnifying Party agrees to contribute to the Relevant Loss in accordance with clause 8(b).

- (b) The respective proportional contribution of the Indemnifying Party and the Indemnified Party in relation to the Relevant Loss contemplated in clause 8(a) will be as agreed by the Indemnifying Party and the Indemnified Party. Failing agreement within a reasonable time, the contributions will be as determined by a court of competent jurisdiction having regard to:
 - (i) the participation in, instigation of or other involvement of the Indemnifying Party and any other liable party on the one hand, and the Indemnified Party (and the Underwriter) on the other hand, in any act complained of;
 - (ii) whether any defective disclosure or other conduct relates to information supplied by the Indemnifying Party or any other liable party and the Indemnifying Party's and Indemnified Party's relative intent, knowledge, access to information and opportunity to correct or remedy that disclosure or conduct (and in the case of an Indemnified Party, including the relative intent, knowledge, access and opportunity of the Underwriter); and
 - (iii) the benefits received by the Indemnifying Party on the one hand, and the Indemnified Party (and the Underwriter) on the other hand.
- (c) The Indemnifying Party agrees with the Indemnified Party that the Indemnified Party will not be required to contribute under clause 8(b) to any Claim or Loss or Relevant Loss or reimburse any amount under clause 8(e), an aggregate amount exceeding the aggregate commission and fees paid to the Underwriter by the Company under this agreement.
- (d) If an Indemnified Party pays an amount in relation to a Relevant Loss where it is entitled to contribution from the Indemnifying Party under clause 8(b), the Indemnifying Party agrees to promptly reimburse that Indemnified Party for that amount.
- (e) If the Indemnifying Party pays an amount in relation to a Relevant Loss where it is entitled to contribution from the Indemnified Party under clause 8(b), the Indemnified Party must promptly reimburse, or the Underwriter must procure that the Indemnified Party promptly reimburses, the Indemnifying Party for that amount.

9. Preservation of rights

Without in any way limiting the generality of clause 2(a), the rights of an Indemnified Party under this agreement will not in any way be prejudiced or affected by:

- (a) any involvement by that party in the preparation of the Offer Documents or Public Information;
- (b) any consent to be named in the Offer Documents or any other direct or indirect approval given by that Indemnified Party to the Offer;
- (c) any knowledge (actual or constructive) of any failure by the Indemnifying Party to perform or observe any obligations under this agreement;
- (d) any termination by the Underwriter of its obligations under this agreement;

- (e) any inaccuracy, breach or default in respect of any representation, warranty or undertaking made or deemed to have been made by the Indemnifying Party under this agreement; or
- (f) any other fact, matter or thing which might otherwise constitute a waiver of or in any way prejudice or affect any right of an Indemnified Party.

10. Third parties

- (a) The Indemnifying Party will promptly notify the Underwriter of any arrangement which limits the extent to which the Indemnifying Party may claim against a third party in relation to a Relevant Loss (**Relevant Limitation**).
- (b) An Indemnified Party is not liable to the Indemnifying Party to the extent that its liability is greater than it would have been had the Indemnifying Party not entered into the Relevant Limitation.
- (c) The Company acknowledges that the degree to which the Underwriter may rely on the work of any such third party will be unaffected by any Relevant Limitation.

Signing page

Executed as an agreement.

Executed by **Admedus Limited** in
accordance with section 127 of the
Corporations Act 2001 (Cth):

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.....
Company Secretary/Director

.....
Name (print)



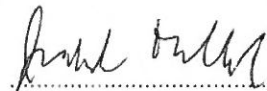
.....
Director

.....
Wayne Paterson

.....
Name (print)

Executed by **Sio Partners, LP** acting
through its general partner Sio GP LLC:

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Witness

.....
Judith Drillick

.....
Name (print)



.....
Managing Member of General Partner

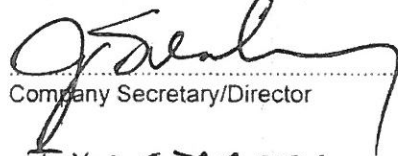
.....
Michael Coster

.....
Name (print)

Signing page

Executed as an agreement.

Executed by Admedus Limited in)
accordance with section 127 of the)
Corporations Act 2001 (Qth):)



Company Secretary/Director

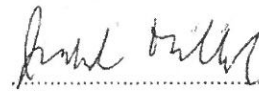
JOHN SEABERG

Name (print)

Director

Name (print)

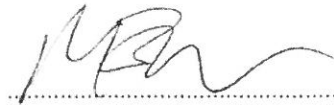
Executed by Sio Partners, LP acting)
through its general partner Sio GP LLC:)



Witness

Judith Drillick

Name (print)



Managing Member of General Partner

Michael Easter

Name (print)