

Accelerated Non-renounceable Entitlement Offer

Retail Offer booklet

Atomos Limited
ACN 139 730 500

4 for 7 accelerated non-renounceable pro rata entitlement offer of New Shares in the Company at a price of A\$0.10 per New Share to raise approximately A\$12.7 million.

Jointly lead managed and underwritten by Morgans Corporate Limited ACN 010 539 607 AFSL 235407 and Shaw and Partners Limited ACN 003 221 583 AFSL 236 048

Not for distribution or release in the United States.

This is an important document which is accompanied by a personalised entitlement and acceptance form and both should be read in their entirety. Please call your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser or the share registry if you have any questions.

The Retail Entitlement Offer closes at 5:00pm (Sydney time) on 8 November 2022 (unless extended). Valid applications must be received before that time.

Important notice

Not for distribution or release in the United States

This Retail Offer Booklet is dated 25 October 2022 and relates to the Entitlement Offer by the Company to raise approximately A\$12.7 million.

This Retail Offer Booklet has been issued by the Company. The Retail Entitlement Offer is made pursuant to section 708AA of the Corporations Act 2001 (Cth) (Corporations Act) (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73). This Retail Offer Booklet is not a prospectus or product disclosure statement under the Corporations Act and has not been lodged with ASIC. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus or product disclosure statement. As a result, it is important for you to read and understand the publicly available information on the Company and the Retail Entitlement Offer prior to deciding whether to accept your Entitlement and/or apply for Additional Shares including the Company's announcements on ASX.

Neither the Joint Lead Managers nor their related bodies corporates or affiliates, nor any of their respective directors, officers, partners, employees, representatives, contractors, consultants, agents or advisers (together, the **Joint Lead Manager Parties**) has authorised, permitted or caused the issue or lodgement, submission, despatch or provision of this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement made by the Joint Lead Manager or by any Joint Lead Manager Party. To the maximum extent permitted by law, each Joint Lead Manager Party expressly disclaims all duties and liabilities (including for fault, negligence and negligent misstatement) in respect of, and makes no representations or warranties regarding, and takes no responsibility for, any part of this Retail Offer Booklet or any action taken by you on the basis of the information in this Retail Offer Booklet, and makes no representation or warranty as to the fairness, currency, accuracy, reliability or completeness of this Retail Offer Booklet.

Note to Applicants

The information contained in this Retail Offer Booklet is not financial product advice and does not take into account the investment objectives, financial situation or particular needs of any prospective investor. It is important that you read this Retail Offer Booklet carefully and in full before deciding whether to accept your Entitlement and/or apply for Additional Shares. In considering an investment in the Company, you should consider the risks that could affect the financial performance or position of the Company. You should carefully consider these risks in the light of your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest. Some of the risks that should be considered by prospective investors are set out in the Investor Presentation. There may be risk factors in addition to these that should be considered in the light of your personal circumstances.

No person named in this Retail Offer Booklet, nor any other person, guarantees the performance of the Company, the repayment of capital by the Company or the payment of a return on the Shares.

No person is authorised to give any information or make any representation in connection with the Retail Entitlement Offer which is not contained in this Retail Offer Booklet. Any information or representation not so contained may not be relied on as having been authorised by the Company or the Directors.

Your right to acquire Shares under the Retail Entitlement Offer is not transferrable. Eligible Shareholders should carefully read and follow the instructions in Section 1 and in the accompanying personalised Entitlement and Acceptance Form (as defined below) when making the decision whether to accept your Entitlement (and apply for Additional Shares).

Obtaining a copy of this Offer Booklet

Eligible Shareholders will receive a copy of this Retail Offer Booklet together with an accompanying personalised Entitlement and Acceptance Form. Eligible Shareholders in Australia, New Zealand and United Kingdom can also obtain a copy of this Retail Offer Booklet (free of charge) during the Retail Entitlement Offer period (as defined below) from the Company's website at www.atomos.com or by calling the Share Registry on 1300 737 760 (from within Australia) or +61 2 9290 9600 (from outside of Australia) from 8.30am to 5.30pm (Sydney time), Monday to Friday during the Entitlement Offer period. Shareholders in other jurisdictions (including the United States), or who are, or are acting for the account or benefit of, a person in the United States are not entitled to access the electronic version of this Retail Offer Booklet. Eligible Shareholders who access the electronic version of this Retail Offer Booklet on the Company's website should ensure they download and read the entire Retail Offer Booklet. The electronic version of the Retail Offer Booklet on the Company's website will not include a personalised Entitlement and Acceptance Form.

Statements of past performance

Past performance and pro forma financial information included in this Retail Offer Booklet is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future financial performance or condition. Investors should note that past performance, including past share price performance, of the Company cannot be relied upon as an indicator of (and provides no guidance as to) the Company's future performance including future Share price performance. The historical information included in this Retail Offer Booklet is, or is based on, information that has previously been released to the market.

Investors should also be aware that certain financial data included in this Retail Offer Booklet may be '*non-IFRS financial information*' under Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC. The Company believes this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of the Company. The non-IFRS financial information does not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information and ratios (if any) included in this Retail Offer Booklet.

Financial information

The Investor Presentation sets out the financial information referred to in the Retail Offer Booklet. All dollar values are in Australian dollars unless noted otherwise (\$ or AU\$), rounded to the nearest \$0.1 million and financial data is presented as at or for the financial year ended 30 June 2022 unless stated otherwise. Any discrepancies between totals and sums of components in tables contained in this Retail Offer Booklet are due to rounding.

Forward looking statements

This Retail Offer Booklet contains forward looking statements which are identified by words such as '*may*', '*could*', '*believes*', '*estimates*', '*expects*', '*intends*' and other similar words that involve risks and uncertainties. Any forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Accordingly, such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management. The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Retail Offer Booklet will actually occur and prospective investors are cautioned against placing undue reliance on these forward-looking statements. Forward looking statements should be read in conjunction with, and are qualified by reference to, the risk factors as set out in the Investor Presentation, as well as the other information in this Retail Offer Booklet.

The Company has no intention to update or revise forward looking statements, regardless of whether new information, future events or any other factors affect the information contained in this Retail Offer Booklet, except where required by law.

No cooling-off period

No cooling off rights apply to applications submitted under the Retail Entitlement Offer.

No entitlements trading

Entitlements are non-renounceable and cannot be traded on ASX or any other exchange nor can they be privately transferred.

Company website

Any references to documents included on the Company's website at www.atomos.com are for convenience only, and none of the documents or other information available on the Company's website are incorporated herein by reference.

Defined terms and time

Capitalised terms and abbreviations used in this Retail Offer Booklet have the meanings given to them in the Glossary. Unless otherwise stated or implied, references to times in this Retail Offer Booklet are to Sydney, Australia time.

Disclaimer

Except as required by law, and only to the extent so required, neither the Company nor any other person

warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Retail Offer Booklet.

As set out in Section 1, it is expected that the New Shares will be quoted on ASX. The Company, the Joint Lead Managers and the Share Registry (in each case, as defined below) disclaim all liability, whether in negligence or otherwise, to persons who trade New Shares before receiving their holding statements.

Selling restrictions

This Retail Offer Booklet does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares, or the Retail Entitlement Offer, or to otherwise permit an offering of Shares, in any jurisdiction outside Australia, New Zealand and the United Kingdom. The distribution of this Retail Offer Booklet outside Australia, New Zealand and the United Kingdom may be restricted by law and persons who come into possession of this Retail Offer Booklet outside Australia, New Zealand or United Kingdom should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

In particular, the Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States or to US Persons unless the Shares are registered under the US Securities Act, or offered or sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. The Shares to be offered and sold in the Retail Entitlement Offer will only be offered and sold outside the United States to non-US Persons in "offshore transactions", as defined and in compliance with Regulation S under the US Securities Act.

For further detail please see the Foreign Selling Restrictions set out in Section 4.4.

Privacy

By filling out the personalised Entitlement and Acceptance Form to apply for New Shares (and Additional Shares, if applicable), you are providing personal information to the Company through the Company's share registry, Boardroom Pty Limited, which is contracted by the Company to manage applications. The Company, and the Share Registry on its behalf, may collect, hold and use that personal information in order to process your application, service your needs as an investor, provide facilities and services that you request and carry out appropriate administration. If you do not provide the information requested in the personalised Entitlement and Acceptance Form, the Company and the Share Registry may not be able to process or accept your application.

Your personal information may also be provided to the Company's members, agents and service providers on the basis that they deal with such information in accordance with the Company's privacy policy. The members, agents and service providers of the Company may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the register of members;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Shareholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, the Company's issued securities and for associated actions.

The information contained in the Company's register of members must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register of members is also used to facilitate dividend payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its members) and compliance by the Company with legal and regulatory requirements. An Applicant has a right to gain access to the information that the Company and the Share Registry hold about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing or by telephone call to the Company's registered office or the Share Registry's office, details of which are disclosed in the corporate directory set out on the last page of this Retail Offer Booklet.

Key Entitlement Offer and Dates

Event	Date
Announcement of Placement and Entitlement Offer	18 October 2022
Company conducts Placement and Institutional Entitlement Offer	18 October 2022 – 19 October 2022
Shares recommence trading ex-entitlement on ASX	20 October 2022
Record Date for the Retail Entitlement Offer 7:00pm (Sydney time)	20 October 2022
Settlement of the Placement and Institutional Entitlement Offer	24 October 2022
Retail Entitlement Offer opens	25 October 2022
Despatch of personalised Entitlement and Acceptance Forms and this Retail Offer Booklet to Eligible Retail Shareholders	25 October 2022
Allotment of New Shares under the Placement and Institutional Entitlement Offer	25 October 2022
New Shares issued under the Placement and Institutional Entitlement Offer commence trading	25 October 2022
Retail Entitlement Offer closes 5:00pm (Sydney time)	8 November 2022
Results of the Retail Entitlement Offer announced	15 November 2022
Allotment of New Shares under the Retail Entitlement Offer	15 November 2022
New Shares issued under the Retail Entitlement Offer commence trading	15 November 2022
Despatch of holding statements for New Shares issued under the Retail Entitlement Offer	16 November 2022

Dates and times in this Retail Offer Booklet are indicative only and subject to change. All times and dates refer to Sydney time. The Company reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Retail Entitlement Offer without prior notice, including extending the Retail Entitlement Offer or accepting late Applications, either generally or in particular cases, or to withdraw the Retail Entitlement Offer or part of the Retail Entitlement Offer without prior notice. Applicants are encouraged to submit their personalised Entitlement and Acceptance Forms as soon as possible. The commencement of quotation of New Shares is subject to confirmation from ASX.

Enquiries

Before making a decision about investing in the Retail Entitlement Offer, you should seek advice from your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser to determine whether it meets your objectives, financial situation and needs. If you have any questions on how to:

1. complete your personalised entitlement and acceptance form; or
2. take up the New Shares offered to you under the Retail Entitlement Offer, either in full or in part; or
3. take up your full Entitlement and apply for Additional Shares,

please call the Share Registry between 8.30am and 5.30pm (Sydney time) Monday to Friday during the period from and including the date on which the Retail Entitlement Offer opens until and including the date on which it closes:

Within Australia: 1300 737 760

Outside Australia: +61 2 9290 9600

If you have misplaced your Entitlement and Acceptance Form and would like a replacement form, please call the applicable number above. Alternatively, if you have the Shareholder Reference Number or Holder Identification Number for your holding(s), you can download a replacement form from the Share Registry's secure website at www.investorserve.com.au.

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Chairman's letter

Dear Shareholder

On behalf of the Company, I invite you to participate in a 4 for 7 accelerated non-renounceable pro rata entitlement offer of New Shares at an Offer Price of A\$0.10 per New Share. The Offer Price represents a discount of approximately 33.3% to the last close price of \$0.15 of Shares on the ASX prior to announcement of the Entitlement Offer on 18 October 2022, a 33.9% discount to the 5-day VWAP of \$0.151 and a 21.7% discount to the theoretical ex-rights price (TERP) of \$0.128.

The Entitlement Offer comprises:

- an institutional component (**Institutional Entitlement Offer**); and
- a retail component (**Retail Entitlement Offer**).

The results of the Institutional Entitlement Offer were announced on 20 October 2022 with the issue of New Shares under the Institutional Entitlement Offer to take place on 25 October 2022, to raise gross proceeds of approximately A\$3.3 million.

The Retail Entitlement Offer is expected to raise gross proceeds of A\$9.45 million.

As announced on 18 October 2022, the Company has also undertaken a placement of New Shares to institutional and sophisticated investors at the Offer Price of A\$0.10 per New Share (that is, the same price as the Entitlement Offer) to raise gross proceeds of approximately A\$5.2 million (**Placement**).

This Retail Offer Booklet relates to the Retail Entitlement Offer and the New Shares to be issued under it. The Offer Price of A\$0.10 per New Share under the Retail Entitlement Offer is the same issue price paid by institutional investors under the Institutional Entitlement Offer and by investors under the Placement. New Shares issued under either component of the Entitlement Offer and the Placement will rank equally with existing Shares.

The Offer is fully underwritten by Morgans Corporate Limited and Shaw and Partners Limited.

The Directors have committed to subscribe for approximately A\$116,885 worth of New Shares under the Offer, by way of taking up their pro-rata entitlements, either fully or partially, under the Retail Entitlement Offer.

Reasons for the Offer

The aggregate gross proceeds of the Offer (approximately A\$18.0 million) will be used to fund the Company's strategic investment in MAVIS, marketing of new revenue streams, sensor commercialisation, debt reduction, balance sheet flexibility and to cover the costs of the Offer.

Details of your Entitlement

Eligible Shareholders are entitled to subscribe for 4 New Shares for every 7 existing Shares held at 7:00pm (Sydney time) on the Record Date, being 20 October 2022.

Eligible Retail Shareholders may also apply for Additional Shares at the Offer Price in excess of their Entitlement. Additional Shares will only be allocated to Eligible Retail Shareholders if available and if and to the extent that the Company so determines, in its absolute discretion. The Company may elect to scale-back Applications for Additional Shares in its absolute discretion.

Further information

Further information on the Retail Entitlement Offer is detailed in this Retail Offer Booklet and the Investor Presentation included in Section 3. You should read the entirety of this Retail Offer Booklet carefully before deciding whether to participate in the Entitlement Offer. An investment in the Company and the New Shares, is speculative and subject to a range of risks, which are more fully detailed in the Investor Presentation in Section 3. If any of these risks or other material risks eventuate, it will likely have a material adverse impact on the Company's future financial performance and position.

On behalf of the Directors and management team of the Company, I invite you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Chris Tait', with a long horizontal line extending to the right.

Chris Tait
Chairman

1. Details of the Retail Entitlement Offer and how to apply

1.1 The Retail Entitlement Offer

Eligible Shareholders (as defined in Section 5) are being offered the opportunity to subscribe for 4 New Shares for every 7 existing Shares held at the Record Date being 7:00pm (Sydney time) on 20 October 2022, at the Offer Price of A\$0.10 per New Share.

Eligible Retail Shareholders may also apply for New Shares in excess of their Entitlement under the Shortfall Facility (**Additional Shares**). The allocation of any Additional Shares will be limited to the extent that there are sufficient New Shares available from Eligible Shareholders who do not take up their full Entitlement. Additional Shares will be allocated by the Company, in its absolute discretion. The Company may scale-back Applications for Additional Shares in its absolute discretion, and may in its absolute discretion allocate New Shares to the sub-underwriters to the Entitlement Offer in addition to Eligible Shareholders (see Section 1.2), which will reduce the number of New Shares available for allocation under the Shortfall Facility. In particular, the Company may scale-back Applications for Additional Shares if the allotment of Additional Shares would result in a Shareholder holding a Relevant Interest (as that term is defined in the Corporations Act) in 20% or more of the Shares on issue.

New Shares issued pursuant to the Retail Entitlement Offer will be fully paid and will rank equally with existing Shares on issue.

Please consider the Retail Entitlement Offer in the light of your particular investment objectives and circumstances.

1.2 Director commitments

The Directors have committed to subscribe for approximately A\$116,885 worth of New Shares under the Offer, by way of taking up their pro-rata entitlements under the Retail Entitlement Offer, either in full or partially. See Section 2.3.1 for details of the directors' interests before and after the Offer.

1.3 Underwriting

The Entitlement Offer, comprised of the Retail Entitlement Offer and Institutional Entitlement Offer is fully underwritten by the Joint Lead Managers, being Morgans Corporate Limited and Shaw and Partners Limited ACN 003 221 583. The Company and the Joint Lead Managers have entered into an underwriting agreement, the key terms of which are set out in Section 2.7 and on Pages 50 to 52 of the Investor Presentation.

1.4 Your Entitlement

Your Entitlement is set out in the accompanying personalised Entitlement and Acceptance Form and has been calculated as 4 New Shares for every 7 existing Shares you hold as at the Record Date. If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

Any fractional entitlements will be rounded to the nearest whole number of New Shares with a fractional entitlement of 0.5 being rounded up.

If you decide to take up all or part of your Entitlement, or apply for Additional Shares, please refer to the personalised Entitlement and Acceptance Form and apply for New Shares (and Additional Shares, if applicable) pursuant to the instructions set out on the personalised Entitlement and Acceptance Form.

The Company reserves the right (in its absolute discretion) to reduce the number of New Shares allocated to Eligible Retail Shareholders or persons claiming to be Eligible Retail Shareholders if their claims prove to be incorrect or overstated or if they fail to provide information to substantiate their claims.

1.5 Nominees

The Retail Entitlement Offer is only being made to Eligible Retail Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares (e.g. for the purposes of determining whether any such persons may participate in the Retail Entitlement Offer).

Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compliant with applicable foreign laws. Any person that is in the United States or is a US Person with a holding through a nominee may not participate in the Retail Entitlement Offer and the nominee must not take up any Entitlement or send any materials into the United States or to any person it knows to be in the United States or a US Person.

The Company assumes no obligation to advise you on any foreign laws.

1.6 No Rights Trading

There will be no trading of rights on ASX, and you may not dispose of your rights to subscribe for New Shares under the Retail Entitlement Offer to any other party.

1.7 Risks

As with any securities investment, there are risks associated with investing in the Company. Having regard to the risks applicable to the Company and its business, Eligible Retail Shareholders should be aware that an investment in the New Shares offered under this Retail Offer Booklet should be considered speculative and there exists a risk that you may, in the future, lose some or all of the value of your investment.

Before deciding to invest in the Company, you should read this Retail Offer Booklet in its entirety, in particular the specific risks associated with an investment in the Company (detailed in the Investor Presentation in Section 3) and should consider all factors in light of your personal circumstances and seek appropriate professional advice.

1.8 Options available to you

If you are an Eligible Shareholder, you may take any one of the following options:

Option	Action
Take up all of your Entitlement	If you take up and pay for all of your Entitlement in accordance with the instructions below, before the close of the Retail Entitlement Offer, you will be issued your New Shares on 15 November 2022.
Do nothing	If you take no action or your Application is not supported by cleared funds, your Entitlement will lapse. You should note that if you allow all or part of your Entitlement to lapse, then your percentage holding in the Company will be diluted by your non-participation in the Retail Entitlement Offer. Entitlements will not be able to be traded on ASX or another financial market, or otherwise privately transferred.
Take up part of your Entitlement	If you elect to take up and pay for part of your Entitlement in accordance with the instructions below, before the close of the

and allow the balance to lapse	Retail Entitlement Offer, you will be issued New Shares with respect to that part of your Entitlement on 15 November 2022. The balance of your Entitlement will lapse.
Take up all of your Entitlement and also apply for Additional Shares in excess of your Entitlement	If you take up and pay for all your Entitlement, before the close of the Retail Entitlement Offer, you will be issued your New Shares on 15 November 2022. If you apply for Additional Shares in excess of your Entitlement, subject to Additional Shares being available and the Company's discretion to scale-back your allocation of Additional Shares, you will also be issued with these Additional Shares on 15 November 2022. The Company's decision on the number of Additional Shares to be allocated to you will be final. Other than to the extent that Additional Shares are issued to you, any surplus Application Monies received for more than your Entitlement will be refunded after the close of the Retail Entitlement Offer on or around 8 November 2022 (except for where the amount is less than A\$5, in which case it will be donated to a charity chosen by the Company). Refunds will be made by sending a cheque in the post to the address the Company records on its share register for you on or around the Retail Allotment Date, as applicable. No interest will be paid to Eligible Retail Shareholders on any Application Monies received or refunded (wholly or partially).

1.9 Eligible Retail Shareholders

The Retail Entitlement Offer is only available to Eligible Retail Shareholders, who are those holders of Shares who:

- 1.9.1 are registered as a holder of Shares as at the Record Date;
- 1.9.2 have an address on the Company share register in Australia, New Zealand or the United Kingdom and any other jurisdiction determined by the Company as at the Record Date;
- 1.9.3 are not in the United States or a US Person or acting for the account or benefit of a person in the United States or a US Person;
- 1.9.4 did not receive an offer (other than as nominee) under the Institutional Entitlement Offer (or if such an invitation was received, it was subsequently revoked by the Company), and were not treated as an ineligible institutional Shareholder under the Institutional Entitlement Offer; and
- 1.9.5 are eligible under all applicable laws to receive an offer under the Retail Entitlement Offer without a prospectus, disclosure document, product disclosure statement or any lodgement, filing, registration or qualification.

Shareholders who do not satisfy each of these criteria are Ineligible Retail Shareholders. See Section 1.10 for further details on Ineligible Foreign Shareholders.

The Company may (in its absolute discretion) extend the Retail Entitlement Offer to any Shareholder in other foreign jurisdictions (subject to compliance with applicable laws).

The Company, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Retail Shareholder and is therefore able to participate in the Retail Entitlement Offer, or an Ineligible Retail Shareholder and is therefore unable to participate in

the Retail Entitlement Offer. The Company disclaims all liability to the maximum extent permitted by law in respect of any determination as to whether a Shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

The Retail Entitlement Offer is not being extended to any Shareholders outside Australia, New Zealand and the United Kingdom, unless otherwise determined by the Company. By returning a completed Entitlement and Acceptance Form or making a payment by BPAY, you will be taken to have represented and warranted that you satisfy each of the criteria listed above. Eligible Retail Shareholders who are nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

The Company may (in its absolute discretion) extend the Retail Entitlement Offer to any institutional Shareholder that was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer (subject to compliance with relevant laws).

1.10 Ineligible Foreign Shareholders

The Company has decided that it is unreasonable to make offers under the Retail Entitlement Offer to Shareholders who are holders of Shares and who have registered addresses outside Australia, New Zealand and United Kingdom (**Ineligible Foreign Shareholders**), having regard to the number of such holders in those places and the number and value of Shares that they would be offered and the cost of complying with the relevant legal and regulatory requirements in those places. As a result, these Shareholders will not be able to participate in the Retail Entitlement Offer, unless otherwise determined by the Company.

However, the New Shares and New Options that Ineligible Foreign Shareholders would otherwise have been entitled to will instead be issued to Berne No 132 Nominees Pty Ltd (ACN 010 413 591) (**Nominee**), who the Company has appointed to sell the New Shares and return the net proceeds to Ineligible Foreign Shareholders.

The Nominee will have the absolute and sole discretion to determine the timing, the price at which the New Shares may be sold and the manner of such sale, which is expected to be on-market on the ASX. The net proceeds above the Offer Price (in Australian dollars), if any, of the sale of the relevant New Shares will be distributed to the Ineligible Foreign Shareholders pro rata in proportion to their respective shareholdings as at the Record Date (after deducting costs, including costs of the sale and costs of distributing the proceeds). There is no assurance that the Nominee will be able to sell the New Shares issued pursuant to the Ineligible Foreign Shareholder's Entitlements at an offer price that will result in Ineligible Foreign Shareholders receiving any net proceeds for their Entitlements such that Ineligible Foreign Shareholders may receive no value for their Entitlements.

Neither the Company nor the Nominee will be subject to any liability for failure to sell the New Shares that would have been offered to Ineligible Foreign Shareholder or to sell them at a particular price.

Notwithstanding that the Nominee must sell the New Shares, Ineligible Foreign Shareholders, may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

The Company has applied for approval from ASIC to the appointment of the Nominee for the purposes described in this Section 1.10 and section 615 of the Corporations Act.

1.11 How to apply

If you decide to take up all or part of your Entitlement, or take up all of your Entitlement and also apply for Additional Shares in excess of your Entitlement, please:

1.11.1 pay your Application Monies via BPAY; or

- 1.11.2 complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies, by following the instructions set out on the personalised Entitlement and Acceptance Form.

The Company will treat you as applying for as many New Shares as your payment will pay for in full up to your full Entitlement. Amounts received by the Company in excess of your full Entitlement (**Excess Amount**), will be treated as an application for as many Additional Shares as your Excess Amount will pay for in full, subject to any scale-back that the Company may determine to implement in its absolute discretion in respect of Additional Shares.

To participate in the Retail Entitlement Offer, your payment must be received no later than the close of the Retail Entitlement Offer, being 5:00pm (Sydney time) on 8 November 2022.

1.12 Payment methods

1.12.1 Payment by BPAY

For payment by BPAY, please follow the instructions on your personalised Entitlement and Acceptance Form (which includes the biller code and your unique Customer Reference Number (**CRN**)). You can only make a payment via BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions. Please note that should you choose to pay by BPAY:

- (a) you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations on that personalised Entitlement and Acceptance Form; and
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares as is covered in full by your Application Monies.

When completing your BPAY payment, please make sure to use the specific biller code and unique CRN provided on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form (i.e., where you have multiple holdings), please only use the CRN specific to the Entitlement on that form. If you inadvertently use the same CRN for more than one of your Entitlements when paying by BPAY, you will be deemed to have taken up your Entitlement and applied for Additional Shares over and above your Entitlement on that holding to which that CRN applies and your applications in respect of your other CRNs will be deemed to have been rejected and will lapse.

Should you choose to pay by BPAY it is your responsibility to ensure that your BPAY payment is received by the Share Registry by no later than 5.00pm (Sydney time) on 8 November 2022. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. The Company takes no responsibility for any failure to receive Application Monies or payment by BPAY before the Entitlement Offer closes arising as a result of, among other things, delays in postage or processing of payments by financial institutions.

1.13 Confirmation of your Application and managing your holding

You may access information on your shareholding, including your Record Date balance and the issue of New Shares or Additional Shares from this Retail Entitlement Offer, and manage the standing instructions the Share Registry records on your holding on the share registry website www.investorserve.com.au. To access the share registry, you will need your

Security Reference Number (**SRN**), or Holder Identification Number (**HIN**) as shown on your Issuer Sponsored or CHESS statements and you will need to pass the security requirements on the site. To log into the Share Registry the Shareholder will need to use the username and password that they have already established. If they do not have one, they can contact the Share Registry by phone fax or mail to update details, but identification processes will need to be gone through.

1.14 ASX quotation and trading

The Company will apply for quotation of the New Shares under the Retail Entitlement Offer on ASX. While the Company is not aware of any reason why quotation would be denied, there is no assurance that the application will be granted. If quotation is not granted, New Shares under the Retail Entitlement Offer will not be issued, and Application Monies will be refunded to Applicants without interest.

The fact that ASX may grant quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company, or the New Shares issued under the Entitlement Offer.

It is expected that the quotation and trading of New Shares issued under the Retail Entitlement Offer will commence on or about 16 November 2022 (on a normal settlement basis).

Holding statements for the New Shares are expected to be sent in accordance with ASX Listing Rules on or around 15 November 2022. It is the responsibility of each Applicant to confirm their holding before trading in New Shares. Any Applicant who sells New Shares before receiving their confirmation of issue will do so at their own risk. The Company, the Share Registry and the Joint Lead Managers disclaim all liability in tort (including negligence), statute or otherwise, to any person who trades in New Shares before receiving their confirmation of issue, whether on the basis of a confirmation of issue provided by the Company, the Share Registry or the Joint Lead Managers, or otherwise.

1.15 CHESS

The New Shares will participate from the date of commencement of quotation in the Clearing House Electronic Sub-Register System (**CHESS**), operated by ASX Settlement Pty Limited. These securities must be held in uncertificated form (i.e., no certificate will be issued) on the CHESS sub-register under sponsorship of a sponsoring participant (usually a broker) or on the issuer-sponsored sub-register. Arrangements can be made at any subsequent time following quotation to convert your holdings from the issuer-sponsored sub-register to the CHESS sub-register under sponsorship of a sponsoring participant or vice versa, by contacting your sponsoring participant.

1.16 No withdrawal or cooling-off rights

You cannot withdraw your Application once it has been accepted. Cooling-off rights do not apply to an investment in New Shares.

The Company reserves the right to withdraw the Retail Entitlement Offer at any time before the issue of New Shares to Eligible Shareholders, in which case the Company will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to applicants.

1.17 Warranties made on acceptance of the Retail Entitlement Offer

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY you will be deemed to have acknowledged, represented and warranted that you, and each person on whose account you are acting:

- 1.17.1 acknowledge that you have fully read and understood both this Retail Offer Booklet and your Entitlement and Acceptance Form in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Retail Offer Booklet and the Entitlement and Acceptance Form;
- 1.17.2 agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet and the Company's Constitution;
- 1.17.3 authorise the Company to register you as the holder(s) of New Shares issued to you;
- 1.17.4 declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- 1.17.5 declare you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- 1.17.6 acknowledge that once the Company receives your Entitlement and Acceptance Form or any payment of Application Monies via BPAY, you may not withdraw your Application or funds provided except as allowed by law;
- 1.17.7 agree to apply for and be issued with up to the number of New Shares specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY, including, in each case, any Additional Shares, at the Offer Price per New Share;
- 1.17.8 authorise the Company, the Joint Lead Managers, the Share Registry and any of their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your Entitlement and Acceptance Form;
- 1.17.9 declare that you were the registered holder(s) at the Record Date of the Shares indicated on the Entitlement and Acceptance Form as being held by you on the Record Date;
- 1.17.10 acknowledge that the information contained in this Retail Offer Booklet and your Entitlement and Acceptance Form is not investment advice or financial product advice nor have they been prepared taking into account your investment objectives, financial circumstances or particular needs or circumstances;
- 1.17.11 acknowledge that this Retail Offer Booklet and your Entitlement and Acceptance Form is not a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- 1.17.12 acknowledge that you have read and understood the risks set out in the Investor Presentation and that investments in the Company are subject to a high degree of risk;
- 1.17.13 acknowledge that none of the Company, the Joint Lead Managers, or their respective related bodies corporate, affiliates or respective directors, officers,

partners, employees, representatives, agents, consultants or advisers, guarantee the performance of the Company, nor do they guarantee the repayment of capital;

- 1.17.14 agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- 1.17.15 authorise the Company to correct any errors in your Entitlement and Acceptance Form or other form provided by you;
- 1.17.16 represent and warrant (for the benefit of the Company, the Joint Lead Managers and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee (or if you did receive such an invitation, it was subsequently revoked by the Company), and that you are not an Eligible Institutional Shareholder under the Institutional Entitlement Offer;
- 1.17.17 represent and warrant that the law of any place does not prohibit you from being given this Retail Offer Booklet and the Entitlement and Acceptance Form, nor does it prohibit you from making an Application for New Shares (or Additional Shares); and
- 1.17.18 represent and warrant that your acceptance of the Entitlement Offer does not breach any laws in a jurisdiction outside Australia, New Zealand or United Kingdom or any other applicable jurisdiction.

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY, you will also be deemed to have acknowledged, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that you are an Eligible Shareholder (as defined in the *'Additional information'* section) or otherwise eligible to participate in the Retail Entitlement Offer and:

- 1.17.19 you are not in the United States or a US Person;
- 1.17.20 you and each person on whose account you are acting are not in the United States or a US Person, and are not otherwise a person to whom it would be illegal to make an offer of or issue of Entitlements or New Shares under the Retail Entitlement Offer and under any applicable laws and regulations;
- 1.17.21 the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States, and, accordingly, the New Shares may not be offered or sold in the United States or to US Persons, except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- 1.17.22 understand and acknowledge that the New Shares may only be sold outside the United States to non-US Persons in 'offshore transactions' (as defined in and in compliance with Regulation S under the US Securities Act);
- 1.17.23 you and each person on whose account you are acting have not and will not send any materials relating to the Retail Entitlement Offer to any person in the United States or any US Person, or a person that is acting for the account or benefit of a person in the United States or a US Person, or elsewhere outside Australia, New Zealand or the United Kingdom;

- 1.17.24 if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in regular transactions on ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States or a US Person; and
- 1.17.25 if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form (i) is resident in Australia, New Zealand or the United Kingdom and (ii) is not in the United States or a US Person, or elsewhere outside Australia, New Zealand or the United Kingdom.

1.18 Further information

Please consult with your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you have any queries or are uncertain about any aspects of the Retail Entitlement Offer.

If you have any questions on how to:

- complete your personalised entitlement and acceptance form; or
- take up the New Shares offered to you under the Retail Entitlement Offer, either in full or in part; or
- take up your full Entitlement and apply for Additional Shares,

please call the Share Registry between 8.30am and 5.30pm (Sydney time) Monday to Friday during the period from and including the date on which the Retail Entitlement Offer opens until and including the date on which it closes:

Within Australia: 1300 737 760

Outside Australia: +61 2 9290 9600

2. Purpose and Effect of the Offer

2.1 Use of proceeds

The Company is seeking to raise approximately A\$12.7 million under the Entitlement Offer (with approximately A\$3.3 million of that amount raised under the Institutional Entitlement Offer) before fees and costs of the Entitlement Offer. The Company has also received commitments for approximately \$5.2 million under the Placement.

The gross proceeds of the Entitlement Offer, expected to be approximately A\$12.7 million will be used to fund the Company's strategic investment in MAVIS, marketing of new revenue streams, sensor commercialisation, debt reduction, balance sheet flexibility and to cover the costs of the offer. Further details of the use of proceeds are set out in the Investor Presentation in Section 3.

2.2 Capital structure

A table setting out the effect of the Offer on the capital structure of the Company is set out below:

	As at the Record Date	As at the Record Date (fully diluted)	On completion of the Placement	On completion of the Placement (fully diluted)	On completion of the Offer	On completion of the Offer (fully diluted)
Shares	222,351,585	230,719,004	274,763,030	283,318,705	401,821,079	410,188,498

2.3 Pre-commitments

2.3.1 Directors

The Company has obtained commitments from the Directors / their associated entities that they will take up their Entitlements under the Retail Entitlement Offer in full.

Below is a table setting out the relevant interests of the Directors before and following completion of the Retail Entitlement Offer based on them taking up their committed Entitlements:

Director	At the Record Date	On completion of the Entitlement Offer
Chris Tait	1,702,628 Shares 50,000 performance rights	2,675,559 Shares 50,000 performance rights
Megan Brownlow	167,851 Shares 49,358 performance rights	263,766 Shares 49,358 performance rights

Sir Hossein Yassaie	2,289,579 Shares 49,358 performance rights	2,389,579 Shares 49,358 performance rights
Trevor Elbourne	835,475 Shares 518,971 options 25,418 share rights 356,018 performance rights	835,475 Shares 518,971 options 25,418 share rights 356,018 performance rights

2.4 Sub-underwriting arrangements

Certain existing shareholders including Ellerston Capital, Regal Funds Management and Domazet FT3 Pty Ltd atf The Domazet Family A/C No 3 (Domazet) have agreed to sub-underwrite any shortfall under the Entitlement Offer. Details of the potential voting power of these shareholders following completion of the Offer is set out in section 2.5.

2.5 Effect on control

2.5.1 Dilution

Eligible Retail Shareholders should note that if they do not participate in the Retail Entitlement Offer, their holdings will be diluted.

If all Entitlements were accepted by Eligible Shareholders to the full extent, then the Entitlement Offer itself will not result in any material change to the control of the Company. However, as the Company is conducting the Placement alongside the Entitlement Offer, the holdings of Eligible Retail Shareholders will be diluted as a result of the New Shares issued under the Placement even if they accept their Entitlement in full.

2.5.2 Substantial shareholders

The table below sets out the number of Shares held by the substantial shareholders of the Company before and after the Offer based on the commitments received under the Placement and Institutional Entitlement Offer and the maximum number of Shares they may hold if they are required to take up their sub-underwriting allocations in full.

Shareholder	Number of Shares at the Record Date	Number of Shares following completion of the Offers based on commitments	Maximum number of Shares following completion assuming full sub-underwriting allocation
Ellerston Capital	28,550,164	38,550,164	48,550,164
Regal Funds Management	14,911,352	43,432,125	64,432,125
Domazet	10,656,689	41,746,226	94,507,539

The table below sets out the voting power of the substantial shareholders of the Company before and after the Offers based on the commitments received under the Placement and Institutional Entitlement Offer and the maximum number of Shares they may hold if they are required to take up their sub-underwriting allocations in full.

Shareholder	Voting power at the Record Date	Potential voting power following completion of the Offers ¹	Potential voting power following completion of the Offers assuming full sub-underwriting allocation ²	Potential voting power following completion assuming full sub-underwriting allocation ^{1 2} (fully diluted)
Ellerston Capital	12.84%	9.6%	12.1%	11.8%
Regal Funds Management	6.71%	10.8%	16.0%	15.7%
Domazet	4.79%	10.4%	23.5%	23.0%

2.5.3 Effect of control

The potential effect the Offer will have on the control of the Company and the consequences of that effect will depend on a number of factors, including the extent to which Eligible Shareholders take up their Entitlements and any Additional Shares and the allocation of any Shortfall. However, given the structure of the Entitlement Offer being an accelerated pro rata entitlement offer together with the Company having received binding commitments from the Directors and certain institutional Shareholders of the Company to take up Shares under the Institutional Entitlement Offer and the Entitlement Offer being fully underwritten by the Joint Lead Managers, the issue of New Shares under the Offer is not expected to have a material effect on the control of the Company and therefore no subsequent consequences for the Company.

However, as noted above, in the event that existing shareholders did not take up any New Shares under the Entitlement Offer and therefore the substantial shareholders would be required to take up their full sub-underwriting allocations, the voting power of the substantial shareholders will increase as set out in the table above and, in particular, Domazet would therefore acquire up to a maximum of 23.5% of the issued share capital of the Company.

2.6 Risks

There are a number of risks associated with an investment in the Company which may affect its financial performance, financial position, cash flows, growth prospects and share price. The key risk factors are set out in the Investor Presentation included in Section 3.

2.7 Underwriting

The Entitlement Offer is lead managed and fully underwritten by the Joint Lead Managers pursuant to an underwriting agreement dated 18 October 2022 (**Underwriting Agreement**).

A summary of the key terms of the Underwriting Agreement is provided in Pages 50 to 52 of the Investor Presentation.

The Underwriting Agreement contains certain customary:

- conditions precedent that must be satisfied or waived before the Joint Lead Managers are obliged under the Underwriting Agreement to, among other things, underwrite the Entitlement Offer;
- representations and warranties relating the Entitlement Offer and the Company's operations, in favour of the Joint Lead Managers and an indemnity for the Joint Lead Managers with respect to loss suffered in connection with the Entitlement Offer;

- undertakings in favour of the Joint Lead Managers including in relation to providing updates to the Joint Lead Managers of any material new information which may impact the Entitlement Offer and/or Placement.

The Underwriting Agreement is subject to generally customary termination events, with the key termination events summarised in Pages 50 to 52 of the Investor Presentation. If the Joint Lead Managers terminate the Underwriting Agreement in accordance with its terms, the Joint Lead Managers will be released from its obligations under the Underwriting Agreement.

The Joint Lead Managers will receive a fee for managing and underwriting the Offers equal to:

- a management fee of 3.00% of the Offer Price multiplied by the number of Shares offered under the Offers; and
- an underwriting fee of 2.00% of the Offer Price multiplied by the number of Shares offered under the Offers.

The Joint Lead Managers will also be reimbursed by the Company for certain expenses incurred in relation to the Entitlement Offer. The Company has also agreed to indemnify the Joint Lead Managers and certain affiliated parties from any losses suffered by those parties in connection with the Entitlement Offer.

2.8 Reporting and disclosure obligations

The Company is a disclosing entity for the purposes of the Corporations Act and is therefore subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. These obligations require ASX to be notified periodically and on a continuous basis of information about specific events and matters as they arise for the purpose of ASX making the information available to the financial market operated by it.

In particular, the Company has an obligation under the ASX Listing Rules (subject to certain limited exceptions) to notify ASX immediately of any information concerning the Company, of which it becomes aware, which a reasonable person would expect to have a material effect on the price or value of the Company's securities. The Company is also required to prepare and lodge with ASIC and ASX both yearly and half-yearly financial statements accompanied by a Directors' declaration and report, and an audit or review report.

2.9 Rights and liabilities attaching to Shares

Immediately after issue and allotment, the New Shares being offered under the Offer will be fully paid Shares and will rank *pari passu* with the Shares currently on issue.

Detailed provisions relating to the rights attaching to the Shares are set out in the Company's Constitution and are summarised below. A copy of the Company's Constitution can be inspected during office hours at the registered office of the Company and Shareholders have the right to obtain a copy of the Company's Constitution, free of charge.

Each Share will confer on its holder:

- the right to receive notice of and to attend general meetings of the Company and to receive all financial statements, notices and documents required to be sent to them under the Company's Constitution and the Corporations Act;
- the right to vote at a general meeting of Shareholders (whether present in person or by any representative, proxy or attorney) on a show of hands (one vote per Shareholder) and on a poll (one vote per Share on which there is no money due and

payable) subject to the rights and restrictions on voting which may attach to or be imposed on Shares (at present there are none);

- the right to receive dividends, according to the amount paid up on the Share;
- the right to receive, in kind, the whole or any part of the Company's property on a winding up, subject to the rights of a liquidator to distribute surplus assets of the Company with the consent of members by special resolution; and
- subject to the Corporations Act and ASX Listing Rules, Shares are fully transferable.

The rights attaching to Shares may be varied by a special resolution of Shareholders in accordance with the Corporations Act.

3. Investor Presentation

4. Additional Information

4.1 Not investment advice or financial product advice

The information in this Retail Offer Booklet is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs or circumstances. The Company is not licensed to (and does not) provide financial product advice in respect of the New Shares or Additional Shares.

The information in this Retail Offer Booklet does not take into account the investment objectives, financial situation or needs of you or any particular investor. Before deciding whether to apply for New Shares or Additional Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. You should conduct your own independent review, investigation and analysis of New Shares, the subject of the Retail Entitlement Offer. If, after reading this Offer Booklet, you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser.

4.2 Past performance

Past performance and pro-forma historical financial information given in this Retail Offer Booklet is provided for illustrative purposes only and is not, and should not be relied upon as, an indication of future performance. The historical information in this Retail Offer Booklet is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX which can be accessed at www.asx.com.au.

4.3 Notice to nominees and custodians

Nominees and custodians who hold Shares as nominees or custodians will have received, or will shortly receive, a letter in respect of the Retail Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to Eligible Institutional Shareholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their entitlement or not), institutional Shareholders who were treated as ineligible institutional investors under the Institutional Entitlement Offer and Ineligible Retail Shareholders.

4.4 Foreign jurisdictions

The Retail Entitlement Offer is only being extended to Shareholders with a registered address in Australia, New Zealand or the United Kingdom (unless otherwise determined by the Company). This document (and the accompanying Entitlement and Acceptance Form) does not constitute an offer of securities in the Company in any jurisdiction in which such an offer would be illegal.

The distribution of this document (and the accompanying Entitlement and Acceptance Form) (including electronic copy) outside Australia, New Zealand and the United Kingdom may be restricted by law. If you come into possession of this information, you should observe such restrictions and should seek your own advice on such restrictions.

Any non-compliance with these restrictions may contravene applicable securities laws.

To the extent that a Shareholder holds Shares on behalf of another person outside Australia, New Zealand and Colombia, it is that Shareholder's responsibility to ensure that any acceptance complies with all applicable foreign laws.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to fewer than 150 persons who are existing shareholders of the Company. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

4.5 Governing law

The information in this Retail Offer Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Retail Entitlement Offer pursuant to the personalised Entitlement and Acceptance Forms are governed by the law applicable in New South Wales, Australia. Each Shareholder who applies for New Shares and Additional Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

4.6 Taxation

You should be aware that there may be taxation implications associated with participating in the Retail Entitlement Offer and receiving New Shares (and Additional Shares).

The Company does not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares (and Additional Shares) under the

Retail Entitlement Offer. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to New Shares.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares (and Additional Shares) under this Retail Offer Booklet.

5. Glossary

Term	Meaning
Additional Shares	Has the meaning given in Section 1.1
Applicant	An Eligible Retail Shareholder who validly applies for New Shares (and, if applicable, Additional Shares) under the Retail Entitlement Offer in accordance with the Retail Offer Booklet
Application	An application made on a personalised Entitlement and Acceptance Form to apply for New Shares (and, if applicable, Additional Shares) under the Retail Entitlement Offer in accordance with this Retail Offer Booklet
Application Monies	Money submitted by Applicants under the Retail Entitlement Offer
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ABN 98 008 624 691), or the financial market operated by it, as the context requires
ASX Listing Rules	The official listing rules of ASX, as amended or waived from time to time
ASX Settlement	ASX Settlement Pty Limited (ABN 49 008 504 532)
AUD, A\$, \$ or Australian dollar or cent	The lawful currency of the Commonwealth of Australia
Australian Accounting Standards	Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board
Board	The board of directors of the Company from time to time
CHESS	Clearing House Electronic Subregister System operated in accordance with the Corporations Act
Company	Atomos Limited ACN 139 730 500
Constitution	The Company's constitution
Corporations Act	<i>Corporations Act 2001</i> (Cth)
CRN	Customer Reference Number
Director or Directors	A member of the Board from time to time
Eligible Retail Shareholders	Retail Shareholders with a registered address in Australia, New Zealand or the United Kingdom as at the Record Date and who otherwise satisfy the eligibility criteria under Section 1.9
Eligible Institutional Shareholders	Institutional Shareholders who (i) if they are in Australia are either a sophisticated investor or a professional investor within the meaning of section 708(8) or 708(11) of the Corporations Act, respectively or (ii) if they are outside of Australia they otherwise satisfy the applicable criteria in certain jurisdictions
Entitlement	The number of New Shares that an Eligible Retail Shareholder is entitled to apply for under the Retail Entitlement Offer, as determined by the number of Shares held by that Eligible Retail Shareholder on the Record Date

Entitlement and Acceptance Form	The relevant personalised form accompanying this Retail Offer Booklet which Eligible Retail Shareholders may use to apply for New Shares (and, if applicable, Additional Shares)
Entitlement Offer	The non-renounceable entitlement offer of New Shares in the ratio of 4 New Share for each 7 Shares held on the Record Date (and, where the context permits, includes the offer of Additional Shares under the Shortfall Facility)
Foreign Selling Restrictions	Refer to Section 4.4
Group	The Company and its subsidiaries and affiliates
HIN	Holder Identification Number
IFRS	International Financial Reporting Standards
Ineligible Foreign Shareholders	Retail Shareholders who are in the United States or are a US Person, or have registered addresses outside Australia, New Zealand and the United Kingdom (unless otherwise determined by the Company)
Ineligible Retail Shareholders	Retail Shareholders who do not satisfy each of the criteria under section 1.9 including Ineligible Foreign Shareholders
Institutional Allotment Date	The allotment date of the New Shares issued under the Institutional Entitlement Offer
Institutional Entitlement Offer	The institutional component of the Entitlement Offer
Investor Presentation	The investor presentation included in Section 3 of this Retail Offer Booklet
Joint Lead Managers	Morgans Corporate Limited ACN 010 539 607 (AFSL 235407) and Shaw and Partners Limited ACN 003 221 583 (AFSL 236048)
New Shares	The Shares offered under the Entitlement Offer and/or the Placement (as the context requires) which will rank equally with existing Shares from the date of issue
Offer Price	The price payable for a New Share (or Additional Share, if applicable) under the Offer, being A\$0.10 per New Share
Placement	The placement of New Shares to new institutional and sophisticated investors at the Offer Price to raise gross proceeds of A\$5.2 million, to be undertaken by the Company in connection with the Entitlement Offer
Record Date	The record date for the Retail Entitlement Offer, being 7:00pm (Sydney time) on 20 October 2022
Retail Allotment Date	The date New Shares are allotted under the Retail Entitlement Offer, being 15 November 2022
Retail Entitlement Offer	The retail component of the Entitlement Offer
Share	A fully paid ordinary share in the capital of the Company
Shareholder	The registered holder of a Share
Share Registry	Boardroom Pty Limited
Shortfall	New Shares that are not taken up by Eligible Retail Shareholders under the Retail Entitlement Offer

Shortfall Facility	If there is a Shortfall, the facility under which Eligible Retail Shareholders may apply for New Shares in excess of their Entitlement
SRN	Security Reference Number
US Person	US Person as defined in Rule 902(k) of Regulation S under US Securities Act
U.S. Securities Act	United States Securities Act of 1933, as amended

Corporate directory

Address

Level 6, 700 Swanston Street
Carlton VIC 3053

Registered office

Level 6, 700 Swanston Street
Carlton VIC 3053

Directors

Chris Tait	Non-Executive Chairman
Sir Hossein Yassaie	Non-Executive Director
Megan Brownlow	Non-Executive Director
Trevor Elbourne	Executive Director and Chief Executive Officer

Website

<https://www.atomos.com>

Stock exchange listing

Company's Shares are listed on ASX (code 'AMS')

Joint Lead Managers

Morgans Corporate Limited
Level 29, 123 Eagle Street
Brisbane QLD 4000

Shaw and Partners Limited
Level 7, 2 Chifley Square
Sydney NSW 2000

Australian legal adviser

Maddocks
Level 27, Angel Place
123 Pitt Street
Sydney NSW 2000

Share Registry

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

Offer information line

Australia 1300 737 760
International +61 2 9290 9600
Open 8.30am to 5.30pm (Sydney time) Monday to Friday (during the Retail Entitlement Offer period)

ENTITLEMENT AND ACCEPTANCE FORM