

GENETIC SIGNATURES LIMITED  
ACN 095 913 205

# SUPPLEMENTARY PROSPECTUS

This is a Supplementary Prospectus.

This Supplementary Prospectus supplements, and must be read together with, the Prospectus issued by Genetic Signatures Limited dated 7 November 2014.

This Supplementary Prospectus is dated 6 February 2015.

**This is an important document and requires your urgent attention.**

If you are in any doubt as to how to deal with this document, please consult your legal, financial, taxation or other professional adviser immediately.



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# 01. Important information about this Supplementary Prospectus

This document ("**Supplementary Prospectus**") is a supplementary prospectus issued by Genetic Signatures Limited ACN 095 913 205 ("**Company**" or "**Genetic Signatures**") and is dated 6 February 2015.

A copy of this Supplementary Prospectus was lodged with the Australian Securities and Investments Commission ("**ASIC**") on 6 February 2015. ASIC and ASX Limited ("**ASX**") take no responsibility for the content of this Supplementary Prospectus.

This Supplementary Prospectus supplements, and must be read together with, the Prospectus dated 7 November 2014 ("**Prospectus**") relating to an offer of Shares by the Company.

Words used in this Supplementary Prospectus have the meanings given in the Prospectus, unless the contrary intention appears.

This Supplementary Prospectus prevails to the extent of any inconsistency with the Prospectus.

This Supplementary Prospectus may be viewed on the Company's website. During the period of the Offer, you may obtain a paper copy of the Prospectus and the Supplementary Prospectus free of charge by contacting the Company.

At the date of this Supplementary Prospectus, the Company had received 65 Applications and \$737,500 of Application Monies under the Prospectus. While these Applications have been received, no Applications have been processed and no Offer Shares have been issued.

You may only apply for Shares using an application form attached to or accompanied by this Supplementary Prospectus ("**Application Form**"). A person must not pass on a copy of the Application Form unless it is accompanied by a complete copy of the Prospectus and the Supplementary Prospectus.

While the Company has applied to ASX for admission of the Company to the official list of the ASX and quotation of its Shares on ASX, at the date of this Supplementary Prospectus, the Shares are not admitted to quotation.

## 02.

# Why has the Company issued this Supplementary Prospectus?

Genetic Signatures has issued this Supplementary Prospectus to:

- extend the Closing Date under the Offer to 5.00pm (AEDT) on 20 March 2015;
- reduce the amount of the Minimum Subscription for the Offer to Applications for 12.5 million Shares, representing a minimum raising of \$5 million, and the Maximum Subscription for the Offer to Applications for 18.75 million Shares, representing a maximum raising of \$7.5 million;
- advise you that the Company has entered into an underwriting agreement with Lodge Corporate Pty Ltd to underwrite the Offer to the extent of the revised Minimum Subscription. The Company's largest shareholder, Asia Union Investments, has agreed to sub-underwrite part of the underwritten amount;
- advise you of the ASX's indication of mandatory escrow arrangements that will apply to Shares held by Existing Shareholders; and
- advise you that ASIC has made a declaration under section 741(1) of the Corporations Act to modify certain sections of the Corporations Act as they apply to Genetic Signatures and, if you have made an Application prior to the date of this Supplementary Prospectus, to advise you of your right to withdraw that Application.

## 03.

# Extension of the Offer Period

### 3.1 What is the new indicative timetable of the Offer?

As mentioned above, the Directors have resolved to extend the Closing Date under the Offer to 20 March 2015. The new indicative timetable for the Offer is as follows:

Supplementary Prospectus date	<b>6 February 2015</b>
Closing Date For Applications (5.00pm)	<b>20 March 2015</b>
Issue and allotment of Shares	<b>26 March 2015</b>
Expected despatch of holding statements	<b>26 March 2015</b>
Expected date of quotation of Shares on the ASX	<b>31 March 2015</b>

Note: This timetable is indicative only. Unless otherwise indicated, all times are in AEDT. The Company and the Lead Manager reserve the right to vary the dates and times of the Offer, including to close the Offer early or to accept late Applications, either generally or in particular cases without notification. The Company may issue Shares immediately after the Minimum Subscription is achieved. Investors are encouraged to submit their Applications as soon as possible.

The Prospectus is accordingly amended by:

- amending the date and time reference in the definition of Closing Date in Section 12 of the Prospectus to be 5.00pm (AEDT) on 20 March 2015 (unless further extended);
- amending any date and time reference in the Prospectus relating to the expiry of the Offer or the last date for receipt of completed Application Forms and / or the payment of Application Monies in the Prospectus to read 5.00pm (AEDT) on 20 March 2015; and
- amending any other date and time references in the Prospectus relating to the dates of the Offer (including, but not limited to, the dates listed in the Important Dates table in the Highlights of the Offer Section and in the “What are the key dates of the Offer?” question in Section 1.5) to correspond with those outlined above.

### 3.2 Why has the Company extended the Closing Date under the Offer?

As at the date of this Supplementary Prospectus, the Company has not received applications from a sufficient number of applicants to meet the Minimum Subscription amount.

The Directors have decided to reduce the Minimum Subscription amount (see Section 4 below) and to extend the Offer period to provide additional time to achieve the reduced Minimum Subscription amount. The Directors may close the Offer as soon as practicable after the reduced Minimum Subscription Amount is achieved.

# 04.

## Changes to Offer terms

### 4.1 Introduction

As mentioned above:

- the Directors have resolved to reduce:
  - › the Minimum Subscription pursuant to the Offer to 12.5 million Shares at an issue price of \$0.40 each to raise \$5 million; and
  - › the Maximum Subscription pursuant to the Offer to 18.75 million Shares at an issue price of \$0.40 each to raise \$7.5 million;
- the Company has entered into an underwriting agreement with Lodge Corporate Pty Ltd to underwrite the Offer to the extent of the revised Minimum Subscription. The Company's largest shareholder, Asia Union Investments, has agreed to sub-underwrite part of the underwritten amount; and
- the Company has received informal advice from ASX on the mandatory escrow arrangements that will apply to Shares held by Existing Shareholders.

Changes to the Prospectus required to reflect these matters are set out in this Section 4.

### 4.2 Highlights of the Offer

The changes referred to in Section 4.1 above affect the key Offer statistics outlined in the Highlights of the Offer Section of the Prospectus. The revised key Offer statistics are as follows:

	Based on Minimum Subscription being raised	Based on Maximum Subscription being raised
<b>Offer Price per Share</b>	\$0.40	\$0.40
<b>Total number of Shares available under the Offer</b>	12,500,000	18,750,000
<b>Gross proceeds from the Offer<sup>1</sup></b>	\$5,000,000	\$7,500,000
<b>Total number of Shares issued under the ESP</b>	4,680,000	4,680,000
<b>Total number of Shares on issue on completion of the Offer<sup>2</sup></b>	66,693,990	72,943,990
<b>Indicative market capitalisation<sup>3</sup></b>	\$26,677,596	\$29,177,596

The Highlights of the Offer section of the Prospectus is amended accordingly.

1 Equal to Shares issued under the Offer multiplied by the Offer Price.

2 Includes the number of Shares issued under this Offer plus Shares retained by the Existing Shareholders.

3 Equal to the total number of Shares on issue on completion of the Offer multiplied by the Offer Price.

## 04. Changes to Offer terms

### 4.3 Investment Overview

#### (a) Key financial information

The changes referred to in Section 4.1 above include a number of changes to the summarised pro forma financial position of Genetic Signatures outlined in Section 1.4 of the Prospectus.

The financial position of Genetic Signatures as at 30 June 2014 and the revised summarised pro forma financial position after the Offer is set out in the table below:

	As at 30 June 2014 Audited \$	Pro forma At Minimum Subscription \$	Pro forma At Maximum Subscription \$
Current Assets	2,584,404	6,798,404	9,121,404
Non-current Assets	395,310	395,310	395,310
<b>Total Assets</b>	<b>2,979,714</b>	<b>7,193,714</b>	<b>9,516,714</b>
Current Liabilities	368,794	368,794	368,794
Non-current Liabilities	1,681	1,681	1,681
<b>Total Liabilities</b>	<b>370,475</b>	<b>370,475</b>	<b>370,475</b>
<b>NET ASSETS</b>	<b>2,609,239</b>	<b>6,823,239</b>	<b>9,146,239</b>

Section 1.4 of the Prospectus is amended accordingly.

#### (b) Key terms and conditions of the Offer

The changes referred to in Section 4.1 above include a number of changes to the key terms and conditions of the Offer. To address these, the topics in Section 1.5 of the Prospectus with the following headings are amended by replacing the summaries next to them with the following:

Topic	Summary	More information
<b>What is the Offer?</b>	<p>The Prospectus, as revised by the Supplementary Prospectus, relates to an underwritten offer to raise a minimum of \$5 million (<b>Minimum Subscription</b>) by issuing 12.5 million Shares at \$0.40 each, and a maximum of \$7.5 million (<b>Maximum Subscription</b>) by issuing up to a further 6,250,000 Shares at a price of \$0.40 each.</p> <p>The Shares being offered will represent between 18.7% to 25.7% of the total Shares on issue on completion of the Offer.</p>	<b>Section 9.3</b>
<b>Is the Offer underwritten?</b>	<p>The Minimum Subscription under the Offer is fully underwritten by the Lead Manager, Lodge Corporate Pty Ltd.</p> <p>The Lead Manager is entitled to be paid a commission and other amounts for acting as Lead Manager and Underwriter to the Offer.</p> <p>The Company's largest shareholder, Asia Union Investments, is partially sub-underwriting the underwritten amount.</p>	<b>Section 9.7(a)</b>
<b>Is there a minimum subscription amount?</b>	<p>Yes. The Minimum Subscription for the Offer is \$5 million, being the receipt of valid applications for not less than 12.5 million Shares. If this Minimum Subscription is not achieved by the date 4 months after the Prospectus Date, the Company will repay all money received from Applicants (without interest).</p>	

## 04. Changes to Offer terms

Topic	Summary	More information		
<b>What is the proposed capital structure and market capitalisation of the Company following the Offer?</b>		<b>Based on Minimum Subscription being raised</b>	<b>Based on Maximum Subscription being raised</b>	<b>Section 9.3</b>
	Total number of Shares at date of this Supplementary Prospectus	49,513,990	49,513,990	
	Total number of Shares available under the Offer	12,500,000	18,750,000	
	Total number of Shares issued under the ESP	4,680,000	4,680,000	
	Total number of Shares on issue on completion of the Offer	66,693,990	72,943,990	
	Indicative market capitalisation <sup>4</sup>	\$26,677,596	\$29,177,596	
	Total proceeds from the Offer (before costs)	\$5,000,000	\$7,500,000	
<b>Who are the owners of Genetic Signatures and what interest will they retain?</b>	<p>The owners of Genetic Signatures are the Existing Shareholders. On completion of the Offer, they will collectively hold 67.9% to 79.9% of the total Shares on issue.<sup>5</sup></p> <p>The Existing Owner with the largest shareholding is Asia Union Investments. Asia Union Investments is the family company of one of the Company's founders CM Abbott. It has been supporting the Company since its inception. On completion of the Offer, Asia Union Investments will hold 50.5% to 60.9% of the total Shares on issue.<sup>6</sup></p> <p>With the exception of Asia Union Investments:</p> <ul style="list-style-type: none"> <li>• none of the Existing Shareholders will hold or have voting power in 5% or more of the Shares on the completion of the Offer; and</li> <li>• the Directors do not expect any Shareholder to control the Company on the completion of the Offer.</li> </ul>			<b>Section 9.3</b>

4 Equal to the total number of Shares on issue on completion of the Offer multiplied by the Offer Price.

5 Based on Maximum Subscription and Minimum Subscription being raised, respectively, including the effect of the possible of the sub-underwriting of Asia Union Investments at the Minimum Subscription but excluding Shares issued under the ESP, and assuming that no Existing Shareholder subscribes for Shares under the Offer.

6 Based on Maximum Subscription and Minimum Subscription being raised, respectively, including the effect of the possible of the sub-underwriting of Asia Union Investments, and assuming that Asia Union Investments does not subscribe for any further Shares under the Offer.

## 04. Changes to Offer terms

Topic	Summary	More information
<p><b>Will any Shares be subject to escrow?</b></p>	<p>Yes. ASX has advised the Company that, in accordance with the ASX Listing Rules, mandatory escrow arrangements will apply to 2,872,355 Shares held by the Existing Shareholders. In addition, voluntary escrow arrangements will apply in respect of a further 34,236,690 Shares held by one of the Existing Shareholders, Asia Union Investments.</p> <p>The total number of Shares expected to be subject to escrow represents up to approximately 50.9% to 55.6% of the total number of Shares on issue on completion of the Offer. 18,434,065 of these Shares will be released from escrow 1 year after the Listing Date and the remaining balance will be released from escrow 2 years after the Listing Date. Shares may be released earlier in certain circumstances.</p> <p>In addition, the 4,680,000 Shares issued under the ESP, representing a further 6.4% to 7.0% of the total number of Shares on issue on completion of the Offer, will be subject to trading restrictions. These ESP Shares will vest and become clear of those trading restrictions progressively over a 4 year period.</p> <p>No escrow will apply to Shares issued under the Offer.</p>	<p><b>Sections 9.4 and 9.8(d)</b></p>
<p><b>Will the Shares be listed?</b></p>	<p>Genetic Signatures has applied to ASX for admission to the official list of ASX and quotation of Shares on ASX under the code GSS.</p> <p>Completion of the Offer is conditional on ASX approving this application. If approval is not given within three months after the date of this Supplementary Prospectus, the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.</p> <p>The ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the ASX may admit Genetic Signatures to the official list is not to be taken as an indication of the merits of Genetic Signatures or the Shares offered for subscription.</p>	
<p><b>Expenditure program – how the Company will use the funds raised from the Offer</b></p>	<p>If the Company raises the Minimum Subscription, the Company aims to complete the following objectives:</p> <ul style="list-style-type: none"> <li>• continue current targeted sales and marketing activity in Australia and the EU and initiate targeted sales and marketing activity in the US in 2015 by maintaining local sales and marketing team in Australia and the EU and establishing offices and engaging local sales and marketing teams in the US;</li> <li>• recruit and train skilled resources in 2015 to support customer installations in the US and the EU;</li> <li>• complete further demonstrations of the product suite to prospective customers in Australia and other jurisdictions where possible;</li> <li>• register the Company's enteric viral kits on the Australian Therapeutic Goods Register and obtain CE marking for these products in the EU in early 2015;</li> <li>• complete the Beta Testing of the Company's respiratory and MRSA products in early 2015 and, by the end of 2015, register these products on the Australian Therapeutic Goods Register and obtain CE marking (indicating compliance with EU legislation) for these products in the EU;</li> </ul>	

## 04. Changes to Offer terms

Topic	Summary	More information																																	
<b>Expenditure program – how the Company will use the funds raised from the Offer (continued)</b>	<ul style="list-style-type: none"> <li>continue prosecution and maintenance of the Company's existing patent portfolio;</li> <li>advance the development of the Company's sexual health infections, tuberculosis and meningitis products and undertake and complete Beta Testing of these products by early 2016 for sexual health infections and tuberculosis products and by early 2017 for meningitis product and, following completion of Beta Testing, register these products on the Australian Therapeutic Goods Register and obtain CE marking for these products in the EU;</li> <li>augment the technical and manufacturing capabilities to support the growing business by engaging more employees to manufacture, pick, pack and despatch the Company's products in 2015; and</li> <li>increase the administrative resources available to support the growing business.</li> </ul> <p>Where the Maximum Subscription is achieved, the additional funds will be used for the recruitment of additional global technical resources, acceleration of regulatory compliance programs in relevant jurisdictions and further business establishment and expansion activities.</p> <p>Below is a summary of the proposed use of funds raised under the Offer. Investors should note that the anticipated expenditure program may vary from the actual expenditure incurred by the Company.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="border-bottom: 1px solid black;">Source of funds</th> <th style="border-bottom: 1px solid black; text-align: center;">Based on Minimum Subscription being raised</th> <th style="border-bottom: 1px solid black; text-align: center;">Based on Maximum Subscription being raised</th> </tr> </thead> <tbody> <tr> <td>Subscriptions for Shares under the Offer</td> <td style="text-align: right;">\$5,000,000</td> <td style="text-align: right;">\$7,500,000</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="border-bottom: 1px solid black;">Use of funds</th> <th style="border-bottom: 1px solid black; text-align: center;">Based on Minimum Subscription being raised</th> <th style="border-bottom: 1px solid black; text-align: center;">Based on Maximum Subscription being raised</th> </tr> </thead> <tbody> <tr> <td>Additional Australian sales and marketing and customer support</td> <td style="text-align: right;">\$240,000</td> <td style="text-align: right;">\$360,000</td> </tr> <tr> <td>Additional EU sales and marketing and customer support</td> <td style="text-align: right;">\$257,000</td> <td style="text-align: right;">\$513,000</td> </tr> <tr> <td>US sales and marketing and customer support</td> <td style="text-align: right;">\$2,167,000</td> <td style="text-align: right;">\$2,708,000</td> </tr> <tr> <td>Additional Regulatory approvals and IP</td> <td style="text-align: right;">\$650,000</td> <td style="text-align: right;">\$975,000</td> </tr> <tr> <td>Further product development</td> <td style="text-align: right;">\$240,000</td> <td style="text-align: right;">\$360,000</td> </tr> <tr> <td>Future working capital &amp; other</td> <td style="text-align: right;">\$660,000</td> <td style="text-align: right;">\$1,621,000</td> </tr> <tr> <td>Costs of the Offer</td> <td style="text-align: right;">\$786,000</td> <td style="text-align: right;">\$963,000</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b>\$5,000,000</b></td> <td style="text-align: right;"><b>\$7,500,000</b></td> </tr> </tbody> </table>	Source of funds	Based on Minimum Subscription being raised	Based on Maximum Subscription being raised	Subscriptions for Shares under the Offer	\$5,000,000	\$7,500,000	Use of funds	Based on Minimum Subscription being raised	Based on Maximum Subscription being raised	Additional Australian sales and marketing and customer support	\$240,000	\$360,000	Additional EU sales and marketing and customer support	\$257,000	\$513,000	US sales and marketing and customer support	\$2,167,000	\$2,708,000	Additional Regulatory approvals and IP	\$650,000	\$975,000	Further product development	\$240,000	\$360,000	Future working capital & other	\$660,000	\$1,621,000	Costs of the Offer	\$786,000	\$963,000	<b>Total</b>	<b>\$5,000,000</b>	<b>\$7,500,000</b>	
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## 04. Changes to Offer terms

### 4.4 Risks

#### (a) Investment and general risks – concentration of Shareholding

As a result of the reduction of the Offer size and the potential effect of the partial sub-underwriting of the Offer by Asia Union Investments, the Shareholding of the Company's largest Shareholder, Asia Union Investments, relative to other Shareholders will increase. On completion of the Offer, Asia Union Investments will hold 50.5% to 60.9% of the total Shares on issue.<sup>7</sup> This will give Asia Union Investments absolute control over the outcome of many matters relating to Genetic Signatures, including the election of Directors. The risks outlined in Section 4.3(a) of the Prospectus are accordingly exacerbated.

#### (b) Investment and general risks – liquidity and realisation risk

As a result of the reduction of the Offer size, the proportion of the Shares on issue that will be able to be freely traded at completion of the Offer will reduce to between approximately 37.3% to 42.7%. The risks outlined in Section 4.3(b) of the Prospectus are accordingly exacerbated.

### 4.5 Financial information

#### (a) Historical and pro forma statement of financial position

The changes referred to in Section 4.1 above include a number of changes to the pro forma financial position of Genetic Signatures outlined in Section 6.5 of the Prospectus. The following replaces Section 6.5 of the Prospectus.

The pro forma statement of financial position set out below has been prepared to illustrate the effects of the pro forma adjustments set out below, as if they had occurred on 30 June 2014.

The pro forma statement of financial position as at 30 June 2014 reflects the financial effect of the pro forma transactions.

**Table 12: Pro forma statement of financial position**

As at 30 June 2014	Audited \$	Minimum Subscription		Maximum Subscription	
		Adjustments \$	Pro forma \$	Adjustments \$	Pro forma \$
<b>Current Assets</b>					
Cash and cash equivalents	1,852,707	4,214,000	6,066,707	6,537,000	8,389,707
Trade and other receivables	124,575	–	124,575	–	124,575
Current tax assets	607,122	–	607,122	–	607,122
<b>Total Current Assets</b>	<b>2,584,404</b>	<b>4,214,000</b>	<b>6,798,404</b>	<b>6,537,000</b>	<b>9,121,404</b>
<b>Non Current Assets</b>					
Property, plant and equipment	395,310	–	395,310	–	395,310
<b>Total Non Current Assets</b>	<b>395,310</b>	<b>–</b>	<b>395,310</b>	<b>–</b>	<b>395,310</b>
<b>Total Assets</b>	<b>2,979,714</b>	<b>4,214,000</b>	<b>7,193,714</b>	<b>6,537,000</b>	<b>9,516,714</b>
<b>Current Liabilities</b>					
Trade and other creditors	186,848	–	186,848	–	186,848
Provisions	181,946	–	181,946	–	181,946
<b>Total Current Liabilities</b>	<b>368,794</b>	<b>–</b>	<b>368,794</b>	<b>–</b>	<b>368,794</b>
<b>Non Current Liabilities</b>					
Provisions	1,681	–	1,681	–	1,681
<b>Total Non Current Liabilities</b>	<b>1,681</b>	<b>–</b>	<b>1,681</b>	<b>–</b>	<b>1,681</b>
<b>Total Liabilities</b>	<b>370,475</b>	<b>–</b>	<b>370,475</b>	<b>–</b>	<b>370,475</b>
<b>Net Assets</b>	<b>2,609,239</b>	<b>4,214,000</b>	<b>6,823,239</b>	<b>6,537,000</b>	<b>9,146,239</b>
<b>Equity</b>					
Issued Capital	25,545,553	4,590,739	30,136,292	6,894,247	32,439,800
Accumulated losses	(22,936,314)	(376,739)	(23,313,053)	(357,247)	(23,293,561)
<b>Total Equity</b>	<b>2,609,239</b>	<b>4,214,000</b>	<b>6,823,239</b>	<b>6,537,000</b>	<b>9,146,239</b>

<sup>7</sup> Based on Maximum Subscription and Minimum Subscription being raised, respectively, including the effect of the possible of the sub-underwriting of Asia Union Investments, and assuming that Asia Union Investments does not subscribe for any further Shares under the Offer.

## 04. Changes to Offer terms

The following transactions and events contemplated in this Supplementary Prospectus, referred to as the pro forma adjustments, which are to take place on or before the completion of the Offer, are presented as if they together with the Offer had occurred on or before 30 June 2014 and are set out below.

### (a) Subscription amount

The Minimum Subscription is the issue of 12,500,000 new fully paid ordinary shares at \$0.40 each amounting to \$5 million. Cash expenses associated with the Offer (including offer management, advisory, legal, accounting and administrative fees as well as printing, and other expenses) are estimated to be \$786,000 (exclusive of GST).

The Maximum Subscription is the issue of a further 6,250,000 Shares at \$0.40 each to raise a further \$2.5 million, bringing the total amount raised to \$7.5 million. Costs associated with raising the \$7.5 million are estimated at \$963,000 (exclusive of GST).

### (b) Pro forma cash and cash equivalents

The pro forma cash and cash equivalents as at 30 June 2014 includes the proceeds from both the minimum \$5 million and maximum \$7.5 million capital raising scenarios after costs of the Offer, as set out below:

**Table 13: Cash and Cash Equivalents**

	<b>Pro forma Minimum Subscription</b>	<b>Pro forma Maximum Subscription</b>
Cash and cash equivalents at 30 June 2014	1,852,707	1,852,707
Proceeds from the shares issued under the Offer	5,000,000	7,500,000
Payment of the Offer costs	(786,000)	(963,000)
	<b>\$6,066,707</b>	<b>\$8,389,707</b>

### (c) Pro forma share capital

The pro forma share capital as at 30 June 2014 reflects both the minimum \$5 million and maximum \$7.5 million capital raising scenarios after deducting the costs of the Offer that are directly attributable to equity (the majority of which relate to offer management fees), as set out below:

**Table 14: Share Capital**

	<b>Pro forma Minimum Subscription</b>	<b>Pro forma Maximum Subscription</b>
Share Capital at 30 June 2014	25,545,553	25,545,553
Proceeds from the shares issued under the Offer	5,000,000	7,500,000
Offer costs that are directly attributable to equity	(409,261)	(605,753)
	<b>\$30,136,292</b>	<b>\$32,439,800</b>

### (d) ESP Shares

The 4,680,000 ESP Shares issued under the ESP (refer Section 9.8(d)) on or around the Listing Date have not been accounted for in the pro forma statement of financial position in accordance with Australian Accounting Standards as they are considered treasury shares given the limited recourse loans attached to their issue. This issue of the ESP Shares will only be recorded in equity upon settlement of the limited recourse loans by the holders, should this occur.

The ESP Share issue described above gives rise to a share based payment arrangement as the substantive effect of the structure is that of a share option, as holders have the option of whether to settle the loans attach to the shares depending on the Share price. This means that the fair value of the ESP Shares issued will be determined using an option pricing model and the amount being accounted for as a share based payment expense over the vesting period.

## 04. Changes to Offer terms

### (b) Capitalisation and indebtedness

The changes referred to in Section 4.1 above also impact the pro forma capitalisation and indebtedness of Genetic Signatures outlined in Section 6.7 of the Prospectus. The following replaces Section 6.7 of the Prospectus.

The below table sets out:

- cash, short term debt and total capitalisation of the Company as at 30 June 2014; and
- cash, short term debt, long term debt and total capitalisation of the Company as adjusted after giving effect to the impact of the Offer if the transaction had occurred on 30 June 2014.

**Table 15: Capitalisation and Indebtedness**

As at 30 June 2014	Actual \$	Pro forma Minimum Subscription \$	Pro forma Maximum Subscription \$
Cash	(1,852,707)	(6,066,707)	(8,389,707)
Current and long term debt	–	–	–
<b>Total indebtedness</b>	<b>(1,852,707)</b>	<b>(6,066,707)</b>	<b>(8,389,707)</b>
Issued capital	25,545,553	30,136,292	32,439,800
Accumulated losses	(22,936,314)	(23,313,053)	(23,293,561)
<b>Total equity</b>	<b>2,609,239</b>	<b>6,823,239</b>	<b>9,146,239</b>
<b>Total capitalisation and indebtedness</b>	<b>756,532</b>	<b>756,532</b>	<b>756,532</b>

### 4.6 Investigating Accountant's report

The Investigating Accountant has issued a further report in relation to the financial information of Genetic Signatures as set out in Section 6 of the Prospectus as supplemented by this Supplementary Prospectus. A copy of that report is set out at Annexure A of this Supplementary Prospectus.

### 4.7 Additional information

#### (a) Shareholders

The changes referred to in Section 4.1 above affect the proportionate shareholdings of Existing Shareholders at completion of the Offer outlined in Section 9.3 of the Prospectus. The details of the expected ownership of Shares at the completion of the Offer is shown in the table below:

**Table 17: Expected shareholdings at completion of the Offer**

Shareholder	Based on Minimum Subscription being raised		Based on Maximum Subscription being raised	
	Shares	%	Shares	%
Existing Shareholders:				
Asia Union Investments	36,868,131	55.3%	36,868,131	50.5%
Other Existing Shareholders	12,645,859	19.0%	12,645,859	17.3%
Shares held under ESP	4,680,000	7.0%	4,680,000	6.4%
New Shares to be issued under Offer	12,500,000	18.7%	18,750,000	25.7%
<b>TOTAL</b>	<b>66,693,990</b>	<b>100.0%</b>	<b>72,943,990</b>	<b>100.0%</b>

The above table assumes that no Existing Shareholder will subscribe for additional Shares under the Offer. If an Existing Shareholder were to do so, the Existing Shareholder's percentage shareholding in the Company will be higher than as set out above.

## 04. Changes to Offer terms

In particular, Asia Union Investments has agreed to sub-underwrite up to \$1,500,000 of the Offer Shares. This commitment will only be called up in the event that the Company otherwise fails to achieve the Minimum Subscription. If it is called upon, Asia Union Investments will acquire up to a further 3,750,000 Shares, representing up to a further 5.6%, giving it an interest in a total of up to 40,618,131 Shares representing 60.9% of all Shares.

With the exception of Asia Union Investments:

- none of the Existing Shareholders will hold or have voting power in 5% or more of the Shares on the completion of the Offer; and
- the Directors do not expect any Shareholder to control the Company on the completion of the Offer.

Section 9.3 of the Prospectus is amended accordingly.

### **(b) Restricted securities and escrow arrangements – mandatory escrow**

The Company has received advice from ASX that, in accordance with the ASX Listing Rules, the ASX will classify 2,872,355 Shares held by the Existing Shareholders as restricted securities for a period of 24 months from the date of official quotation of Shares on ASX. Section 9.4(a) of the Prospectus is amended accordingly.

### **(c) Lead Manager underwriting agreement**

The Company entered into an underwriting agreement with the Lead Manager on 6 February 2015 to underwrite the Minimum Subscription. The following is a summary of the key terms of that agreement.

Under the underwriting agreement, the Company must pay the Lead Manager an underwriting commission of 6% of the funds raised under the Offer (plus GST) on the date of allotment of the Offer Shares. The Company has also agreed to reimburse the Lead Manager for reasonable out of pocket expenses incurred in connection with the Offer.

The Lead Manager's obligation to satisfy any shortfall in Applications for the Minimum Subscription arises if the Company gives the Lead Manager a shortfall notice along with a no default certificate, the Company has complied in all material respects with its obligations under the underwriting agreement, and the Lead Manager has not terminated the underwriting agreement.

The Lead Manager's right to terminate the underwriting agreement is qualified by a requirement that before being entitled to terminate, the Lead Manager must be of the reasonable opinion that the termination event has or would have a material adverse effect on the Offer, or is likely to create a potential liability for the Lead Manager under the Corporations Act. Where the event is also capable of remedy, the Lead Manager must also give the Company 3 Business Days to remedy the event.

Events allowing the Lead Manager to terminate the underwriting agreement include (among others):

- The total amount of Application Monies received by the Closing Date (not including those given pursuant to the underwriting agreement) does not fall below 90% of the level of Application Monies received as at the date of this Supplementary Prospectus;
- ASIC indicates an intention to issue a stop order in relation to the Offer, gives a notice of intention to hold a hearing in relation to whether or not it should issue a stop order, or applies for an order to disclose information or publish advertisements and that application is not dismissed or withdrawn before the Closing Date;
- ASIC or ASX determines, or the Lead Manager forms the view on reasonable grounds, that the Offer requires a supplementary or replacement prospectus (other than this Supplementary Prospectus) to be lodged with ASIC;
- the Prospectus or Supplementary Prospectus contains an omission or a statement which is or has become false or misleading, or a new circumstance has arisen since the Supplementary Prospectus was lodged, and that omission, statement or new circumstance is or is likely to be materially adverse for an investor;
- ASX indicates that official quotation of the Offer Shares will not be granted, or will not be granted within three months after the date of the Supplementary Prospectus;
- a person (other than the Lead Manager) withdraws its consent to being named in the Prospectus or Supplementary Prospectus;
- any of the S&P/ASX 200 Index, All Ordinaries Index, Small All Ordinaries Index or S&P/ASX 200 Health Care Index falls, on three successive trading days, to a level which is more than 10% below their respective levels at the close of business on the Business Day prior to the date of the underwriting agreement;
- any new law or policy is announced, introduced or adopted which is likely to prohibit or restrict, or have a materially adverse effect upon the Offer;

## 04. Changes to Offer terms

- an unauthorised change occurs to the Company's capital structure, Constitution or Board, the Company agrees to an unauthorised charge over the whole or a substantial part of its business or property, or the Company makes an unauthorised publication that is prejudicial to the prospects of the Offer reaching Minimum Subscription without relying on the Lead Manager satisfying the shortfall;
- the Company ceases or threatens to cease to carry on its business
- the Company agrees to dispose of the whole or any significant part of its business or agrees to acquire any major asset or enters into any major expenditure and that disposal, acquisition or expenditure is not disclosed in the Prospectus;
- a Director is charged with an indictable offence relating to any financial or corporate matter;
- any material contract referred to in the Prospectus or Supplementary Prospectus is, without the prior consent of the Lead Manager, materially breached by the Company, terminated, significantly altered or amended, or found to be void or voidable;
- a materially adverse change occurs in relation to the Company;
- the Company is in default under the underwriting agreement at the Closing Date or any representation or warranty in the underwriting agreement is untrue or incorrect;
- the Company fails to comply in any material respect with its Constitution, a law of Australia or a jurisdiction in which it does business, a requirement of the Listing Rules, a requirement of ASIC or any other governmental agency, or any agreement entered into by it;
- an insolvency event occurs in relation to the Company;
- an outbreak or escalation of hostilities that is likely to have a materially adverse effect on the Offer involving any one or more of Australia, New Zealand, the United Kingdom, Canada, the USA, Japan, China, Hong Kong, Indonesia or the Middle East;

The underwriting agreement also contains broad indemnities from the Company to the Lead Manager and its officers and employees against all losses, liabilities and legal costs arising directly or indirectly as a result of or in connection with specified circumstances associated with the Prospectus, Supplementary Prospectus or the Offer. These indemnified circumstances include a breach or non-performance of either the underwriting agreement by the Company (including untrue representations or warranties) or obligations of the Company set out in the Prospectus, the existence of certain defects in the Prospectus or Supplementary Prospectus, misleading or deceptive conduct by the Company, the distribution of advertising or promotional material in relation to the Prospectus, Supplementary Prospectus or the Offer, and investigations by ASIC or ASX in connection with the Prospectus, Supplementary Prospectus or the Offer (subject to certain exemptions relating to, among other things, negligence or reckless or wilful default by them).

### (d) Interests and benefits – interests of advisers

Due to the changes referred to in Section 4.1 above, the interests of each of the advisers outlined in Section 9.8(a) of the Prospectus other than Allens Patent & Trade Mark Attorneys has changed. These interests are now:

- Lodge Corporate Pty Ltd has acted as Lead Manager and underwriter to the Offer. Genetic Signatures has paid or agreed to pay Lodge Corporate Pty Ltd the fees described in Section 9.7(a) (as supplemented by this Supplementary Prospectus) for these services.
- Watson Mangioni Lawyers Pty Limited has acted as Australian legal adviser to the Company in relation to the Offer. The Company has paid, or agreed to pay, approximately \$180,000 (excluding disbursements and GST) for these services up until the date of this Supplementary Prospectus. Further amounts may be paid to Watson Mangioni Lawyers Pty Limited in accordance with its normal time-based charges.
- BDO East Coast Partnership has acted as Investigating Accountant and has prepared the Investigating Accountant's Report and has performed work in relation to financial due diligence enquiries. The Company has paid, or agreed to pay, approximately \$38,000 (excluding disbursements and GST) for the above services up until the date of this Supplementary Prospectus. Further amounts may be paid to BDO East Coast Partnership in accordance with its normal time-based charges.

Section 9.8(a) of the Prospectus is amended accordingly.

## 04. Changes to Offer terms

### (e) Expenses of the Offer

The changes referred to in Section 4.1 above has resulted in a variation to the total expenses of the Offer outlined in Section 9.15 of the Prospectus.

The total expenses of the Offer payable by the Company are now estimated at approximately \$786,000 (assuming the Minimum Subscription) to \$963,000 (assuming the Maximum Subscription). These expenses include financial, offer management, legal, accounting and advisory fees, ASX listing fees, shareholder communications, and printing and other costs.

Section 9.15 of the Prospectus is amended accordingly.

### 4.8 Glossary

The definitions of Maximum Subscription, Minimum Subscription and Offer Shares set out in the Glossary in Section 12 of the Prospectus are amended as follows:

<b>Maximum Subscription</b>	Applications for 18.75 million Shares
<b>Minimum Subscription</b>	Applications for 12.5 million Shares
<b>Offer Shares</b>	The 18.75 million Shares being offered under this Prospectus

### 4.9 General

Any references in the Prospectus to amounts the Company is seeking to raise under the Offer, Shares offered under the Offer, Minimum Subscriptions and Maximum Subscriptions not specifically referred to in this Section 4 are amended to refer to the amounts set out in Section 4.1.

# 05. ASIC modifications and right to withdraw

## 5.1 ASIC modifications

Pursuant to section 723(3) and 724(1)(b) of the Corporations Act, the Offer Shares offered under the Prospectus must be admitted to quotation on ASX within 3 months after the Prospectus Date. Pursuant to section 724(1)(a) of the Corporations Act, Applications for at least the Minimum Subscription must be received within 4 months after the Prospectus Date. The Prospectus Date is 7 November 2014. The period for admission to quotation of the Offer Shares on ASX expires on 7 February 2015 and the period for satisfaction of the Minimum Subscription expires on 7 March 2015.

ASIC has granted the Company relief under section 741(1) of the Corporations Act to modify these sections of the Corporations Act as they apply to Genetic Signatures so the time periods specified in those sections will recommence from the date of this Supplementary Prospectus provided that Genetic Signatures gives all persons, who have applied for Shares prior to the issue of this Supplementary Prospectus 1 month to withdraw their Application and be repaid their Application Money.

The relief operates to extend the ASX quotation deadline to 6 May 2015 and the Minimum Subscription deadline to 6 June 2015. By virtue of the relief, the Company may issue Shares offered under the Prospectus (as supplemented by this Supplementary Prospectus) provided that these extended deadlines are met.

## 5.2 Your right to withdraw your existing Application and be repaid

A copy of this Supplementary Prospectus will be sent to all Applicants who have subscribed for Shares under the Prospectus.

At the date of this Supplementary Prospectus, the Company had received 65 Applications and \$737,500 of Application Monies under the Prospectus. While these Applications have been received, no Applications have been processed and no Offer Shares have been issued.

If you applied for Shares under the Prospectus before the date of this Supplementary Prospectus, you may withdraw your Application and be repaid your Application Monies provided the Company receives your written notice of your wish to do so within 1 month of the date of this Supplementary Prospectus.

To withdraw an Application, Applicants must send written notice to the Company's Share Registry by no later than 5.00pm (AEDT) on 6 March 2015. A refund cheque will be sent to the address set out in the Application Form previously lodged by that Applicant.

If you do not wish to withdraw your application, you do not need to take any action.

## 06. New Applications

The Offer for issue of Shares is made in the Prospectus (as supplemented by this Supplementary Prospectus). If you wish to apply for Offer Shares and you have not yet completed an Application Form, you need to complete the Application Form attached to or accompanying this Supplementary Prospectus and send it with the applicable Application Monies to the Share Registry by no later than 5.00 pm (AEDT) on the Closing Date. The Company has discretion about which Applications it accepts and how it allocates Shares. The Company may close the Offer early or accept late Applications without notifying anyone. You are encouraged to submit your Application as soon as possible.

You may only apply for Shares using the Application Form attached to or accompanying this Supplementary Prospectus. You must not give another person an Application Form unless you also give them a copy of the Prospectus and this Supplementary Prospectus.

# 07.

## Additional information

### 7.1 Consents

Each of the parties referred to below (each a **Consenting Party**), to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for any statements in or omissions from the Prospectus (as supplemented by this Supplementary Prospectus), other than the reference to its name in the form and context in which it is named and a statement or report included in the Prospectus (as supplemented by this Supplementary Prospectus) with its consent as specified below.

Each of the Consenting Parties has given and has not, before the lodgement of this Supplementary Prospectus with ASIC, withdrawn its written consent to be named in this Supplementary Prospectus in the form and context in which it is named. None of the Consenting Parties referred to below has made any statement that is included in the Prospectus (as supplemented by this Supplementary Prospectus) or any statement on which a statement is made in the Prospectus (as supplemented by this Supplementary Prospectus), other than as specified below:

- Watson Mangioni Lawyers Pty Limited;
- BDO East Coast Partnership;
- Lodge Corporate Pty Ltd;
- Boardroom Pty Limited;
- Asia Union Investments Pty. Limited.

BDO East Coast Partnership has given, and has not withdrawn prior to the lodgement of this Supplementary Prospectus with ASIC, its written consent to the inclusion in this Supplementary Prospectus of statements by it, including its Investigating Accountant's Report in Annexure A and the statements specifically attributed to it in the text of, or by a footnote in, this Supplementary Prospectus, in the form and context in which they are included (and all other references to that report and those statements) in this Supplementary Prospectus.

Asia Union Investments Pty. Limited has given, and has not withdrawn prior to the lodgement of this Supplementary Prospectus with ASIC, its written consent to the inclusion in this Supplementary Prospectus of statements by it in this Supplementary Prospectus, in the form and context in which they are included (and all other references to those statements) in this Supplementary Prospectus.

No entity or person referred to in this Section 7.1 has made any statement that is included in this Supplementary Prospectus or any statement on which a statement made in this Supplementary Prospectus is based, except as stated above. Each of the persons and entities referred to in this Section 7.1 has not authorised or caused the issue of this Supplementary Prospectus and does not make any offer of Shares.

### 7.2 Offer restrictions

#### (a) No offering where offering would be illegal

Neither the Prospectus nor this Supplementary Prospectus constitutes 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 Offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia. The distribution of the Prospectus and this Supplementary Prospectus outside Australia may be restricted by law and persons who come into possession of the Prospectus and this Supplementary Prospectus outside Australia should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The Prospectus and this Supplementary Prospectus has been prepared for publication in Australia and may not be distributed to any person, and the Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

#### (b) United States

Neither the Prospectus nor this Supplementary Prospectus may be distributed in the United States unless they are attached to an Offering Circular for distribution solely to a limited number of "accredited investors", as defined in Rule 501(a) under the US Securities Act of 1933 (the "US Securities Act").

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, except in transactions exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

## 07. Additional information

### (c) United Kingdom

The information in this Prospectus, the Supplementary Prospectus and any other document relating to the Offer has not 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 Offer Shares. The Prospectus (as supplemented by this Supplementary Prospectus) is issued on a confidential basis to fewer than 150 persons (other than “qualified investors” (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the Shares may not be offered or sold in the United Kingdom by means of the Prospectus, this Supplementary Prospectus, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. The Prospectus and this Supplementary Prospectus should not be distributed, published or reproduced, in whole or in part, nor may their 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 FSMA) received in connection with the issue or sale of the 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) FSMA does not apply to the Company.

In the United Kingdom, the Prospectus and this Supplementary Prospectus is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members or creditors of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, or (ii) to whom it may otherwise be lawfully communicated (together “relevant persons”). The investments to which the Prospectus and this Supplementary Prospectus relate are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

### (d) Italy

The offering of the Shares in the Republic of Italy has not been authorized by the Italian Securities and Exchange Commission (Commissione Nazionale per le Società e la Borsa, “**CONSOB**”) pursuant to the Italian securities legislation and, accordingly, no offering material relating to the Shares may be distributed in Italy and the Shares may not be offered or sold in Italy in a public offer within the meaning of Article 1.1(t) of Legislative Decree No. 58 of 24 February 1998, as amended (“**Decree No. 58**”), other than:

- to qualified investors (“**Qualified Investors**”), as defined in Article 100 of Decree No. 58 by reference to Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended (“**Regulation No. 11971**”); and
- in other circumstances that are exempt from the rules on public offer pursuant to Article 100 of Decree No. 58 and Article 34-ter of Regulation No. 11971.
- made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of 1 September 1993 (as amended), Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007 (as amended) and any other applicable laws; and
- in compliance with all relevant Italian securities, tax and exchange controls and any other applicable laws.

Any subsequent distribution of the Shares in Italy must be made in compliance with the public offer and prospectus requirement rules provided under Decree No. 58 and the Regulation No. 11971, unless an exception from those rules applies. Failure to comply with such rules may result in the sale of such Shares being declared null and void and in the liability of the entity transferring the Shares for any damages suffered by the investors.

## 7.3 Governing Law

This Supplementary Prospectus and the contracts that arise from the acceptance of the Applications are governed by the laws applicable in New South Wales and each Applicant under the Offer submits to the exclusive jurisdiction of the courts of New South Wales.

## 7.4 Statement of Directors

The issue of this Supplementary Prospectus has been authorised by each Director. Each Director has consented to lodgement of this Supplementary Prospectus and issue of this Supplementary Prospectus and has not withdrawn that consent.

# Annexure A

## Investigating Accountant's Report



Tel: +61 2 9251 4100  
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www.bdo.com.au

Level 11, 1 Margaret St  
Sydney NSW 2000

Australia

The Directors  
Genetic Signatures Limited  
Level 7  
207 Kent Street  
SYDNEY NSW 2000

6 February 2015

Dear Directors

### INVESTIGATING ACCOUNTANT'S REPORT

#### INTRODUCTION

BDO East Coast Partnership ("BDO") has been engaged by Genetic Signatures Limited ("Genetic Signatures") to prepare this Investigating Accountant's Report ("Report") in relation to certain financial information of Genetic Signatures for inclusion in a supplementary prospectus proposed to be issued on or about 6 February 2015 ("Supplementary Prospectus"). The Supplementary Prospectus is being issued in relation to an offer of shares in Genetic Signatures.

Unless stated otherwise in this Report, expressions defined in the Supplementary Prospectus have the same meaning in this Report.

This Report has been prepared for inclusion in the Supplementary Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the financial information to which it relates for any purpose other than that for which it was prepared.

#### FINANCIAL INFORMATION

This Report relates to the following financial information of Genetic Signatures as set out in Section 4.5 of the Supplementary Prospectus:

- The Historical Statement of Financial Position as at 30 June 2014 ('Historical Financial Information')
- The Pro Forma Statement of Financial Position as at 30 June 2014 ('Pro Forma Financial Information')

(Collectively, the 'Financial Information')

The Financial Information has been extracted from the financial report of Genetic Signatures for the year ended 30 June 2014 which was audited by BDO in accordance with the Australian Auditing Standards. BDO issued unqualified audit opinion on the financial statements but did raise an Emphasis of Matter paragraph in relation material uncertainties with respect to the going concern assumption. The Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

BDO East Coast Partnership ABN 83 236 985 726 is a member of a national association of independent entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO East Coast Partnership and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.



## **Scope of Review of the Pro Forma Financial Information**

You have requested BDO to review the Pro Forma Financial Information included in the Supplementary Prospectus.

The Pro Forma Financial Information has been derived from the Historical Financial Information of Genetic Signatures, after adjusting for the completion of the offer, as described in Section 4.5 of the Prospectus. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as if those events or transactions had occurred as at 30 June 2014. Due to its nature, the Pro Forma Financial Information does not represent Genetic Signatures' actual or prospective financial position.

## **Directors' Responsibility**

The directors of Genetic Signatures are responsible for the preparation of the Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Financial Information that is free from material misstatement, whether due to fraud or error.

## **Our Responsibility**

Our responsibility is to express a limited assurance conclusion on the Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the Financial Information.

## **Review statement on the Financial Information**

### *Pro Forma Financial Information*

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Financial Information, as described in Section 4.5 of the Supplementary Prospectus and comprising the Pro Forma Statement of Financial Position as at 30 June 2014 is not presented fairly, in all material respects, in accordance with the stated basis of preparation as described in Section 4.5 of the Supplementary Prospectus.



## **SUBSEQUENT EVENTS**

Apart from the matters dealt with in this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no material transaction or event outside of the ordinary business of Genetic Signatures not described in the Supplementary Prospectus, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

## **INDEPENDENCE**

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the Supplementary Prospectus other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received. From time to time, BDO provides Genetic Signatures with certain other professional services for which normal professional fees are received.

## **GENERAL ADVICE WARNING**

This Report has been prepared, and included in the Supplementary Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to sections 4.1 and 4.5 of the Supplementary Prospectus, which describe the purpose of the Financial Information, being for inclusion in the Supplementary Prospectus. As a result, the Financial Information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Supplementary Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Supplementary Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Supplementary Prospectus.

Yours faithfully

**BDO East Coast Partnership**

A handwritten signature in black ink, appearing to read 'John Bresolin'. The signature is written in a cursive style with a large initial 'J'.

**John Bresolin**  
Partner



**Declaration** By submitting this Application Form with your Application Amount, I/we declare that I/we:

- ✓ have read the prospectus and supplementary prospectus in full;
- ✓ have read the Privacy Policy (available at the address listed below) in full;
- ✓ have received a copy of the electronic Prospectus & Supplementary Prospectus or a print out of it;
- ✓ have completed this Application Form in accordance with the Prospectus, the Supplementary Prospectus and the instructions on the reverse of the Application Form and declare that all details and statements made by me/us are complete and accurate;
- ✓ agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Privacy Policy (available at the address listed below);
- ✓ where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company and have provided that individual with a copy of, or details as to where to obtain, the Privacy Policy;
- ✓ acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- ✓ apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus & Supplementary Prospectus);
- ✓ acknowledge that my/our application may be rejected by the Company in consultation with the Lead Manager in its absolute discretion;
- ✓ authorise the Lead Manager and the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Securities to be allocated to me/us;
- ✓ am/are over 18 years of age;
- ✓ agree to be bound by the constitution of the Company;
- ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Securities, nor do they guarantee the repayment of capital;
- ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and
- ✓ represent, warrant and agree that I/we have not received the Prospectus and Supplementary Prospectus outside Australia and am/are not acting on behalf of a person resident outside Australia unless the Securities may be offered in my/our jurisdiction without contravention of the security laws of the jurisdiction or any need to register the Prospectus, the Supplementary Prospectus, the Securities or the Offer.

**Guide to the General Offer Application Form**

**YOU SHOULD READ THE PROSPECTUS & SUPPLEMENTARY PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM**

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

**Instructions**

- A** If applying for Shares insert the **number** of Share for which you wish to subscribe at Item **A** (not less than 5,000 Shares and then in multiples of 100 Shares). Multiply by A\$0.40 to calculate the total Application Amount for Shares and enter the **A\$amount** at Item **B**.
- C** Write your **full name**. Initials are not acceptable for first names.
- D** Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- E** If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**
- F** Enter your Australian **tax file number** (TFN) or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFN's is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form.
- G** Complete **cheque details** as requested. Make your cheque payable to "Genetic Signatures Limited – Share Issue Account". Cross it and mark it 'Note negotiable'. Cheques must be in Australian currency, and cheques must be drawn on an Australian bank.
- H** Enter your **contact details** so we may contact you regarding your Application Form or Application Monies.
- I** Enter your **email address** so we may contact you regarding your Application Form or Application Amount or other correspondence.

**Correct Form of Registrable Title**

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

**Lodgment**

Mail your completed Application Form with your cheque(s) or bank draft attached to one of the following addresses:

- |                            |                            |
|----------------------------|----------------------------|
| <b>Mailing address:</b>    | <b>Delivery address:</b>   |
| Genetic Signatures Limited | Genetic Signatures Limited |
| C/-Boardroom Pty Limited   | C/-Boardroom Pty Limited   |
| GPO Box 3993               | Level 7, 207 Kent Street   |
| SYDNEY NSW 2001            | SYDNEY NSW 2000            |

**The Offer closes at 5.00pm (AEST) 20 March 2015** (unless closed earlier or extended)

It is not necessary to sign or otherwise execute the Application Form.

**If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and + 61 2 9290 9600 outside Australia.**

**Privacy Statement**

Boardroom Pty Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your share holding and if some or all of the information is not collected then it might not be possible to administer your share holding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form.

Our privacy policy is available on our website (<http://www.boardroomlimited.com.au/Privacy.html>).

The Corporations Act requires some of this information to be included in the Company's Shareholder and Option holder register, which will be accessible by the public. The Company will collect, use, hold, and disclose your personal information in accordance with the Privacy Policy. For more detail on how the Company collects, stores, uses and discloses your information, please refer to our Privacy Policy. Alternatively contact the Company and the Company will send you a copy. It is recommended that you obtain a copy of the Privacy Policy and read it carefully.

# Corporate Directory

Company	<b>Genetic Signatures Limited</b> Level 7 207 Kent Street Sydney NSW 2000
Directors of the Company	Nick Samaras (Chairman) John Melki (CEO) Robert Birrell (Director and CFO) Mike Aicher (Executive Director – US Operations) Phillip Isaacs (Non-Executive Director) Pat Noland (Non-Executive Director)
Company Secretary	Robert Birrell
Lead Manager to the Offer	<b>Lodge Corporate Pty Ltd</b> Level 5, 60 Collins Street Melbourne VIC 3000 T: +61 3 9200 7000 F: +61 3 9200 7077 W: www.lodgepartners.com.au
Solicitors to the Offer	<b>Watson Mangioni Lawyers Pty Limited</b> Level 13, 50 Carrington Street Sydney NSW 2000
Investigating Accountant to the Offer	<b>BDO East Coast Partnership</b> Level 11 1 Margaret Street Sydney NSW 2000
Patent Attorney	<b>Allens</b> Patent & Trade Mark Attorneys Deutsche Bank Place Corner Hunter and Phillip Streets Sydney NSW 2000
Share Registry	<b>Boardroom Pty Limited</b> Level 7 207 Kent Street Sydney NSW 2000 T: 1300 737 760 (within Australia) T: +61 2 9290 9600 (from overseas)

