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WEBINAR – proposed acquisition of RealThing

Hexima to acquire 100% of RealThing Entertainment transforming to a commercial stage technology company with next generation Autonomous Intelligence products.

MELBOURNE, AUSTRALIA (24th July 2024): *The following is a communication which is being sent to Hexima Shareholders, released to ASX under Listing Rule 3.17.1. **Important Note:** The following contains a summary by way of background. Readers should refer to the Company's announcement of earlier today which contains more detailed information, including further information about the terms of and conditions for the proposed acquisition, the proposed capital raising, risks, and the requirements which will need to be fulfilled in order for the acquisition and capital raising to proceed.*

Dear Hexima Shareholder,

RealThing Webinar – 31st July 2024, 4:00 PM (AEST)

Hexima Limited (ASX: HXL) has today announced it has signed a binding but conditional Share Sale Agreement to acquire 100% of the shares of RealThing Entertainment Pty Ltd ("RealThing") and proposes undertaking a capital raising of a minimum of \$4 million.

To learn more about RealThing please join us for an informative interview style panel discussion with Geoffrey Kempler, Silvio Salom, Dr Michael Georgeff, and Nick Howden. The webinar will be recorded and uploaded to www.hexima.com.au

[Click here to join.](#)

Background

Key Points:

- RealThing is commercialising its Autonomous Intelligent Software Agent Platform (AiSAP) based on the Belief, Desire, Intention (BDI) model of human practical reasoning.
- RealThing is building a new paradigm in user device interaction. Instead of asking questions, the user asks for an outcome communicating in natural language. Intelligent agents deliver that outcome in a changing and dynamic environment – it's a personal assistant with human intelligence.
- RealThing's Autonomous Intelligent Agents take advantage of advancements in generative AI (such as chatGPT), combined with the logical reasoning capabilities of BDI agents that are connected to the real world to drive real actions.
- First application, RealSAM, launched with early first sales in the UK and US. RealSAM is a suite of products built on AiSAP to assist visually impaired and print disabled people to access and interact with content and services.
- AiSAP can be deployed in a range of other services including for the elderly, other disabilities, healthcare, government services and beyond.
- Scalable platform with recurring product revenue targeting large markets. Transaction funding will support further product development and commercial rollout.



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- Globally recognised leaders proposed to join the Hexima board and management including pioneers of intelligent agent technology previously from Stanford Research Institute (SRI International) and The Australian Artificial Intelligence Institute.
- This letter should be read in conjunction with the detailed transaction announcement released to the ASX earlier today, which is available on the Company's website at www.hexima.com.au, or on the ASX website at www.asx.com.au using the code "HXL". The detailed transaction announcement contains important information such as risks, and the requirements which will need to be fulfilled for the acquisition and capital raising to proceed.

RealThing has developed an artificial intelligence platform called the Autonomous Intelligent Software Agents Platform (AiSAP). This enables RealThing to build intelligent applications that allow users of mobile and personal devices to achieve outcomes using simple voice commands through to complex dialogue. The following is based on information provided by RealThing.

There has been a proliferation of generative Ai products that largely operate in the same way – they provide a broad toolkit that is trained on large datasets of text and media to respond to a user's query.

RealThing is building a new paradigm in user device interaction by combining the transformative power of generative AI with AiSAP's capability to reason and act autonomously on behalf of the user in the real world.

The complementarity of AiSAP and generative Ai delivers intelligent solutions where AiSAP agents guide decision-making with a human-like understanding of goals and intentions, and the broader generative Ai tools provide the knowledge-driven insights necessary to inform those decisions.

AiSAP agents represent the next frontier of technological advancement due to their ability to perceive, reason, and act autonomously in complex and dynamic environments.

Leveraging algorithms and techniques from artificial intelligence, machine learning, and robotics, AiSAP agents can reason and plan to achieve goals in the real world, making them increasingly capable of handling diverse tasks and challenges.

Hexima CEO and Managing Director Mr Geoffrey Kempler said: "The proposed acquisition of RealThing provides an opportunity to grow Hexima shareholder value in an exciting and cutting-edge technology that builds on the profound impact that Ai is already having on society."

AiSAP's Differentiated Benefits



Turns language into real world behaviour.

The concepts of belief (knowledge), desire (goals) and intentions (plans and commitments) match exactly the concepts that ChatGPT uses in its communications, so AiSAP Agents can translate the symbols/sentences used by ChatGPT to perceptions and actions in the real world.



Powerful, reliable reasoning capabilities.

AiSAP Agents are very powerful at logical reasoning and goal directed decision making, proven in many complex applications, so serve as the perfect orchestrator of the apps, devices and IoT that connect to the real world.



Act autonomously in a dynamic world.

AiSAP Agents are autonomous and proactive so can serve to prompt and direct ChatGPT to answer the questions that it (and the apps/devices/IoT that it connects to) needs to achieve the user's goals and to react to changing circumstances in the real world.



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“RealThing is transforming how people use their mobile and personal devices. The first products are already launched and generating early revenue. This is an exciting and transformative time for Hexima.”

First product launched with early revenue

RealThing’s first product RealSAM is a software application using AiSAP to assist visually impaired and print disabled people to access and interact with content and other services. RealSAM is sold in the USA where RealThing is working with the Library of Congress National Library Service for Blind and Print Disabled (NLS), the largest provider of products and content for the visually impaired in the US, and Veteran Affairs, an organisation supporting US war veterans.

In the UK, RealSAM is available via Virgin Media O2, and RealThing has collaborations with organisations supporting visually impaired people including the Royal National Institute for the Blind, Blind Veterans UK, Macular Society, and Torch Trust.

Whilst RealThing will initially support a highly focussed program to accelerate commercial scale up of RealSAM in both the UK in US for visually impaired people, there are significant future opportunities to target other verticals such as aged care, other disabilities, healthcare, government services, and new geographies.

Board and Management Team

As part of the transaction, several globally recognised leaders will be joining the Board and Management team of Hexima at completion.

Post-transaction Management Team

- **Nick Howden, Group President and COO:** More than 25 years’ experience in intelligent software commercialisation and services, and has created new products and solutions in defence, healthcare, and emergency management. Nick was a key scientist at the Australian Artificial Intelligence Institute.
- **Andrew Hodgson, Chief Technology Officer:** More than 25 years’ experience as an architect with a wide-ranging history of translating research into products and has been involved in building three successful Ai technology companies. Andrew was previously CTO at the Australian Artificial Intelligence Institute.
- **Dr Ralph Ronnquist, Chief Scientist:** 30 years’ experience in speech, audio processing and artificial intelligence. Co-creator of several Intelligent Agent and Team Oriented development environments and created courseware and led professional training around the world on intelligent agent technology. Ralph was previously a key scientist at the Australian Artificial Intelligence Institute.
- **Brendan Lewis, Chief Commercial Officer:** More than 25 years’ experience in developing technology businesses internationally in Asia, USA, UK, and Africa.

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Post transaction Board of Directors

The proposed post transaction Board of Hexima will consist of Silvio Salom as Non-Executive Chair, Geoffrey Kempler as Managing Director, and Non-Executive Directors Phillip Hains and Dr Michael Georgeff. Both Silvio and Michael have significant global leadership profiles in Ai.

Over the past 30 years Silvio has founded numerous software companies including Adacel Technologies (ASX: ADA) and Lochard Limited and led their global success. Silvio spearheaded numerous relevant programs including Voice Recognition and Synthesis Systems utilising artificial intelligence as applied to Air Traffic Control and Fighter aircraft, as well as automated Machine Translation System for the Australian Department of Defence and subsequently an on-line translation service. Under his leadership, in each case the technology was developed, deployed, and commercialised into global markets.

Dr Georgeff has been at the forefront of software innovation and commercialisation for over 45 years. He was one of the pioneers of intelligent agent technology, creating a new paradigm for the way computational systems are built and operated. He was invited to Australia by the Prime Minister, Mr. Bob Hawke, to set up the Australian Artificial Intelligence Institute and was Program Director in the Artificial Intelligence Centre at SRI International, one of the world's most respected research establishments. He was a member of Stanford University's Centre for the Study of Language and Information, a select group of researchers exploring the frontiers of human and machine cognition. Dr Georgeff has founded numerous software businesses.

Dr Georgeff said: "I'm excited to join the Hexima Board as it moves from a biotech company to an Ai company with the acquisition of RealThing Entertainment. RealThing's technology brings together the power of intelligent agents that can reason and plan to achieve their objectives with the advanced natural language capabilities of generative Ai such as ChatGPT and beyond. This is the next crucial step in creating truly intelligent assistants that can do things in the real world, beyond just question-answering systems."

Justin Yap will be retiring from the Board on completion of the transaction.

Acquisition details & capital raise

Details of the proposed acquisition are included in the detailed transaction announcement released to ASX earlier today and available [here](#).

The Board of Hexima is proposing to shareholders to acquire 100% of Real Thing Entertainment Pty Ltd in exchange for 789,449,070 New Shares and 87,508,982 New Options. There is no cash consideration.

The binding Share Sale Agreement is subject to conditions precedent, including an Independent Expert's Report for inclusion in the notice of the Hexima general meeting at which shareholder approvals will be sought, Hexima's capital raising, and receipt of the shareholder approvals at the meeting.

Hexima has appointed MST Financial as lead manager for the capital raising. Details of the capital raise, seeking to raise a minimum of \$4 million via a public offer under a prospectus, are provided in the



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detailed announcement. Securities will only be available to persons eligible to apply for them under the prospectus which will be lodged with ASIC.

Applications for the Company's securities will only be able to be made in accordance with an application form which formed part of or accompanied a copy of the prospectus.

Before deciding whether to acquire the Company's shares, potential investors should obtain, read and consider the prospectus in its entirety and, if in any doubt, consult with their professional advisor(s). The Company will make an announcement to ASX which includes a copy of the prospectus when lodged. A copy of the prospectus will also be able to be requested from the Company and will also be made available on the Company's website.

The shareholder meeting is expected to be held on about September 23rd, 2024, with details to be included in a Notice of Meeting which will include an Independent Expert's Report and be dispatched to shareholders and released to the ASX at least 28 days prior.

To access the transaction announcement for detailed information [please click here](#).

Hexima Legacy Assets

In late 2023, Hexima entered into an agreement with Deftbiotech Pty Ltd, associated with the inventor of the pezadeftide technology and founders of Hexima, who will take on the rights to pezadeftide and assume all costs associated with maintaining the intellectual property and future development.

Hexima will be entitled to a royalty on any revenue generated from the intellectual property. Hexima also maintains rights to potential future royalties associated with insecticidal genes discovered during its collaboration with DuPont Pioneer, now Corteva Agrisciences (Corteva). One of the families of genes identified during this collaboration was recently published by Corteva in the prestigious scientific journal, Proceedings of the National Academy of Science (PNAS), and Corteva continues to pursue development of these insecticidal molecules for use in transgenic crops. No further investment is required by Hexima for this program and Corteva is responsible for all development and commercialisation costs.

This announcement is authorised for release to ASX by Mr Geoffrey Kempler, Chairman of Hexima Limited.

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