

MEMPHASYS LIMITED

ACN 120 047 556

PROSPECTUS

For the following:

- (a) an offer to each Eligible Shareholder to subscribe for up to \$30,000 of Shares under the Company's security purchase plan (**SPP**) to raise up to \$1,000,000, at an issue price equal to the lower of \$0.008 per Share and a 20% discount to the 5-day VWAP as at the date of issue of the Shares, together with 1 Attaching Option for every 1 Share issued (the **SPP Offer**);
- (b) an offer to Placement Participants for Shares at an issue price equal to the lower of \$0.008 per Share and a 20% discount to the 5-day VWAP as at the date of issue of the Shares to raise \$1,000,000 (**Placement**) together with 1 Attaching Option for every 1 Share subscribed for and issued (**Placement Offer**); and
- (c) an offer of Shares to investors identified by the Lead Manager at an issue price equal to the price of Shares issued under the SPP Offer to raise up to \$1,000,000, together with 1 Attaching Option for every 1 Share issued (**Top Up Offer**),

(together, the **Offers**).

Canaccord Genuity (Australia) Limited has been appointed as the lead manager to the Offers (**Lead Manager**), details of which are set out in Section 7.2.

SECURITY PURCHASE PLAN INFORMATION

The SPP Offer is currently scheduled to close at 5:00pm (AEDT) on 24 October 2024. Valid applications must be received by that time. Details of how to apply for Securities are set out in the SPP Application Form accompanying this Prospectus.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as highly speculative.

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CORPORATE DIRECTORY

Directors

Mr Robert Cooke
Non-Executive Chairman

Dr David Ali
CEO and Executive Director

Mr Paul Wright
Non-Executive Director

Mr Michael Atkins
Non-Executive Director

Company Secretary

Mr Andrew Metcalfe

Registered Office

34-36 Richmond Road
HOMEBUSH NSW 2140

Telephone: +61 2 8415 7300

Website: www.memphasys.com

Email: info@memphasys.com

Auditor

Pitcher Partners
Level 16, Tower 2
201 Sussex Street
SYDNEY NSW 2000

Share Registry*

Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Telephone: 1300 737 760 (within Australia)
Telephone: + 61 2 9290 9600 (outside Australia)

Legal Advisers

Steinepreis Paganin
Lawyers and Consultants
Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000

Lead Manager

Canaccord Genuity (Australia) Limited
Level 23, Exchange Tower
2 The Esplanade
PERTH WA 6000

*These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only

1. TIMETABLE AND IMPORTANT NOTES

1.1 Timetable

ACTION	DATE
Record Date for SPP	11 September 2024
Announcement of SPP and lodgement of Appendix 3B with ASX (prior to commencement of trading)	12 September 2024
Release of updated Appendix 3B and lodgement of Prospectus for the Offers with ASIC and ASX	20 September 2024
Opening date of the Offers under the Prospectus	25 September 2024
Closing Date of the Offers**	5:00PM (AEDT) 24 October 2024
Date of General Meeting	25 October 2024
Announce results of SPP Offer Issue of Shares under SPP and Placement and Attaching Options and lodgement of Appendix 2A with ASX applying for quotation of Shares issued under SPP and Placement	29 October 2024
Quotation on ASX of Shares issued under SPP and Placement	30 October 2024

* The above dates are indicative only and may change without prior notice.

** Subscribers under the SPP Offer should ensure that they have lodged their SPP Application Form by this date.

1.2 Top Up Offer

The Top Up Offer will remain open for up to 3 months from the date of this Prospectus and may be closed at any time by the Directors in their sole discretion.

1.3 Important Notes

This Prospectus is dated 20 September 2024 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

1.4 ASIC Instrument and ASX Listing Rule 7.2, Exception 5

In certain circumstances, a listed company may undertake a share purchase plan in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC Instrument**). The ASIC Instrument allows a share purchase plan to be conducted without the use of a prospectus once in any consecutive 12-month period.

As the Company is also offering Options under the SPP, the Company is unable to rely on the relief granted by the ASIC Instrument in respect of the Options (as the relief relates to offers of fully paid ordinary shares only) and, therefore, is undertaking the issue of Shares and Options under the SPP pursuant to this Prospectus.

1.5 Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Attaching Options issued under this Prospectus in respect to the SPP Offer. The Company and the Lead Manager will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website www.memphasys.com. By making an application under the SPP Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

1.6 Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

1.7 Taxation implications

The Directors do not consider it appropriate to give Shareholder's advice regarding the taxation consequences of applying for Securities under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with applying for Securities under this Prospectus.

1.8 Overseas Investors

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer of Shares or Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

1.9 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

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 our 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 prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

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

These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

1.10 Website – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at <https://www.memphasys.com/>. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia and New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus, or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

1.11 Disclaimer

No person is authorised to give information or to make any representation in connection with the offers described in this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offers. You should rely only on information in this Prospectus.

1.12 Investment Advice

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for securities under this Prospectus.

2. BACKGROUND TO THE OFFERS

2.1 Overview of the Offers

On 12 September 2024, the Company announced that it had received firm commitments from Placement Participants to raise \$1,000,000 via the issue of Shares at an issue price equal to the lower of \$0.008 and a 20% discount to the 5-day VWAP as at the date of issue of the Shares. Placement Participants will also receive 1 free Attaching Option for every 1 Share subscribed for and issued.

The issue of the Shares and Attaching Options under the Placement is subject to Shareholder approval at the General Meeting.

The Shares will be issued after the record date for the SPP Offer. Accordingly, Placement Participants will not be able to participate in the SPP Offer.

In addition to the Placement, the Company is undertaking the SPP Offer to Eligible Shareholders. Under the SPP Offer, Eligible Shareholders (defined in Section 3.2 below), will be entitled to apply for a minimum of \$2,500 and up to \$30,000 in Shares in the Company at an issue price equal to the lower of \$0.008 and a 20% discount to the 5-day VWAP as at the date of issue of the Shares. Eligible Participants under the SPP offer will also receive 1 free Attaching Option for every 1 Share subscribed for and issued.

The issue of the Shares and Attaching Options under the SPP is subject to Shareholder approval at the General Meeting.

The Company is seeking to raise up to \$1,000,000 under the SPP Offer.

To read how Eligible Shareholders can subscribe under the SPP Offer, refer to Section 3.6 below.

The Company intends to apply the funds raised under the Placement and the SPP to fund product development, the settlement of debtors and creditors, general working capital and the costs of the Offers (refer to Section 4.2 for further detail).

Further details in relation to the Placement and the SPP are set out in the ASX announcement released on 12 September 2024 (**Capital Raising Announcement**) and will be set out in the Company's notice of general meeting to be released to ASX on or around 25 September 2024 (**Notice of Meeting**).

In addition to the Placement and SPP, the Company will contemplate conducting a top-up placement to raise up to an additional \$1,000,000, on the same terms as the SPP and dependent on the amount raised from the SPP and general investor demand. This placement would be facilitated via the Top Up Offer, being an offer to investors identified by the Lead Manager at an issue price equal to the price of Shares issued under the SPP Offer to raise up to \$1,000,000, together with 1 Attaching Option for every 1 Share issued. To the extent the Company raises more than \$2,000,000 in total from the Placement, SPP and Top Up Offer, such additional funds will be applied to general working capital.

2.2 Lead Manager

Canaccord Genuity (Australia) Limited (ACN 075 071 466) (AFSL 234666) acted (and continues to act) as the lead manager, broker and sole book runner to the Offers pursuant to a mandate letter dated 4 September 2024 (**Lead Manager Mandate**). Further details on the Lead Manager Mandate are set out in Section 7.2.

2.3 General Meeting

The Company is holding a general meeting of shareholders on 25 October 2024 (**General Meeting**). The General Meeting will contain resolutions for the approval of:

- (a) the issue of the Shares and Attaching Options under the Placement;
- (b) the issue of the Shares and Attaching Options under the SPP; and

(c) the issue of Shares and Attaching Options under the Top Up Offer.

Details of the resolutions and further information will be included in the Notice of Meeting expected to be dispatched on 25 September 2024.

3. DETAILS OF THE OFFERS

3.1 The Offers

(a) The SPP Offer

The SPP Offer is an offer to each Eligible Shareholder to subscribe for a minimum of \$2,500 and a maximum of \$30,000 worth of new Shares at an issue price equal to the lower of \$0.008 and a 20% discount to the 5-day VWAP as at the date of issue of the Shares, together with 1 Attaching Option for every 1 Share subscribed for and issued under the SPP Offer. Fractional entitlements will be rounded down to the nearest whole number.

The issue of Shares and Attaching Options under the SPP Offer is subject to and conditional upon receipt of Shareholder approval at the General Meeting for the purposes of ASX Listing Rule 7.1.

The maximum amount proposed to be raised under the SPP Offer is \$1,000,000. If applications exceed \$1,000,000, the Company intends to undertake a scale back, on a pro-rata basis (subject to the ultimate discretion of the Board), so that no more than \$1,000,000 is raised under the SPP. Scale back decisions are made by the Board and are final.

There is a risk that the market price of the Shares may rise or fall between the date of this Prospectus and the date on which an Eligible Shareholder makes payment for Shares, submits an SPP Application Form, and the time of issue of the Shares under the SPP Offer. This means that the price you pay for the Shares issued to you may be less than or more than the market price of the Shares at the time of issue of the Shares. Set out below is a worked example of the number of Shares and Attaching Options that may be issued to an applicant that applies for the maximum \$30,000 parcel under the SPP Offer, based on assumed issue prices of \$0.008, \$0.007 and \$0.006:

ASSUMED ISSUE PRICE	MAXIMUM NUMBER OF SHARES WHICH MAY BE ISSUED	MAXIMUM NUMBER OF ATTACHING OPTIONS WHICH MAY BE ISSUED
\$0.008	3,750,000	3,750,000
\$0.007	4,285,714	4,285,714
\$0.006	5,000,000	5,000,000

There is also a risk that the market price of Shares may rise or fall between when the Attaching Options are granted and when a holder of the Attaching Options exercises the Attaching Options. This means that the value of the Attaching Options at any time prior to their exercise may be less or more than the value of the Options as at the date of grant. All of the Shares offered under the SPP Offer pursuant to this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The Attaching Options offered under this Prospectus will be exercisable at \$0.011 each on or before 5:00pm (AEDT) on the Expiry Date and otherwise on the terms set out in Section 5.2. All of the Shares issued upon exercise of the Attaching Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the SPP Offer is set out in Section 4.1. The SPP Offer is non-renounceable, which means that Eligible Shareholders may not transfer their rights to any Securities offered under the SPP Offer.

No funds will be raised from the issue of Attaching Options as the Attaching Options are free attaching to Shares issued under the SPP on a 1 for 1 basis.

(b) **The Placement Offer**

The Placement Offer is an offer to Placement Participants for Shares at an issue price equal to the lower of \$0.008 per Share and a 20% discount to the 5-day VWAP as at the date of issue of the Shares to raise \$1,000,000, together with 1 Attaching Option for every 1 Share subscribed for and issued.

The issue of Shares and Attaching Options under the Placement Offer is subject to and conditional upon receipt of Shareholder approval at the General Meeting for the purposes of ASX Listing Rule 7.1.

It is intended that the Shares under the Placement and SPP will be issued on the same date and will therefore have the same issue price. The number of Attaching Options to be issued under the Placement will be determined based on the number of Shares issued under the Placement, which in turn, is dependent on the final issue price.

No funds will be raised from the issue of the Attaching Options under the Placement. All of the Shares issued upon exercise of the Attaching Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

(c) **The Top Up Offer**

The Top Up Offer is a separate offer made pursuant to this Prospectus to investors identified by the Lead Manager for Shares at an issue price equal to the price of Shares issued under the SPP Offer to raise up to \$1,000,000, together with 1 Attaching Option for every 1 Share issued.

The allocation of Shares and Options under the Top Up Offer will be at the absolute discretion of the Directors, in consultation with the Lead Manager.

3.2 Eligibility to participate in SPP Offer

Only Eligible Shareholders may participate in the SPP Offer. 'Eligible Shareholders' for the purpose of the SPP Offer are Shareholders:

- (a) who were registered holders of Shares on the Record Date; and
- (b) whose registered address is in Australia or New Zealand.

If you are the only registered Shareholder of a holding of Shares, but you receive more than one SPP Offer (for example because you hold Shares in more than one capacity), you may only apply for one parcel of Shares with a value of up to \$30,000. The Company reserves the right to reject any application for Shares under this Prospectus to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

In the event of oversubscriptions by the SPP Closing Date, the Directors may, in their absolute discretion and in consultation with the Lead Manager, scale-back applications on pro-rata basis, based on the number of Shares held by the applicant. Directors may also, in their absolute discretion and in consultation with the Lead Manager, decide to increase acceptances in the event of oversubscriptions. Participation in the SPP Offer is optional and is subject to the terms and conditions set out in this Prospectus.

3.3 Minimum subscription

There is no minimum subscription to the Offers.

3.4 Not underwritten

The Offers are not underwritten.

3.5 Fees and Commissions payable

The Company reserves the right to pay commissions of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensees in respect of any valid applications lodged and accepted by

the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

3.6 Applications

SPP Offer

Eligible Shareholders may apply under the SPP Offer by completing the SPP Application Form accompanying this Prospectus in accordance with the instructions outlined on the SPP Application Form.

Pursuant to the SPP Offer, Eligible Shareholders may apply for Shares with a maximum value of \$30,000. Eligible Shareholders may participate by selecting one of the following options to purchase Shares under the SPP Offer:

	SPP APPLICATION AMOUNT	NUMBER OF SHARES WHICH MAY BE PURCHASED*	NUMBER OF OPTIONS TO BE RECEIVED*
Offer A	\$2,500	312,500	312,500
Offer B	\$5,000	625,000	625,000
Offer C	\$7,500	937,500	937,500
Offer D	\$10,000	1,250,000	1,250,000
Offer E	\$15,000	1,875,000	1,875,000
Offer F	\$20,000	2,500,000	2,500,000
Offer G	\$25,000	3,125,000	3,125,000
Offer H	\$30,000	3,750,000	3,750,000

*Based on an assumed issue price of \$0.008 per Share, although the Company notes that the final number of Shares to be issued under the SPP Offer will depend on the final issue price, being equal to the lower of \$0.008 and a 20% to the 5-day VWAP at the date of issue of the Shares.

Where the amount applied for results in a fraction of a Security the number of Shares issued will be rounded down to the nearest whole Security.

To participate in the SPP Offer, payment of the application moneys must be made per the instructions set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (AEDT) on the SPP Closing Date**.

The Company reserves the absolute discretion to scale back applications under the SPP Offer to the extent and in the manner it sees fit. If the Company undertakes a scale back, you will receive the number of Shares determined by the Company in its absolute discretion which may be less than the number of Shares applied for. In this case, the difference between the application moneys received and the number of Shares allocated to you multiplied by the issue price per SPP Share may be refunded to you by direct credit (to your nominated account recorded on the Company's share register) or by cheque as soon as practicable, without interest.

If you require assistance in accepting the SPP Offer, please contact the Company's Share Registry, Boardroom Pty Limited on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia).

The issue of Shares and Attaching Options under the SPP Offer is subject to and conditional upon receipt of Shareholder approval at the General Meeting.

The Placement Offer

The Placement Offer will only be extended to the Placement Participants and accordingly Application Forms will only be provided to these participants on invitation by the Directors.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (AEDT) on the Closing Date**.

The issue of Shares and Attaching Options under the SPP Offer is subject to and conditional upon receipt of Shareholder approval at the General Meeting.

Top Up Offer

The Shares and Attaching Options under the Top Up Offer will be placed to parties identified by the Directors, in consultation with the Lead Manager, and will only be issued if approved by Shareholders at the General Meeting. Accordingly, do not apply for Shares under the Top Up Offer unless instructed to do so by the Directors.

Application Forms for the Top Up Offer will be provided to parties identified by the Directors and Lead Manager.

Completed Application Forms under the Top Up Offer must be returned to the address set out in the Application Form with sufficient time to be received by or on behalf of the Company by no later than the date specified by the Company when providing Applicants with a copy of this Prospectus and an Application Form.

3.7 Payment – SPP Offer and Top Up Offer

(a) Payment by EFT (overseas applicants) or BPAY®

For payment by EFT or BPAY®, please follow the instructions on the SPP Application Form.

You can only make a payment via:

- (i) EFT if you are an overseas applicant and are a holder of an account that supports EFT transactions to an Australian bank account; or
- (ii) 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 EFT or BPAY®:

- (i) you do not need to submit the Application Form but are taken to have made the declarations on that Application Form; and
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Securities which is covered in full by your application monies.

It is your responsibility to ensure that your EFT or BPAY® payment is received by the share registry by no later than 5:00pm (AEDT) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Securities (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

3.8 Issue of Securities

Securities issued under the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus. Application moneys will be held in a separate subscription account until the Securities are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether any Securities are issued, and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Securities and/or the number of Securities issued under the Offers. The Directors reserve the right to reject any application or to allocate any Applicant fewer Securities than the number applied for.

Where the number of Securities issued is less than the number applied for, the surplus moneys will be returned by direct credit to your nominated bank account or cheque as soon as practicable after the Closing Date. Where no issue of Securities is made, the amount tendered on application will be returned in full by direct credit to your nominated

bank account or cheque as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

3.9 ASX listing – Shares

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 1.1.

If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Securities offered under this Prospectus within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered.

3.10 Restrictions on the distribution of the Prospectus

The Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

The Offers are not being extended and Securities will not be issued to investors with a registered address which is outside Australia or New Zealand.

Residents of countries outside Australia or New Zealand should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

New Zealand

The Offers made to New Zealand investors are regulated offers made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

The Offers and the content of the Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the Offers must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to the Offers. If you need to make a complaint about the Offers, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offers may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Shareholders resident in Australia or New Zealand or holding securities on behalf of persons who are resident overseas are responsible for ensuring that applying for Securities under the Offers does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

3.11 Enquiries

Any questions concerning the Offers should be directed to the Company on +61 2 8415 7300 or the Company's registry, Boardroom Pty Limited on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia)

4. PURPOSE AND EFFECT OF THE OFFERS

4.1 Purpose of the Offers

(a) Placement Offer

The Company has received firm commitments from sophisticated and professional investors to raise \$1,000,000 under the Placement by the issue of Shares and Attaching Options, both of which are subject to Shareholder approval at the General Meeting.

(b) SPP Offer

The Company is seeking to raise a further \$1,000,000 from Eligible Shareholders under the SPP Offer by the issue of Shares and Attaching Options, both of which are subject to Shareholder approval at the General Meeting.

(c) Top Up Offer

The Top Up Offer is an offer to raise up to an additional \$1,000,000, on the same terms as the SPP and dependent on the amount raised from the SPP and general investor demand. The issue of any Shares and Attaching Options under the Top Up Offer is subject to Shareholder approval at the General Meeting.

4.2 Use of funds

The funds raised from the SPP Offer and Placement Offer are planned to be used in accordance with the table set out below:

PROCEEDS OF THE SPP OFFER	ASSUMING ONLY \$1,000,000 IS RAISED PURSUANT TO BINDING COMMITMENTS UNDER THE PLACEMENT	%	FULL SUBSCRIPTION UNDER THE SPP AND PLACEMENT (\$2,000,000)	%
Product Development ¹	272,000	27.2%	635,000	31.75%
Settlement of debt and creditors	428,000	42.8%	428,000	21.40%
Working capital ²	144,000	14.4%	761,000	38.05%
Expenses of the Offers ³	156,000	15.6%	176,000	8.80%
Total	\$1,000,000	100%	\$2,000,000⁴	100%

Notes:

1. Funds raised will be used to finalise the Felix™ clinical trials, Felix™ equine fertility study and an Oxidative Stress Measurement system study. Refer to the Company's ASX announcement dated 12 September 2025 for further details.
2. Working capital costs include the general costs associated with the management and operation of the Company's business including administration expenses, salaries, consultant fees and overheads.
3. Refer to Section 7.9 for further details relating to the estimated expenses of the Offers. In the event that only \$1,000,000 is raised pursuant to binding commitments under the Placement, expenses of the offer would reduce by \$20,000 on account of the reduction to the Lead Manager fees.
4. To the extent that the Company raises more than \$2,000,000 under the SPP Offer, Placement Offer and Top Up Offer, such additional funds will be applied to general working capital.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

If there is a shortfall under the SPP Offer, the Directors have reserved the right to place the shortfall pursuant to the Top Up Offer.

On completion of the Placement Offer, the SPP Offer and the Top Up Offer, the Board believes the Company will have sufficient working capital to achieve the above objectives. If less than \$2,000,000 is raised under the SPP Offer, Placement Offer and Top Up Offer, funds raised would be prioritised towards (in order of priority): (1) meeting the expenses of the Offers, (2) settlement of debt and creditors and (3) immediate working capital expenses. Product development activities would be scaled back as required, which may have a negative impact on the Company and its operations.

4.3 Effect of the Offers

The principal effect of the SPP Offer and Placement Offer, assuming the Company issues the maximum number of Securities at an issue price of \$0.008 per Share and that the SPP Offer is fully subscribed, will be to:

- (a) increase the cash reserves by up to \$2,000,000 (before deducting the estimated expenses of the Offers) immediately after completion of the SPP Offer and Placement Offer; and
- (b) increase the number of Shares on issue from 1,445,248,156 to 1,695,248,156 Shares following completion of the SPP Offer and Placement Offer (subject to rounding); and
- (c) increase the number of Options on issue from 258,756,532 to 508,756,532 Options following completion of the SPP Offer and Placement Offer.

In addition to the Placement Offer and SPP Offer, the Company will contemplate conducting a further placement under the Top Up Offer to raise up to an additional \$1,000,000, on the same terms as the SPP and dependent on the amount raised from the SPP and general investor demand. Assuming an issue price of \$0.008, the effect of the Top Up Offer would be to increase cash reserves by up to a further \$1,000,000 (before costs) and increase the number of Shares and Attaching Options on issue by a further 125,000,00 respectively.

4.4 Effect of the Offers on capital structure

The effect of the Offers on the Company's capital structure is set out below, assuming an issue price of \$0.008 and \$0.006 for both the SPP Offer and the Placement Offer.

SHARES ¹	NUMBER (\$0.008 ISSUE PRICE)	NUMBER (\$0.006 ISSUE PRICE)
Shares currently on issue	1,445,248,156	1,445,248,156
Shares to be issued under the Placement ^{2, 3}	125,000,000	166,666,666
Shares to be issued under the SPP Offer ^{2, 3}	125,000,000	166,666,666
Total Shares on issue on completion of the Placement and SPP Offer⁴	1,695,248,156	1,778,581,488

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 5.1.
2. The issue of the Shares under the Placement Offer and SPP Offer are subject to receipt shareholder approval at the General Meeting.
3. This table is for illustrative purposes only and is based on an assumed issue price of \$0.008 and \$0.006 per Share for both the Placement Offer and the SPP Offer. The Company notes that the final number of Shares to be issued under both the Placement Offer and the SPP Offer will depend on the final issue price, being equal to the lower of \$0.008 and a 20% to the 5-day VWAP on the date of issue of the Shares under the respective Offers.
4. The Company notes that:
 - (a) Under the working capital loan agreement announced on 17 September 2024, the Company has agreed to issue a further \$50,000 worth of Shares, at an issue price of the lower of \$0.008 and a 20% to the 5-day VWAP on the date of issue of the Shares, together with 1 free Attaching Option for every Share issued. The issue of these Shares and Attaching Options is subject to Shareholder approval at the General Meeting; and
 - (b) subject to the amount raised from the SPP and general investor demand, and conditional on receipt of Shareholder approval at the General Meeting, the Company may issue up to an

additional \$1,000,000 worth of Shares under the Top Up Offer at an issue price equal to the issue price of the SPP.

OPTIONS ¹	NUMBER (\$0.008 ISSUE PRICE)	NUMBER (\$0.006 ISSUE PRICE)
Options currently on issue ²	258,756,532	258,756,532
Attaching Options to be issued under the Placement ^{3 4}	125,000,000	166,666,666
Attaching Options to be issued under the SPP Offer ^{3 4}	125,000,000	166,666,666
Total Options on issue on completion of the Placement and the SPP Offer⁵	508,756,532	592,089,864

Notes:

- The rights and liabilities of the Attaching Options are summarised in Section 5.2.
- Comprising:
 - 31,250,000 unquoted Options exercisable at \$0.011 each on or before 28 August 2026;
 - 105,000,000 unquoted Options exercisable at \$0.02 each on or before 15 February 2026;
 - 13,392,584 unquoted Options exercisable at \$0.0149 each on or before 15 February 2027;
 - 2,500,000 unquoted Options exercisable at \$0.0237 each on or before 5 December 2025; and
 - 106,613,948 unquoted Options exercisable at \$0.02 each on or before 18 January 2026.
- This table is for illustrative purposes only and is based on an issue price of \$0.008 and \$0.006 per Share for both the Placement Offer and the SPP Offer. The Company notes that the final number of Shares to be issued under both the Placement offer and the SPP Offer will depend on the final issue price, being equal to the lower of \$0.008 and a 20% to the 5-day VWAP on the date of issue of the Shares. The total number of Attaching Options to be issued under the Placement Offer and the SPP Offer is dependent on the number of Shares issued under the Placement and SPP.
- The Attaching Options are subject to receipt of Shareholder approval at the General Meeting.
- The Company notes that:
 - under the working capital loan agreement announced on 17 September 2024, the Company has agreed to issue a further \$50,000 worth of Shares, at an issue price of the lower of \$0.008 and a 20% to the 5-day VWAP on the date of issue of the Shares, together with 1 free Attaching Option for every Share issued. The issue of these Shares and Attaching Options is subject to Shareholder approval at the General Meeting; and
 - subject to the amount raised from the SPP and general investor demand, and conditional on receipt of Shareholder approval at the General Meeting, the Company may issue up to an additional \$1,000,000 worth of Shares under the Top Up Offer at an issue price equal to the issue price of the SPP. Participant in the Top Up Offer would also receive 1 Attaching Option for every 1 Share subscribed for and issued.

CONVERTIBLE NOTES	NUMBER
Convertible Notes currently on issue ¹	3,000,000
Convertible Notes offered under the SPP Offer	Nil
Total Convertible Notes on issue on completion of the SPP Offer²	3,000,000

Notes:

- The Company has 3,000,000 Convertible Notes on issue with an aggregate face value of \$3,000,000 (plus accrued interest and capitalised facilitation fees) held by Peters Investments Pty Ltd and maturing 31 December 2024 (with an agreed extension to 30 June 2025, subject to shareholder approval for the purposes of item 7 s611 of the Corporations Act).

4.5 Pro-forma balance sheet

The reviewed balance sheet as at 30 June 2024 and the pro-forma balance sheet as at 31 August 2024 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming a maximum of \$2,000,000 is raised under the Placement Offer, the SPP Offer and the Top Up Offer, no existing Options are exercised and including expenses of the Offers.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted above. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

PRO FORMA			
	AS AT 31 AUGUST 2024 ¹ \$ NON-AUDITED	AS AT 31 AUGUST 2024 \$ NON-AUDITED	AS AT 30 JUNE 2024 \$ AUDITED
CURRENT ASSETS			
Cash and cash equivalents	1,837,787	13,787	277,802
Inventories	193,019	193,019	164,761
Other current assets	1,367,378	1,367,378	1,176,000
TOTAL CURRENT ASSETS	3,398,184	1,574,184	1,618,563
NON-CURRENT ASSETS			
Financial assets at fair value through OCI	14,000	14,000	14,000
Property, plant and equipment	335,665	335,665	348,359
Intangible assets	10,083,283	10,083,283	10,089,761
Right-of-use asset	353,000	353,000	359,464
TOTAL NON-CURRENT ASSETS	10,785,948	10,785,948	10,811,584
TOTAL ASSETS	14,184,132	12,360,132	12,430,147
CURRENT LIABILITIES			
Trade and other payables	682,980	682,980	521,374
Interest-bearing liabilities	4,403,942	4,403,942	4,363,174
Non-interest-bearing liabilities	-	-	50,000
Lease liabilities	60,113	60,113	60,113
Other liabilities	2,958	2,958	70,800
Provisions for employee benefits	188,601	188,601	188,601
TOTAL CURRENT LIABILITIES	5,338,594	5,338,594	5,254,062
NON-CURRENT LIABILITIES			
Lease liabilities	330,074	330,074	335,912
Provisions for employee benefits	2,418	2,418	2,418
TOTAL NON-CURRENT LIABILITIES	332,492	332,492	338,330
TOTAL LIABILITIES	5,671,086	5,671,086	5,592,392
NET ASSETS	8,513,046	6,689,046	6,837,755

PRO FORMA			
	AS AT 31 AUGUST 2024 ¹ \$ NON-AUDITED	AS AT 31 AUGUST 2024 \$ NON-AUDITED	AS AT 30 JUNE 2024 \$ AUDITED
EQUITY			
Issued capital	59,780,290	57,780,290	57,280,290
Reserves	162,551	(12,449)	(12,449)
Accumulated losses	(51,429,795)	(51,078,795)	(50,430,086)
TOTAL EQUITY	8,513,046	6,689,046	6,837,755

Notes:

- Adjusted to reflect increase in cash and Share capital from completion of the Offers, less the estimated costs of the capital raising. The pro-forma has been prepared to reflect the position of the Company assuming full subscription under the Offer, prior to any offset and/or repayment of existing debt via the capital raising (as contemplated in Section 4.2).

4.6 Cleansing Purpose

On 28 August 2024, the Company issued 62,500,000 Shares without an accompanying disclosure document pursuant to a subscription by a sophisticated investor (**Relevant Shares**).

The Corporations Act provides a general prohibition against the on-sale of Shares issued without disclosure within 12 months of their date of issue, subject to certain exceptions.

Section 708A(11) of the Corporations Act provides that a sale offer can be made without the need for further disclosure if:

- the relevant securities are in a class of securities that are quoted securities of the body; and
- either:
 - a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

As this Prospectus contains an offer of securities in the same class of securities as the Relevant Shares (i.e. the offer of Shares under the Offers), the issue of this Prospectus will 'cleanse' the Relevant Shares, allowing them to be on-sold without restriction.

In addition, the Attaching Options offered pursuant to the Offers are being issued under this Prospectus such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

The following is a summary of the more significant rights and liabilities attaching to the Options and Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Securityholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

5.1 Rights and liabilities attaching to Shares

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5.2 Terms and Conditions of the Attaching Options

The terms and conditions of the Attaching Options are as follows:

(a) **Entitlement**

Each Attaching Option entitles the holder to subscribe for 1 Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Attaching Option will be \$0.011 (**Exercise Price**).

(c) **Expiry Date**

Each Attaching Option will expire at 5:00pm (**AEDT**) on or before the date that is two years from the date of issue (**Expiry Date**). An Attaching Option not exercised before the respective Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Attaching Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Attaching Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Attaching Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Attaching Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Attaching Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Attaching Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Attaching Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Attaching Options without exercising the Options.

(k) **Change in exercise price**

An Attaching Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Attaching Option can be exercised.

(l) **Transferability**

The Attaching Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

6. RISK FACTORS

6.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.2 Company specific

In addition to the general market and economic risks noted in Section 6.4, investors should be aware of the risks specific to an investment in the Company. The major risks are described below.

(a) Going concern

While completing the audit of the Company's annual financial report for the financial year ended 30 June 2024, the Company's auditor noted that there was a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

Notwithstanding the 'going concern' qualification of matter included in the annual financial report, the Directors believe that upon the successful completion of the Offers, the Company will have sufficient funds to adequately meet the Company's short-term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long-term working capital costs of the Company.

In the event that the Offers are not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern, and which is likely to have a material adverse effect on the Company's activities.

(b) Additional requirements for capital

The funds raised under the Offers are considered sufficient to meet the immediate objectives of the Company. It is likely that additional funding will be required in the future to effectively implement the Company's business and operations plans, to take advantage of opportunities for acquisitions or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of its research and development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(c) Potential for significant dilution

Upon implementation of the Offers, the number of Shares and Options on issue in the Company will increase. This means that, post completion of the Offers, each Share and Option will represent a lower proportion of the ownership of the Company.

(d) **Commercial success of products being developed**

The Company is in the process of developing and commercialising its products. Inherent uncertainties exist in any commercialisation program for new technologies and products. The Company's products are at varying stages of development, and none of the Company's products are currently at a commercialised stage. There is no assurance that:

- (i) the development and commercialisation of new technologies and products will be successful;
- (ii) all necessary regulatory registrations or approvals for the sale and distribution of the Company's products will be obtained (and on terms acceptable to the Company); or
- (iii) the Company's products will achieve market acceptance.

(e) **Reliance on commercial success of one product initially**

The Company's business is largely presently dependent on the commercial success of the Felix device, its lead program.

(f) **Increase in competition**

The Company's earnings and the market acceptance of the Company's products may be adversely affected by competitor activity, new competitors entering the market, or if competitors release more advanced products that result in reduced market share for the Company's products.

Increased competition and new products may have the effect of rendering the Company's previous developments obsolete, decreasing the financial value of products or intellectual property and reducing pricing and profit margins.

(g) **Reliance on business partners, suppliers and customers**

The Company is reliant on key existing business partners and future proposed suppliers and customers. The Company is reliant on arrangements with third parties (including the University of Newcastle) and in relation to the further development of intellectual property and the development of some future products.

The Company may also rely on third party distributors for the sale of its products in certain jurisdictions. These distributors may not be successful in marketing and selling the Company's products or may not commit sufficient resources to meet the Company's sales targets.

If the Company is not able to manage its distribution network, or if the distribution network is not successful in marketing and selling its products, or if the Company experiences a significant reduction in, cancellation of, or change in the size and timing of orders from distributors, the Company's potential revenue may be reduced, which would adversely impact the Company's financial outcomes.

(h) **Reliance on key personnel**

Strong competition exists in the medical device industry for highly skilled workers due to the limited number of people with the appropriate skill set in the local and international market. The Company currently employs, or engages as consultants, a number of key management personnel and intends to employ more highly skilled people.

The Company has structured incentive programs for its key personnel and it has also established contractual mechanisms through employment and consultancy contracts to limit the ability of key personnel to join a competitor or compete directly with the Company. Despite these measures, there is no guarantee that the Company will be able to attract and retain suitable qualified personnel, and a failure to do so could materially and adversely affect the business, operating results and financial prospects.

Further, the unexpected loss of an employee with a particular skill could have an adverse effect on the Company's operations until a replacement can be found and trained.

(i) **Ability to rely on and protect the intellectual property**

The Company's success and its ability to create value from its technological innovations depends at least in part on its use of its intellectual property, as well as third party intellectual property which is licensed or otherwise granted to the Company.

The intellectual property rights on which the Company is reliant may be subject to claims, including third party infringement claims, which may adversely affect the commercialisation of the Company's products or result in the Company incurring expenses or damages. Defending against allegations and litigation could be expensive, take significant time and divert management's attention.

Similarly, if the Company is not able to adequately protect its know-how, expertise, trade secrets and intellectual property rights, including where the Company cannot obtain patent protection in a timely manner, or if existing patents are inadequate to prevent competitors developing competing products, then the Company's business and financial performance may be adversely affected.

Further, the Company's existing patents and any future patents that it may obtain may not be sufficiently broad to prevent others from practicing its technologies or developing competing products and technologies.

(j) **Diminution in reputation or brand**

The Company is reliant on its reputation and the reputation of its products and brands. Any factors or events that diminish the reputation of the Company, its products, its brands, trademarks or intellectual property may adversely affect the Company.

(k) **Prospective information**

There can be no guarantee that the factors and assumptions on which the Company has assessed the feasibility of its products, potential levels of market acceptance and sales of its products, development and commercialisation strategies of its products, or relevant potential costs and expenses, and any other factors or assumptions upon which the Company bases its various technical or commercial decisions, will ultimately prove to be valid or accurate. The various factors and assumptions may be, or may depend on other factors which are, outside the control of the Company.

(l) **Liquidity and realisation**

There can be no guarantee that an active market in the Company's Shares will develop or that the price of the Shares will increase. There may be a relatively limited number of buyers, or a relatively large number of sellers, on ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less than the price paid for their Shares.

(m) **Litigation**

The Company may be the subject of complaints or litigation by customers, suppliers, employees or officers, Shareholders, government agencies or other third parties. Such matters may have an adverse effect on the Company's reputation, divert its financial and management resources from more beneficial uses, or have a material adverse effect on the Company's future financial performance or position. Currently, the Company is free of any litigation claims.

(n) **Changes in political and regulatory environments**

The Company is subject to various federal and state-based laws and regulations in Australia as well as other jurisdictions in which the Company operates.

The introduction of new laws and regulations (including in relation to medical devices) may result in increased expenses for the Company, as it establishes new compliance procedures, retrains its employees and reviews or redevelops products.

New regulatory environments create risk that the regulations will have unintended consequences, or that interpretations may change over time, which could adversely affect the Company's operations and ability to manufacture, sell or distribute some products.

(o) **Interest Rate Risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of the fixed rate financial instruments.

(p) **Foreign Exchange Risk**

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the group holds financial instruments which are other than the AUD functional currency of the group. In the current financial year, the group has operated internationally in low volumes and has no assets and liabilities in foreign currencies at the end of the period. Therefore, there was no exposure to foreign exchange risk.

(q) **Clinical trials and regulatory approval processes**

In Australia and other jurisdictions, the Company is required to apply for and receive regulatory authorisation before marketing the Felix™ system and other products. The outcomes of the clinical trials in Australia, which are a requirement for obtaining regulatory approvals, may be delayed or unsuccessful. Unforeseeable complications and delays may arise in the regulatory approval process and any future regulatory approvals that the Company receives may include requirements for post-market testing and surveillance to monitor the safety and effectiveness of the product, which will impose additional costs on the Company and the business.

Further, the regulatory approval process and requirements governing clinical trials vary from country to country. The policies of the regulatory authorities may change, and additional government regulations may be enacted that could prevent, limit and delay the necessary approval of any products the Company is looking to commercialise. The Company cannot predict the likelihood, nature or extent of any government regulation that may arise from future legislation or administration action in any jurisdiction in which it operates or may, in the future operate from. In addition to regulatory approval, in any jurisdictions, a medical device must also be approved for reimbursement before it can be approved for sale.

A failure or delay in obtaining regulatory approval for a product in one jurisdiction, may have a negative effect on the regulatory process in other jurisdictions.

(r) **Pricing regulations or third-party coverage and reimbursement policies**

The Company cannot guarantee that it will receive favourable pricing and reimbursement for the use of the Felix™ system or other products which it may commercialise in the future.

The rules and regulations governing pricing and reimbursement for medical products vary widely from country to country. In some foreign jurisdictions, the government largely controls pricing of medical products. In other countries, coverage negotiations must occur at the regional or hospital level.

If the Company is unable to promptly obtain coverage and profitable payment rates from hospital budgets, government funded and private purchases for the Felix™ system or any future products, this could have an adverse effect on the financial performance of the company.

6.3 Industry specific

(a) Development and commercialisation of technologies

The Company is relying on its ability to develop and commercialise its technologies. A failure to successfully develop and commercialise its technologies could lead to a loss of opportunities and adversely impact on the Company's operating results and financial position.

(b) Research and development

The Company can make no representation that any of its research into or development of its technologies will be successful, that the development milestones will be achieved, or that its technologies will be developed into products that are commercially exploitable.

There are many risks inherent in the development of biotechnology products, particularly where the products are in the early stages of development. Projects can be delayed or fail to demonstrate any benefit, or research may cease to be viable for a range of scientific and commercial reasons.

(c) Manufacturing costs

The Company's success may depend, in part, on its ability to lower the manufacturing costs of its products while maintaining product performance and quality standards. If the Company is unable to reduce manufacturing costs, it may be constrained in its ability to set competitive pricing and maintain a competitive advantage.

6.4 General risks

(a) Market conditions

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and biotechnology stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) Change in government policy and legislation

Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the Company are subject to

various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

(c) **Insurance**

The Company may, where economically practicable and available, endeavour to mitigate some project and business risks by procuring relevant insurance cover. However, such insurance cover may not always be available or economically justifiable and the policy provisions and exclusions may render a particular claim by the Company outside the scope of the insurance cover. While the Company will undertake all reasonable due diligence in assessing the creditworthiness of its insurance providers there will remain the risk that an insurer defaults in the legitimate claim by the Company under an insurance policy.

6.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

7. ADDITIONAL INFORMATION

7.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

7.2 Lead Manager Mandate

The Company has entered into a mandate with the Lead Manager pursuant to which the Offers are being made, the material terms and conditions of which are summarised below:

Services	The Lead Manager has agreed to act as the lead manager and bookrunner to the Offers.
Fees	In consideration for its services, the Company has agreed to pay the following fees to the Lead Manager: (a) a management fee of 2% of the total amount raised under the Placement Offer, the SPP Offer and the Top Up Offer; and (b) a capital raising fee of 4% of the total amount raised under the Placement Offer and the Top Up Offer.
Expenses	The Company has agreed to reimburse the Lead Manager for all reasonable out-of-pocket expenses in connection with the mandate, including: (a) legal fees of the Lead Manager up to \$20,000 (excl. GST); (b) all other reasonable costs and expenses provided that the Lead Manager must seek prior approval from the Company before incurring any expense in an amount greater than \$2,000, other than the legal expenses referred to in (a); and (c) any stamp duty or similar taxes payable in respect of this mandate or the Offers.

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

7.3 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

DATE	ANNOUNCEMENT
18 September 2024	Annual Financial Report for the year ended 30 June 2024

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website (<https://www.memphasys.com/>).

7.4 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	PRICE	DATE
Highest	\$0.012	31 July 2024
Lowest	\$0.006	25 July 2024

	PRICE	DATE
Last	\$0.009	19 September 2024

7.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, the following persons (together with their associates) have a relevant interest in 5% or more of the Shares on issue in the Company:

SHAREHOLDER ¹	SHARES	% ²
Peters Investments Pty Ltd ³	261,564,791	18.10
Andrew Goodall ⁴	138,714,397	9.60
Alison Coutts ⁵	103,963,699	7.19

Notes:

- These parties may participate in the SPP Offer up to an amount of \$30,000.
- Based on the total issued capital of 1,445,248,156 Shares prior to the issue of Shares under the Placement and the SPP.
- Held directly by Peters Investments Pty Ltd. In addition, Peters Investments Pty Ltd holds 3,000,000 convertible notes in the Company with a face value of \$1 per convertible note (together with \$90,000 capitalised facilitation fees and accrued interest). On 15 February 2024, the Company received shareholder approval under item 7 s611 of the Corporations Act for Peters Investments Pty Ltd to increase its voting power up to 40.71% upon conversion of the notes, capitalised facilitation fees and accrued interest.
- Mr Goodall is a former Director of the Company. Refer to share register as at 9 September 2024 for further particulars. This amount includes 692,240 shares held by Mr Goodall's mother (Marjori Goodall) of which Mr Goodall has a relevant interest in.
- Ms Coutts is a former Director of the Company. Refer to share register as at 9 September 2024 for further particulars. This amount includes 9,636,601 shares held by Alison Coutts Consulting Pty Ltd <Alison Coutts Super Fund A/C> and 479,723 Shares held by Alison Coutts Consulting Pty Ltd <Alison Coutts SMSF A/C>, both of which Ms Coutts has a relevant interest in.

The Company confirms that no existing Shareholder will increase its Shareholding to above 19.9% as a result of the Offers.

7.6 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers pursuant to this Prospectus; or
- the Offers,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offers.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus and following completion of the Offers is set out in the table below.

Date of this Prospectus

DIRECTOR	SHARES	OPTIONS
David Ali	Nil	Nil
Paul Wright	Nil	Nil
Robert Cooke	Nil	2,500,000 ¹
Michael Atkins	16,000,000	3,273,036

Notes:

1. Unlisted Options with an exercise price of \$0.0237 each and expiring on 5 December 2024.
2. Comprising 6,500,000 Shares and 563,036 Options held directly, and 9,500,000 Shares and 2,710,000 Options held indirectly by Windamurah Pty Ltd <Atkins Super Fund A/C>, an entity of which Mr Atkins controls. Refer to the Appendix 3X dated 14 March 2024.

Completion of the Offers

DIRECTOR ¹	SHARES	OPTIONS
David Ali	Nil	Nil
Paul Wright	Nil	Nil
Robert Cooke	Nil	2,500,000 ¹
Michael Atkins	16,000,000	3,273,036

Notes:

1. None of the Directors are participating in the Offers,

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$450,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

DIRECTOR	FY ENDED 30 JUNE 2023 \$	FY ENDED 30 JUNE 2024 \$	FY ENDING 30 JUNE 2025 (PROPOSED) \$
David Ali ¹	Nil	334,569 ²	442,430 ³
Robert Cooke	120,668 ⁴	83,694 ^{5, 13}	117,624 ^{6, 14}
Paul Wright	50,227 ⁷	42,046 ^{8, 13}	59,094 ^{9, 14}
Michael Atkins ¹⁰	Nil	6,692 ^{11, 13}	59,094 ^{12, 14}

Notes:

1. Appointed as a Company director on 30 November 2023. Mr Ali was appointed as Director of Business Development on 27 March 2023. In his role as Director of Business Development, Mr Ali received a \$60,120 in remuneration for the financial year ended 30 June 2023, comprising \$54,809 in cash, salary and fees, \$5,296 in superannuation and \$15 in long service leave.
2. Comprising \$247,725 in salary, \$25,320 in superannuation, \$7,774 in long service leave and \$53,750 in options.
3. Comprising \$330,000 in salary, \$29,930 in superannuation and \$82,500 as short-term incentive (cash or options).
4. Comprising \$90,623 in cash, salary and fees, \$9,515 in superannuation and \$20,530 in equity settled options.
5. Comprising \$75,400 in cash, salary and fees and \$8,294 in superannuation.
6. Comprising \$105,560 in cash, salary and fees and \$12,064 in superannuation.
7. Comprising \$45,454 in cash, salary and fees and \$4,773 in superannuation.
8. Comprising \$37,879 in cash, salary and fees and \$4,167 in superannuation.
9. Comprising \$53,033 in cash, salary and fees and \$6,061 in superannuation.
10. Appointed as a Company director on 13 March 2024.
11. Comprising \$6,029 in cash, salary and fees and \$663 in superannuation.
12. Comprising \$53,033 in cash, salary and fees and \$6,061 in superannuation.
13. Payment of director fees was paused from 1 May 2024.
14. Deferred May and June 2024 director fees will be paid in FY25.

7.7 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$25,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$164,173 (excluding GST and disbursements) for legal services provided to the Company.

Canaccord has acted as the lead manager of the Offers. The Company estimates it will pay Canaccord the fees set out in Section 7.2 for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Canaccord has received \$ 433,937 (excluding GST) for lead manager and underwriting services provided to the Company in connection with prior capital raisings.

7.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Canaccord has given its written consent to being named as lead manager to the Offers. Canaccord has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Pitcher Partners has given its written consent to being named as the auditors to the Company in this Prospectus and the inclusion of the audited financial information for the financial year ended 30 June 2024 in Section 4.5. Pitcher Partners has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

7.9 Estimated expenses of the Offers

The total expenses of the Offers is estimated to be approximately \$176,000 as follows:

EXPENSE	(\$)
ASIC Fees	\$3,206
ASX Fees ¹	\$11,986
Lead Manager Fees ²	\$80,000
Legal Fees	\$25,000
Miscellaneous, printing and other expenses	\$55,808
Total	\$176,000

Notes:

- 1. ASX Fees estimated on the basis that the issue price is \$0.008 per Share. The ASX fees may change at the time of issue of Shares under the Offers depending on the final issue price.
- 2. This assumes a total of \$1,000,000 is raised under the SPP Offer and \$1,000,000 is raised under the Placement Offer and no funds are raised under the Top Up Offer (which remains contingent on take up under the SPP Offer and general market conditions).

7.10 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have

not, please phone the Company on 61 2 8415 7300 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or Prospectus or any of those documents were incomplete or altered.

7.11 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing Option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

7.12 Privacy Act

If you complete an application for Securities, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

8. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

9. DEFINITIONS

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

Application Form means an application form to apply for Securities under an Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHES.

Attaching Options means Options offered under this Prospectus on the terms and conditions set out in Section 5.2.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable in Section 1.1 of this Prospectus (unless extended or brought forward).

Company means Memphasys Limited (ACN 120 047 556).

Constitution means the constitution of the Company as at the date of this Prospectus.

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

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholders are Shareholders with a registered address in Australia and New Zealand who were registered holders of Shares on the Record Date.

Expiry Date has the meaning given by Section 5.2.

Lead Manager or **Canaccord** means Canaccord Genuity (Australia) Limited (ACN 075 071 466) AFSL 234666.

Offers means collectively, the SPP Offer, the Placement Offer and the Top Up Offer.

Official Quotation means official quotation on ASX.

Opening Date means the opening date of the Offers as specified in the timetable set out in Section 1.1 of this Prospectus (unless varied).

Option means an option to acquire a Share.

Placement has the meaning given to that term on the cover page of this Prospectus.

Placement Offer has the meaning given to that term on the cover page of this Prospectus.

Placement Participants means sophisticated and professional investors that have signed binding commitment letters to subscribe for Shares (and Attaching Options) under the Placement.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out in Section 1.1.

Section means a section of this Prospectus.

Securities means Shares and/or Options.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Top Up Offer has the meaning given to that term on the cover page of this Prospectus.

SPP means security purchase plan.

SPP Application Form means the Application Form for the SPP Offer.

SPP Offer has the meaning given to that term on the cover page of this Prospectus.

VWAP means the volume weighted average market price of Shares.