



ASX ANNOUNCEMENT

31 January 2019

DESPATCH OF NOTICES TO SHAREHOLDERS

Neurotech International Limited (ASX: NTI) has despatched notices to its shareholders in accordance with the timetable for the renounceable rights issue. A copy of the notice sent to eligible shareholders, and a copy of the notice sent to ineligible shareholders, accompany this announcement.

The 'Ex' entitlement date is 1 February 2019 and Record Date for determining entitlements is 4 February 2019.

-ends-

About Neurotech

Neurotech International Limited is a medical device and solutions company incorporated in Australia and operating through its wholly-owned, Malta-based subsidiary AAT Research Limited. Neurotech's primary mission is to improve the lives of people with neurological conditions, with a vision of becoming the global leader in home-use and clinical neurotechnology solutions that are both accessible and affordable. Through flagship device Mente Autism and its associated platform, Neurotech is focused on the development and commercialisation of technological solutions for the diagnosis and treatment of such conditions, starting with autism.

Mente Autism is a clinical-quality EEG device that uses neurofeedback technology to help children with ASD. Designed for home use, Mente Autism helps relax the minds of children on the spectrum which in turn helps them to focus better and engage positively with their environment.

For more information about Neurotech and Mente Autism please visit:

<http://www.neurotechinternational.com>.

<http://www.mentetech.com>.

For more information please contact:

Matthew Wright

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Neurotech International Ltd

ABN 73 610 205 402

Level 14, 225 St Georges Terrace Perth,
Western Australia 6060

www.neurotechinternational.com

31 January 2019

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Dear Shareholder,

NEUROTECH INTERNATIONAL LIMITED – PRO-RATA RENOUNCEABLE RIGHTS ISSUE NOTICE TO ELIGIBLE SHAREHOLDERS

On 29 January 2019, Neurotech International Limited (ASX Code: NTI) (**Company**) announced its intention to undertake a **renounceable** pro-rata rights offer on the basis of 1 (one) fully paid ordinary Share in the Company for every 1 (one) Share held by Shareholders (**New Shares**) at an offer price of \$0.03 per New Share, together with 1 (one) free attaching option, exercisable at \$0.06 on or before 31 March 2021 (**New Option**), for every Share subscribed, to raise up to approximately \$3,288,627 (before costs) (**Rights Offer**). Any New Shares not applied for under the Rights Offer will form the shortfall, and will be offered to eligible shareholders and persons nominated by the lead manager to the Rights Offer, Azure Capital Securities Pty Ltd (**Lead Manager**), or as determined by the directors of the Company (**Directors**) under a separate offer (**Shortfall Offer**).

The Company lodged a prospectus for the Rights Offer and Shortfall Offer (**Prospectus**) with ASIC and ASX on 29 January 2019 and the Prospectus is available on ASX's website (www.asx.com.au) and the Company's website (<https://neurotechinternational.com/>).

The purpose of this letter is to provide key information about the Rights Offer (and Shortfall Offer) to persons eligible to participate (**Eligible Shareholders**), being shareholders with a registered address in Australia, New Zealand and certain shareholders resident in the Principality of Liechtenstein, the Republic of Malta and Singapore, as at 5.00pm (WST) on Monday, 4 February 2019 (or such other date as may be determined by the directors of the Company, subject to the ASX Listing Rules) (**Record Date**) before the Prospectus is sent to Eligible Shareholders in accordance with ASX requirements.

Details of the Rights Offer

The key details of the Rights Offer are set out below. Please refer to the Prospectus for the full details and terms and conditions of the Rights Offer (and the Shortfall Offer).

1. **Type of issue:** The Rights Offer is a renounceable pro-rata rights offer of New Shares, on the basis of 1 New Share and 1 free attaching New Option for every fully paid ordinary share (**Share**) held by Eligible Shareholders on the Record Date. New Shares and New Options; subject to being exercised and converted into New Shares, will rank equally with the Company's existing Shares.
2. **Entitlement to participate:** The Rights Offer is only available to Eligible Shareholders.

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Telephone: (61) (8) 9321 5922 Facsimile: (61) (8) 9321 5932
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3. **Price per New Share:** \$0.03
4. **Number of New Shares offered:** Up to 109,620,903 New Shares offered on maximum subscription being achieved.
5. **Cash proceeds:** A maximum of \$3,288,627 (before costs) is expected to be raised assuming maximum subscription is achieved under the Rights Offer and Shortfall Offer (**Offers**).
6. **Entitlements trading:** As the Rights Offer is a renounceable pro-rata offer, entitlements to participate in the Rights Offer (**Entitlements**) can be sold on ASX or transferred to another person from **Friday, 1 February 2019** to **Wednesday, 13 February 2019** (unless extended). Eligible Shareholders that wish to trade their Entitlements should refer to the Prospectus for further information.
7. **Shortfall:** Any New Shares not applied for under the Rights Offer will form the shortfall, and will be offered to Eligible Shareholders and persons nominated by the Lead Manager or as determined by the Director under a separate Shortfall Offer contained in the Prospectus. Eligible Shareholders may apply for additional New Shares in excess of their Entitlement under the Shortfall Offer.
8. **Options available to Eligible Shareholders:** An Eligible Shareholder may:
 - take up all of their Entitlement;
 - take up all of their Entitlement and apply for additional New Shares under the Shortfall Offer;
 - sell their Entitlement;
 - take up part of their Entitlement and sell the balance;
 - take up part of their Entitlement and allow the balance to lapse; or
 - allow their Entitlement to lapse.
9. **No underwriting:** The Offers are not underwritten.
10. **No shareholder approval:** Shareholder approval is not required in respect of the Rights Offer. The issue of New Shares under the Shortfall Offer to related parties of the Company (including directors of the Company or entities controlled by directors) is conditional upon shareholder approval being obtained at a general meeting of the Company.
11. **Quotation of New Shares:** The Company has applied for quotation on ASX of the New Shares offered pursuant to the Offers.

Impact of Rights Offer and Shortfall Offer on capital structure of the Company

On completion of the Offers the number of Shares on issue will increase from 109,620,903 Shares as at the date of the Prospectus, to 219,241,806 Shares (assuming full subscription is achieved under the Offers) representing a dilution of approximately 100%, or 164,431,355 Shares (assuming only 50% subscription is achieved under the Offers), representing a dilution of approximately 50%. These numbers assume that no other Shares are issued (including on the exercise of options) prior to the close of the Offers.

If an Eligible Shareholder does not accept all of their Entitlement:

- the balance of their Entitlement will lapse;
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- the New Shares that are not subscribed for will form part of the shortfall and will be offered under the Shortfall Offer; and
- their percentage shareholding in the Company may be diluted and reduced.

Purpose of the Offers and proposed use of funds

The purpose of the Offers is to raise up to \$3,288,627 (before costs). The Company proposes to apply funds raised toward:

- software and support;
- production and quality;
- marketing;
- research and development;
- general corporate and working capital; and
- funding the costs of the Offers.

Indicative timetable

The anticipated timetable for the Offers is as follows:

Event	Target Date
Announcement of Offers	Tuesday, 29 January 2019
Prospectus lodged with ASIC and ASX (Appendix 3B lodged with ASX)	Tuesday, 29 January 2019
'Ex' date – Shares traded on ex basis Entitlement trading commences	Friday, 1 February 2019
Record Date for determining Shareholders' entitlements to participate in the Rights Offer	5:00pm (WST) on Monday, 4 February 2019
Prospectus and Entitlement and Acceptance Forms sent to Eligible Shareholders Opening Date of Offers	Wednesday, 6 February 2019
Entitlement trading ends	5:00pm (WST) on Wednesday, 13 February 2019
Closing Date of Offers	5:00pm (WST) on Wednesday, 20 February 2019
Issue of New Shares and despatch of Holding Statements	Monday, 25 February 2019
Normal trading commences	Tuesday, 26 February 2019

Subject to the ASX Listing Rules, the dates in the table above are indicative only and are subject to change. The directors of the Company may extend the closing date of the Offers by giving at least 3 business days notice to ASX before the closing date. In addition, the Company reserves the right to withdraw an Offer at any time before New Shares are issued pursuant to it, in which case any application moneys received from

applicants will be refunded without interest in accordance with the requirements of the *Corporations Act 2001* (Cth).

Further information

The Prospectus, including personalised Entitlement and Acceptance Forms and Shortfall Offer Application Forms, will be despatched to Eligible Shareholders shortly in accordance with the timetable set out above. Eligible Shareholders should read the Prospectus in full before deciding whether to submit an application for New Shares under an Offer.

For further information on the Rights Offer (and Shortfall Offer), please refer to the Prospectus, the Company's announcements available on ASX's website (www.asx.com.au) or the Company's website (<https://neurotechinternational.com/>). Alternatively, please contact the Company Secretary by phone on +61 8 9321 5922 or email at fHUDSON@tribis.com.au.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Fleur Hudson', with a stylized flourish at the end.

Fleur Hudson
Company Secretary
Neurotech International Limited

31 January 2019

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The purpose of this letter is to notify you of the Rights Offer, and explain why the Company does not consider that you are eligible to apply for New Shares under the Rights Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares.

Eligibility criteria

The Rights Offer is made to eligible shareholders only (**Eligible Shareholders**), being shareholders with a registered address in Australia, New Zealand and certain shareholders resident in the Principality of Liechtenstein, the Republic of Malta and Singapore, as at 5.00pm (WST) on Monday, 4 February 2019 (or such other date as may be determined by the directors of the Company, subject to the ASX Listing Rules) (**Record Date**).

Unfortunately, according to the Company's records, you do not satisfy the criteria for an Eligible Shareholder stated above. You will therefore not be able to participate in the Rights Offer and will not be sent a copy of the Prospectus.

The Company has determined (pursuant to ASX Listing Rule 7.7.1(a)) that it would be unreasonable to make the Rights Offer to shareholders in countries other than Australia, New Zealand and certain

shareholders resident in the Principality of Liechtenstein, the Republic of Malta and Singapore (**Ineligible Shareholders**), having regard to:

1. the small number of shareholders outside Australia and New Zealand excluding certain shareholders resident in the Principality of Liechtenstein, the Republic of Malta and Singapore;
2. the number and value of New Shares that would be offered to shareholders outside Australia and New Zealand excluding certain shareholders resident in the Principality of Liechtenstein, the Republic of Malta and Singapore; and
3. the costs of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

Appointment of nominee to sell Entitlements

As the Rights Offer is renounceable, the Company has appointed a broker, Patersons Securities Limited AFSL No. 239 052 (ABN 69 008 896 311) (**Patersons**), as its nominee to arrange for the sale of the entitlements to subscribe for New Shares that would have been offered to Ineligible Shareholders, had the Ineligible Shareholders been entitled to participate in the Rights Offer (**Entitlements**).

As consideration for acting as nominee, Patersons will be entitled to receive a fee of \$5,000 (plus applicable GST) for facilitating the sale of Entitlements of Ineligible Shareholders. This fee will be deducted directly from the total amount received by Patersons from the sale of the Ineligible Shareholder Entitlements, with the balance (net of any other expenses) then being remitted directly to Ineligible Shareholders.

Patersons has the sole and absolute discretion to determine the timing and the price at which the Entitlements may be sold and the manner of any such sale. If Patersons reasonably determines that there is not a viable market for the Entitlements or a surplus over the expenses of sale cannot be obtained for the Entitlements, then the Entitlements will be allowed to lapse and they will form part of the Shortfall Offer. Neither the Company nor Patersons takes any responsibility for failure to sell any Entitlements or to sell them at a particular price.

If your Entitlement is able to be sold, the proceeds of that sale (net of expenses) will be sent to you as soon as practicable. If your Entitlement is not sold, you will receive no value for your Entitlement.

Action required

You are not required to do anything in response to this letter.

Further information

If you have any queries concerning the matters set out in this letter, please contact your financial adviser, or the Company Secretary by phone on +61 8 9321 5922 or email at fHUDSON@tribis.com.au.

Thank you for your continued support as a shareholder of the Company.

Yours faithfully



Fleur Hudson
Company Secretary
Neurotech International Limited