



EMVISION MEDICAL DEVICES LIMITED

ACN 620 388 230



> PROSPECTUS18

For an initial public offer of 24,000,000 Shares at an issue price of \$0.25 each to raise \$6,000,000 (before costs) (Public Offer).

This Prospectus also incorporates an offer of 2,000,000 Options to the Lead Manager (or its nominees) in part consideration for capital raising services provided to the Company (Lead Manager Offer).

It is proposed that the Public Offer and the Lead Manager Offer (together, Offers) will close at 5.00pm(WST) on [14] November 2018. The Directors reserve the right to close the Offers earlier or to extend this date without notice. Applications must be received before that time.

This is an important document and requires your immediate attention. It should be read in its entirety. Please consult your professional adviser(s) if you have any questions about this document.

An investment in the Company under this Prospectus should be regarded as highly speculative in nature, and investors should be aware that they may lose some or all of their investment. Refer to Section 4 for a summary of the key risks associated with an investment in the Shares.



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IMPORTANT INFORMATION

PROSPECTUS

This Prospectus is dated, and was lodged with ASIC on, 11 October 2018. Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. The expiry date of this Prospectus is 5.00pm (WST) on that date which is 13 months after the date this Prospectus was lodged with ASIC. No Shares will be issued on the basis of this Prospectus after that expiry date.

Application will be made to ASX within 7 days of the date of this Prospectus for Official Quotation of the Shares the subject of the Public Offer.

No person is authorised to give any information or to make any representation in connection with the Offers, other than as is contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offers.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

EXPOSURE PERIOD

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus. In such circumstances, any Application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications under this Prospectus will not be processed by the Company until after the Exposure Period. No preference will be conferred upon Applications received during the Exposure Period.

ELECTRONIC PROSPECTUS AND APPLICATION FORMS

This Prospectus will generally be made available in electronic form by being posted on the Company's website at www.emvision.com.au. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the relevant Application Form (free of charge) from the Company's registered office during the Offer Period by contacting the Company as detailed in the Corporate Directory. The Offers constituted by this Prospectus in electronic form is only available to persons receiving an electronic version of this Prospectus and the relevant Application Form within Australia.

Applications will only be accepted on the relevant Application Form attached to, or accompanying, this Prospectus or in its paper copy form as downloaded in its entirety from www.emvision.com.au. The Corporations Act prohibits any person from passing on to another person the Application Form unless it is accompanied by or attached to a complete and unaltered copy of this Prospectus.

Prospective investors wishing to subscribe for Shares under the Public Offer should complete the IPO Application Form. If you do not provide the information required on the IPO Application Form, the Company may not be able to accept or process your Application.

No document or information included on the Company's website is incorporated by reference into this Prospectus.

OFFERS OUTSIDE AUSTRALIA

No action has been taken to register or qualify the Securities the subject of this Prospectus, or the Offers, or otherwise to permit the public offering of the Securities, in any jurisdiction outside Australia, other than as is set out in Section 1.15. The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Prospectus outside of Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus except to the extent permitted below.

HONG KONG

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (**SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

MALAYSIA

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Shares. The Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act.

SPECULATIVE INVESTMENT

The Securities offered pursuant to this Prospectus should be considered highly speculative. There is no guarantee that the Securities offered pursuant to this Prospectus will make a return on the capital invested, that dividends will be paid on the Shares or that there will be an increase in the value of the Shares in the future.

Prospective investors should carefully consider whether the Securities offered pursuant to this Prospectus are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. Refer to Section 4 for details relating to the key risks applicable to an investment in the Shares.

COOLING OFF RIGHTS

Cooling off rights do not apply to an investment in Securities pursuant to the Offers. This means that, in most circumstances you cannot withdraw your Application once it has been accepted.

USING THIS PROSPECTUS

Persons wishing to subscribe for Securities offered by this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses, and prospects of the Company and the rights and liabilities attaching to the Securities offered pursuant to this Prospectus. If persons considering subscribing for Securities offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser for advice.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements which are identified by words such as “believes”, “estimates”, “expects”, “targets”, “intends”, “may”, “will”, “would”, “could”, or “should” 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 management of the Company. Key risk factors associated with an investment in the Company are detailed in Section 4. These and other factors could cause actual results to differ materially from those expressed in any 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.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in 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.

PHOTOGRAPHS AND DIAGRAMS

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

THIRD PARTY PUBLICATIONS

The Technology and Company Overview in Section 2 and the Stroke Overview in Section 3 of this Prospectus includes attributed statements from books, journals and comparable publications that are not specific to, and have no connection with the Company. The authors of these books, journals and comparable publications have not provided their consent for these statements to be included in this Prospectus, and the Company is relying upon ASIC Corporations (Consents to Statements) Instrument 2016/72 for the inclusion of these statements in this Prospectus without such consent having been obtained.

MISCELLANEOUS

All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. Conversions may not reconcile due to rounding. All references to “\$” or “A\$” are references to Australian dollars.

All references to time in this Prospectus are references to (WST), being the time in Perth, Western Australia, unless otherwise stated.

Defined terms and abbreviations used in this Prospectus are detailed in the glossary in Section 12.

CORPORATE DIRECTORY

DIRECTORS AND OFFICERS

| | |
|----------------------|-------------------------|
| Mr John Keep | Executive Chairman |
| Mr Scott Kirkland | Executive Director |
| Dr Ronald Weinberger | Chief Executive Officer |
| Mr Ryan Laws | Non-Executive Director |
| Mr Geoff Pocock | Non-Executive Director |
| Mr Tony Keane | Non-Executive Director |

CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Ms Emma Waldon

REGISTERED OFFICE

Level 10, 12 Creek Street
BRISBANE QLD 4000
Phone: 02 8667 5337
Email: contact@emvision.com.au
Website: www.emvision.com.au

LEAD MANAGER

Mac Equity Partners
AFSL 338731
Suite 7, 29 The Avenue
NEDLANDS WA 6009

LAWYERS

Bellanhouse
Level 19, Alluvion
58 Mounts Bay Road
PERTH WA 6000

INTELLECTUAL PROPERTY EXPERT

Wrays
Level 7, 863 Hay Street
PERTH WA 6000

SHARE REGISTRY*

Link Market Services Limited
QV1 Building
Level 12, 250 St Georges Terrace
PERTH WA 6000
Phone (within Australia): +61 1300 554 474
Fax: +61 2 9287 0303

PROPOSED STOCK EXCHANGE LISTING

Australian Securities Exchange (**ASX**)
Proposed ASX Code: EMV

INVESTIGATING ACCOUNTANT

BDO Corporate Finance (East Coast) Pty Ltd
Level 11, 1 Margaret Street
SYDNEY NSW 2000

AUDITOR*

BDO East Coast Partnership
Level 11, 1 Margaret Street
SYDNEY NSW 2000

*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

LETTER FROM THE CHAIRMAN

Dear Investor

On behalf of the Board, I am pleased to present this Prospectus and to invite you to become a shareholder in the Company.

The Company is an Australian medical device company developing medical imaging technology that utilises electromagnetic microwave energy to create images of the human brain and other organs (**EMVT**). Formed in July 2017, the Company will, upon completion of the Public Offer, acquire the intellectual property to develop and commercialise this exciting new technology that is the product of over a decade of development by The University of Queensland (**UQ**).

The EMVT has the potential to advance medical imaging through its adoption into non-invasive, safe and cost-effective devices. The EMVT has potentially far reaching applications for the whole body. The Company's initial focus is neurological conditions, specifically stroke care due to the clinical need and potentially large commercial opportunity. According to the World Health Organisation, stroke is the second leading cause of death worldwide and a leading cause of permanent disability. It is a time sensitive medical emergency and requires intervention within 24 hours of onset of symptoms. Incorrect or delayed diagnosis of stroke can lead to treatment delays which can result in death or permanent disability for stroke patients. As a result of the progress to-date, the Company believes it is now appropriate to invest in developing the Company's brain scanner, a portable clinical prototype that utilises the EMVT (**Brain Scanner**) to create three dimensional images of the human brain, towards meeting regulatory requirements for use in humans and the initial commercial uses identified in this Prospectus.

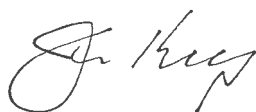
The highly regarded UQ research and development team includes Professor Amin Abbosh, co-inventor and leader of the research group that has been developing the EMVT for over a decade, and Professor Stuart Crozier the Director of Biomedical Engineering at UQ, well-known for his advancements in MRI. The Company's Chief Executive Officer, Dr Ron Weinberger, has more than 20 years' experience in medical research and biotechnology. Previously he was Managing Director and Chief Executive of Nanosonics Ltd (ASX:NAN) (**Nanosonics**), where he co-invented and commercialised Nanosonics' widely used Trophon device.

With the Offers the Company is seeking to raise \$6,000,000. The funds will predominantly be used for product design and development and undertaking clinical trials, as the Company aims to satisfy its objective of developing the Brain Scanner and demonstrating its performance and safety through clinical trials.

This Prospectus contains detailed information about the Offers and the current and proposed operations of the Company, as well as the risks pertaining to an investment in the Company. Potential investors in the Company should carefully consider those risks (detailed in Section 4).

We look forward to welcoming you as a Shareholder should you decide to take up Securities pursuant to the Offers.

Yours faithfully



John Keep
Executive Chairman
EMvision Medical Devices Limited

KEY DETAILS OF THE OFFERS

| Key Details of the Offers ¹ | Shares | Options | Performance Rights |
|--|-------------------|------------------------|------------------------|
| Existing Securities on issue ² | 33,578,750 | 5,500,000 ³ | 6,000,000 ⁴ |
| | 58.3% | 73.3% | 100.0% |
| Shares offered under the Public Offer | 24,000,000 | – | – |
| | 41.7% | | |
| Options offered under the Lead Manager Offer ⁵ | – | 2,000,000 | – |
| | | 26.7% | |
| Total Securities on issue on completion of the Public Offer | 57,578,750 | 7,500,000 | 6,000,000 |

Notes:

1. Please refer to Section 1.7 for further details relating to the proposed capital structure of the Company.
2. See Section 2.6 for further details of the current capital structure of the Company.
3. Options issued to Key Management Personnel and third-party service providers on the terms set out in Section 10.3.
4. Performance Rights issued to UniQuest on the terms set out in Section 10.4.
5. Lead Manager Options to be issued on the terms set out in Section 10.3.

INDICATIVE TIMETABLE

| Event | Date |
|--|------------------|
| Lodgement of this Prospectus with ASIC | 11 October 2018 |
| Opening Date for the Offers | 19 October 2018 |
| Closing Date for the Offers | 14 November 2018 |
| Allotment Date | 19 November 2018 |
| Despatch of holding statements | 19 November 2018 |
| Expected date for quotation on ASX | 30 November 2018 |

Note:

The dates shown in the table above are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, the Company reserves the right to vary the Opening Date and the Closing Date without prior notice, which may have a consequential effect on the other dates. Applicants are therefore encouraged to lodge their Application Form as soon as possible after the Opening Date if they wish to invest in the Company.

INVESTMENT OVERVIEW

This Section is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

| Topic | Summary | More information | | | | | | | | | | | | | | | | | | | | |
|--|---|----------------------------------|-----------------------------------|---------|--------------------|------------------------------|-----------------------------------|----------------------------------|-----------------------------------|---------------------------------------|----------------------|---|---|---|---|---------------------|---|--|-------------------|------------------|------------------|-------------|
| Introduction | | | | | | | | | | | | | | | | | | | | | | |
| Who is the Company and what does it do? | EMvision Medical Devices Limited (ACN 620 388 230) (Company) is an Australian incorporated company, primarily focussed on the development and commercialisation of medical imaging technology. | Section 2 | | | | | | | | | | | | | | | | | | | | |
| What is the Company's technology | <p>The Company is developing and seeking to commercialise a potentially low cost, portable, medical imaging device using electromagnetic microwave imaging for diagnosis of stroke and other medical applications.</p> <p>The technology is the result of over 10 years of development by researchers at the University of Queensland.</p> | Section 2.1 | | | | | | | | | | | | | | | | | | | | |
| What is the Company's financial position? | A summary of the financial history of the Company is in the financial information section and Independent Limited Assurance Report in Sections 6 and 7 respectively. | Sections 6 and 7 | | | | | | | | | | | | | | | | | | | | |
| What is the proposed capital structure of the Company? | <table><tr><th>Key Details of the Offers</th><th>Shares</th><th>Options</th><th>Performance Rights</th></tr><tr><td>Existing Securities on issue</td><td>33,578,750¹ 58.30%</td><td>5,500,000² 73.30%</td><td>6,000,000³ 100.00%</td></tr><tr><td>Shares offered under the Public Offer</td><td>24,000,000 41.70%</td><td>–</td><td>–</td></tr><tr><td>Options offered under the Lead Manager Offer⁴</td><td>–</td><td>2,000,000 26.70%</td><td>–</td></tr><tr><td>Total Securities on issue on completion of the Public Offer</td><td>57,578,750</td><td>7,500,000</td><td>6,000,000</td></tr></table> <p>Notes:</p> <p>1. Including 6,000,000 Shares issued to UniQuest as set out in Section 10.4(c) and 750,000 Shares issued under the Lead Manager Mandate.</p> <p>2. The Options have been issued to Key Management Personnel (or their nominees) and third-party service providers, with each Option exercisable at \$0.35 and expiring on 31 December 2021. For further information, see Section 10.3.</p> <p>3. 6,000,000 Performance Rights will be issued to UniQuest (or its nominees) on the terms set out in Section 10.4, comprising 1,800,000 Class A Performance Rights, 2,100,000 Class B Performance Rights and 2,100,000 Class C Performance Rights.</p> <p>4. The Lead Manager Options will be issued to Mac Equity (or its nominees) under the Lead Manager Offer, have an exercise price of \$0.35 per Option and an expiry date of 31 December 2021. For further information, see Section 10.3.</p> | Key Details of the Offers | Shares | Options | Performance Rights | Existing Securities on issue | 33,578,750 ¹ 58.30% | 5,500,000 ² 73.30% | 6,000,000 ³ 100.00% | Shares offered under the Public Offer | 24,000,000 41.70% | – | – | Options offered under the Lead Manager Offer ⁴ | – | 2,000,000 26.70% | – | Total Securities on issue on completion of the Public Offer | 57,578,750 | 7,500,000 | 6,000,000 | Section 1.7 |
| Key Details of the Offers | Shares | Options | Performance Rights | | | | | | | | | | | | | | | | | | | |
| Existing Securities on issue | 33,578,750 ¹ 58.30% | 5,500,000 ² 73.30% | 6,000,000 ³ 100.00% | | | | | | | | | | | | | | | | | | | |
| Shares offered under the Public Offer | 24,000,000 41.70% | – | – | | | | | | | | | | | | | | | | | | | |
| Options offered under the Lead Manager Offer ⁴ | – | 2,000,000 26.70% | – | | | | | | | | | | | | | | | | | | | |
| Total Securities on issue on completion of the Public Offer | 57,578,750 | 7,500,000 | 6,000,000 | | | | | | | | | | | | | | | | | | | |
| What is the proposed use of funds raised under the Public Offer? | <p>The proceeds of the Public Offer will be applied by the Company as follows:</p> <p>(a) product design, research and development;</p> <p>(b) clinical studies and trials;</p> <p>(c) regulatory systems and compliance costs;</p> <p>(d) Patent and Intellectual Property protection; and</p> <p>(e) costs of the Offers.</p> | Section 1.6 | | | | | | | | | | | | | | | | | | | | |
| What is the Company's strategy? | <p>The Company aims to develop and commercialise its proprietary medical imaging technology to provide a safe, portable and low-cost medical imaging tool that can be used at the point of care for the diagnosis and treatment of stroke, non-alcoholic fatty liver disease and other medical applications.</p> <p>Subject to the various risks facing the development and commercialisation of new technologies (as set out in Section 2.3), the Company primarily aims to develop its technology to meet market demand for stroke diagnosis in Australia and Europe.</p> | Sections 2.3 and 3.9 | | | | | | | | | | | | | | | | | | | | |

| Topic | Summary | More information |
|--|--|----------------------------|
| Summary of key risks | | |
| Prospective investors should be aware that subscribing for Shares in the Company involves a number of risks. The risk factors set out in Section 4, and other general risks applicable to all investments in listed securities, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. This Section summarises the key risks which apply to an investment in the Company and investors should refer to Section 4 for a more detailed summary of the risks. | | |
| Intellectual Property Risk | The Company relies on laws relating to patents, trade secrets, copyright and trademarks to assist to protect its proprietary rights. However, there is a risk that unauthorised use or copying of the Company's software, data, specialised technology or platforms will occur. If the Company fails to adequately protect its intellectual property rights, competitors may gain access to its technology which could harm the Company's businesses. | Section 4.1(a) |
| Future Intellectual Property Rights | The Company's Intellectual Property is being developed in conjunction with third parties, including contractors and researchers employed by UQ. The Company's access to future Intellectual Property and improvements to future Intellectual Property developed by third parties depends on contractual relationships between third parties and their employees and the effective transfer of relevant information and title to inventions or other Intellectual Property from employees to their employers and then to the Company. | Section 4.1(b) |
| Clinical Testing | The Licensed IP must still undergo further clinical studies and those tests and trials may show that it does not work in a safe and effective manner. The Company intends to conduct clinical studies of the Licensed IP in the future, but there can be no guarantee that relevant regulatory agencies such as the TGA (Therapeutic Goods Administration in Australia) or other regulatory agencies will allow the Company to undertake such trials and/or the development and approval process may take longer, cost more than expected and may result in the Licensed IP not producing a viable diagnostic product. | Section 4.1(c) |
| Funding Agreement and Collaboration Agreement Risk | The Company has entered into a funding agreement with the Commonwealth Government and collaboration and agreements with the University of Queensland and other third-party service providers. Under these agreements, funds will be provided to the Company to be applied to the advancement of the Company's projects. Funding available under these agreements is subject to contributions made by third parties and the achievement of certain Project Milestones. In the event the third parties do not meet their obligations under these agreements or the Company does not satisfy the Project Milestones, funding may be withheld on a temporary basis or in some instances the funding agreements may be terminated. | Sections 4.1(d) and 4.1(e) |
| Commercialisation Risk | To date, the Company has funded its activities through the issue of Shares, from payment received from Project Participants pursuant to the CRC-P Grant and from other government grants. The Company has not completed the development of any of its devices and does not currently have any commercial agreements to distribute devices or consumables. The Company's ability to generate revenues in the future will be subject to a number of factors, including but not limited to the Company's prototypes performing to a level sufficient to warrant commercialisation, and in particular, that the current and future prototypes of the Brain Scanner are able to produce sufficient signal penetration, image quality and accuracy within an acceptable operating period to warrant commercialisation. | Section 4.1(f) |
| Competition and new technology | The industry in which the Company is involved is subject to domestic and global competition which is fast-paced and fast-changing. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of the Company's projects and business. For instance, new technologies could result in the Company not being differentiated to other similar offerings. | Section 4.1(g) |

| Topic | Summary | More information | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---|--|---|--|---------|--------------|-----------|-----------|------|---------|-------------------|-----------|-----------|------|---------|---------------|---|---------|------|---------|--------------|-----------|-----------|------|---------|-----------------|---------|---------|------|---------|-----------------------|
| Reliance on key personnel | <p>The Company relies on key contributors, including the chief inventor Professor Amin Abbosh and Professor Stuart Crozier, the Director of Biomedical Engineering at UQ, who are largely responsible for the research and development of the Brain Scanner and EMVT.</p> <p>Although chief inventor Professor Amin Abbosh is an employee of UQ and Professor Stuart Crozier is contracted as a consultant to continue the development of the EMVT (as set out in Section 5.3(c)) there is no assurance that such agreements will not be terminated. If such agreements are terminated or breached, or if these individuals no longer continue in their current roles, new personnel will need to be contracted by the Company or employed by UQ, which may adversely affect the development of the EMVT.</p> | Section 4.1(o) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Third party healthcare payer organisations | In both domestic and foreign markets, sales of products are likely to depend in part upon the availability and amounts of reimbursement from third party healthcare payer organisations, including government agencies such as Medicare, private healthcare insurers, self-insured employee plans and other healthcare payers such as health maintenance organisations. In most major markets, there is considerable pressure to reduce the cost of healthcare. No assurance can be given that the Company will obtain reimbursement by such payors at all, or without substantial delay, or that reimbursement amounts will be sufficient to enable the Company to sell products developed on a profitable basis. | Section 4.1(p) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Completion risk | There is a risk that if any of the conditions to completion are not satisfied or waived, or UniQuest does not comply with its obligations, the assignment of the rights and title to the Licensed IP to the Company may be deferred, occur in part or not at all. | Section 4.1(q) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Further risks | For further information on risks specific to the Company, please see Section 4.1. For further information on general risks, please see Section 4.2. | Sections 4.1 and 4.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Directors, Related Party Interest and Substantial Holders | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Who are the Directors? | <p>The Directors of the Company are as follows:</p> <p>(a) Mr John Keep – Executive Chairman</p> <p>(b) Mr Scott Kirkland – Executive Director</p> <p>(c) Mr Tony Keane – Non-Executive Director</p> <p>(d) Mr Ryan Laws – Non-Executive Director</p> <p>(e) Mr Geoff Pocock – Non-Executive Director</p> | “Corporate Directory” and Section 5.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| What interests do Directors have in the securities of the Company? | <p>As at the date of the Prospectus, the Directors hold relevant interests in the Securities specified below.</p> <table><tr><th>Director</th><th>Existing Shares</th><th>No of Shares at completion of the Offer</th><th>% of Shares at completion of the Offer</th><th>Options</th></tr><tr><td>Mr John Keep</td><td>1,707,500</td><td>1,807,500</td><td>3.1%</td><td>400,000</td></tr><tr><td>Mr Scott Kirkland</td><td>3,575,000</td><td>3,695,000</td><td>6.4%</td><td>600,000</td></tr><tr><td>Mr Tony Keane</td><td>0</td><td>100,000</td><td>0.2%</td><td>500,000</td></tr><tr><td>Mr Ryan Laws</td><td>3,212,500</td><td>3,212,500</td><td>5.6%</td><td>500,000</td></tr><tr><td>Mr Geoff Pocock</td><td>225,000</td><td>300,000</td><td>0.5%</td><td>500,000</td></tr></table> <p>Refer to Section 10.3 for the terms and conditions of the Options.</p> | Director | Existing Shares | No of Shares at completion of the Offer | % of Shares at completion of the Offer | Options | Mr John Keep | 1,707,500 | 1,807,500 | 3.1% | 400,000 | Mr Scott Kirkland | 3,575,000 | 3,695,000 | 6.4% | 600,000 | Mr Tony Keane | 0 | 100,000 | 0.2% | 500,000 | Mr Ryan Laws | 3,212,500 | 3,212,500 | 5.6% | 500,000 | Mr Geoff Pocock | 225,000 | 300,000 | 0.5% | 500,000 | Sections 5.5 and 10.3 |
| Director | Existing Shares | No of Shares at completion of the Offer | % of Shares at completion of the Offer | Options | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mr John Keep | 1,707,500 | 1,807,500 | 3.1% | 400,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mr Scott Kirkland | 3,575,000 | 3,695,000 | 6.4% | 600,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mr Tony Keane | 0 | 100,000 | 0.2% | 500,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mr Ryan Laws | 3,212,500 | 3,212,500 | 5.6% | 500,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mr Geoff Pocock | 225,000 | 300,000 | 0.5% | 500,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Topic | Summary | More information | | | | | | | | | | | | | | | | |
|--|--|--|--|----------------------|--|----------|-----------|-------|-------|-------------------|-----------|-------|------|--------------|-----------|------|------|--------------|
| What benefits are being paid to the Directors? | <p>The Company has entered into executive services agreements with Messrs Kirkland and Keep, who will be paid \$205,000 and \$95,000 per annum respectively (exclusive of superannuation) following Admission, on the terms set out in Sections 9.2(b) and 9.2(c).</p> <p>The Company has entered into letters of appointments with Messrs Keane, Laws and Pocock, who will each be paid \$25,000 per annum (exclusive of any applicable superannuation or GST) as set out in Section 9.2(d). Messrs Keane and Pocock will each receive an additional fee of \$5,000 per annum (exclusive of any superannuation or GST) for services provided as Chair of the Audit and Risk Committee and Chair of the Remuneration and Nomination Committee respectively.</p> <p>Mr Ryan Laws has also received fees as an authorised representative of Mac Equity, which is the Lead Manager to the Offer. Mac Equity has been paid \$52,212 (plus GST) in capital raising fees in the two years prior to this Prospectus, and will receive additional fees in connection with the Public Offer pursuant to a mandate agreement as summarised in Section 9.1.</p> | Sections 5.6 and 5.7 | | | | | | | | | | | | | | | | |
| What important contracts with related parties is the Company a party to? | <p>In addition to the agreements set out above, the Company has entered the following agreements with related parties:</p> <p>(a) deeds of indemnity, insurance and access with each of its Directors on standard terms as set out in Section 9.10; and</p> <p>(b) a non-recourse loan with Dr Ron Weinberger in the amount of \$160,000, by which Dr Weinberger acquired 1,000,000 Shares at an issue price of \$0.16 as set out in Section 9.2(a). No interest is payable on the loan and the Shares issued to Dr Weinberger or a portion thereof will be subject to ASX restrictions.</p> <p>The Company has also entered into the Lead Manager Mandate with Mac Equity as set out in Section 9.1. While Mac Equity is not a related party of the Company, a director of the Company, Mr Ryan Laws, is an authorised representative of Mac Equity.</p> | Sections 5.7, 9.1, 9.2(a) and 9.10 | | | | | | | | | | | | | | | | |
| Who will be the substantial holders of the Company? | <p>The substantial Shareholders of the Company, as well as their percentage holdings at present, and at the proposed completion of the Offer, on the assumption that the substantial Shareholders do not subscribe for and receive Shares under the Offer, are set out below.</p> <table><thead><tr><th>Name</th><th>Number of Shares</th><th>% of Existing Shares</th><th>% of Shares at completion of the Offer</th></tr></thead><tbody><tr><td>UniQuest</td><td>6,000,000</td><td>17.9%</td><td>10.4%</td></tr><tr><td>Mr Scott Kirkland</td><td>3,575,000</td><td>10.6%</td><td>6.2%</td></tr><tr><td>Mr Ryan Laws</td><td>3,212,500</td><td>9.6%</td><td>5.6%</td></tr></tbody></table> | Name | Number of Shares | % of Existing Shares | % of Shares at completion of the Offer | UniQuest | 6,000,000 | 17.9% | 10.4% | Mr Scott Kirkland | 3,575,000 | 10.6% | 6.2% | Mr Ryan Laws | 3,212,500 | 9.6% | 5.6% | Section 10.5 |
| Name | Number of Shares | % of Existing Shares | % of Shares at completion of the Offer | | | | | | | | | | | | | | | |
| UniQuest | 6,000,000 | 17.9% | 10.4% | | | | | | | | | | | | | | | |
| Mr Scott Kirkland | 3,575,000 | 10.6% | 6.2% | | | | | | | | | | | | | | | |
| Mr Ryan Laws | 3,212,500 | 9.6% | 5.6% | | | | | | | | | | | | | | | |
| What is the Public Offer? | | | | | | | | | | | | | | | | | | |
| What is the Public Offer? | The Public Offer is a public offering of 24,000,000 Shares to raise \$6,000,000 (before costs). | Section 1.1 | | | | | | | | | | | | | | | | |
| What is the Offer Price? | \$0.25 per Share. | Section 1.1 | | | | | | | | | | | | | | | | |
| What is the minimum subscription amount under the Public Offer? | The minimum subscription for the Offer is 24,000,000 Shares at \$0.25 per Share to raise \$6,000,000 before costs. | Section 1.2 | | | | | | | | | | | | | | | | |
| Will the Shares be quoted? | The Company will apply to the ASX for its admission to the official list of ASX and quotation of Shares on the ASX (expected to be under the code EMV) within 7 days of the date of this Prospectus. | “Corporate Directory” and Section 1.11 | | | | | | | | | | | | | | | | |

| Topic | Summary | More information |
|--|--|------------------------|
| What is the purpose of this Prospectus? | <p>The Offers are being conducted to:</p> <ul style="list-style-type: none"> (a) raise \$6,000,000 pursuant to the Public Offer (before associated costs of the Offers); (b) assist the Company to meet requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for Admission; and (c) position the Company to seek to achieve the objectives detailed in Section 2. | Section 1.3 |
| What are the Secondary Offers? | <p>The Company is undertaking the Lead Manager Offer under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale of any Lead Manager Options (or any Shares issued on conversion of any Lead Manager Options into Shares) that are issued under the Lead Manager Offer.</p> | Section 1.4 |
| What are the conditions of the Offers? | <p>The Offers under this Prospectus are conditional upon the following events occurring:</p> <ul style="list-style-type: none"> (a) the Company raising the Minimum Subscription (A\$6,000,000) under the Public Offer (refer to Section 1.2); (b) to the extent required by ASX or the Listing Rules, each person entering into a restriction agreement imposing such restrictions on trading on the Company's securities as mandated by the Listing Rules; and (c) ASX providing the Company with a list of conditions which, once satisfied, will result in ASX admitting the Company to the Official List. <p>If these conditions are not satisfied, the Offers will not proceed and the Company will repay all Application Monies in accordance with the Corporations Act.</p> | Section 1.5 |
| Are there any escrow arrangements? | <p>Yes, there are compulsory escrow arrangements under the ASX Listing Rules. ASX will classify certain existing Securities (including the Securities issued under the Lead Manager Offer) on issue in the Company (as opposed to those to be issued under this Prospectus) as being subject to the restricted securities provisions of the Listing Rules. Classified Securities would be required to be held in escrow for up to 24 months and would not be able to be sold, mortgaged, pledged, assigned or transferred for that period without the prior approval of ASX. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.</p> <p>Prior to the Company's Shares being admitted to quotation on the ASX, the Company will enter into escrow agreements with the recipients of any restricted securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of any Securities required to be held in escrow.</p> <p>As at the date of this Prospectus the Company expects approximately 18,255,200 Shares and 6,400,000 Options to be subject to 24 months escrow and approximately 1,829,250 Shares and 6,000,000 Performance Rights to be subject to 12 months escrow representing an aggregate of approximately 34.9% of the Shares on issue on Admission (assuming none of the Options or Performance Rights are exercised).</p> | Section 1.16 |
| What is the Offer period? | <p>An indicative timetable for the Offers is set in the "Indicative Timetable" section of this Prospectus.</p> | "Indicative Timetable" |
| Is the Public Offer underwritten? | <p>No, the Public Offer is not underwritten.</p> | Section 1.17 |
| Who are the advisers to the Offers? | <ul style="list-style-type: none"> (a) Bellanhouse is the legal advisor to the Company. (b) Mac Equity is the Lead Manager of the Public Offer. (c) BDO is the Investigating Accountant and Auditor to the Company in respect of the Offers. (d) Wrays are the legal advisor to the Company in respect of intellectual property matters. <p>Refer to Section 9.1 for a summary of the Lead Manager Mandate and Section 10.6 for a summary of fees payable.</p> | Sections 9.1 and 10.6 |

| Topic | Summary | More information |
|--|---|---|
| Additional information | | |
| Will the Company be adequately funded after completion of the Public Offer? | The Board believes that the funds raised from the Public Offer will provide the Company with sufficient working capital to achieve its stated objectives as detailed in this Prospectus. | Section 1.6 |
| What rights and liabilities attach to the Securities on issue? | A summary of the material rights and liabilities attaching to the Securities offered under the Offers is set out in Sections 10.1, 10.3 and 10.4. | Sections 10.1, 10.3 and 10.4 |
| Who is eligible to participate in the Offers? | The Public Offer is open to all investors with a registered address in Australia. In addition, subject to the provisions in Section 1.15, certain investors located in Hong Kong and Malaysia are also eligible to participate in the Public Offer. Only Mac Equity (or its nominees) may accept the Lead Manager Offer. | Sections 1.9 and 1.15 |
| How do I apply for Shares under the Public Offer? | Applications under the Offers can be made by completing the relevant Application Form, in accordance with the instructions accompanying the relevant Application Form. | Section 1.9 |
| What is the allocation policy? | The Directors, in conjunction with the Lead Manager, will allocate Shares at their sole discretion with a view to: (a) obtaining an appropriate spread of Shareholders to satisfy Listing Rule 1.1 condition 8; (b) recognising the ongoing support of existing Shareholders; (c) identifying new potential long-term or cornerstone investors; and (d) ensuring an appropriate Shareholder base for the Company going forward. There is no assurance that any Applicant will be allocated any Shares for which the Applicant has applied. | Section 1.13 |
| When will I receive confirmation that my Application has been successful? | Subject to the matters in Section 1.11, Securities under the Offers are expected to be allotted on the Allotment Date. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares issued under the Public Offer. Applicants who sell Shares before they receive their holding statements do so at their own risk. | “Indicative Timetable” and Section 1.13 |
| What is the Company’s dividend policy? | The Company does not expect to pay dividends in the near future as its focus will primarily be on growing the existing businesses. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits. | Section 2.7 |
| How can I find out more about the Prospectus or the Offers? | Further information on the Company and the Offers can be obtained by: (a) speaking to your sharebroker, solicitor, accountant or other independent professional adviser; and (b) visiting the Company’s website at www.emvision.com.au . Questions relating to the Offers and the completion of an Application Form or the Lead Manager Offer Application Form can be directed to the Company Secretary at contact@emvision.com.au . | “Corporate Directory” |

1. DETAILS OF OFFERS

1.1 THE PUBLIC OFFER

This Prospectus invites investors to apply for 24,000,000 Shares at an issue price of \$0.25 each to raise \$6,000,000 (before associated costs) (**Public Offer**).

The Shares to be issued pursuant to the Public Offer are of the same class and will rank equally with the existing Shares on issue. The rights and liabilities attaching to the Shares are further described in Section 10.1.

Applications for Shares under the Public Offer must be made on the IPO Application Form accompanying this Prospectus and received by the Company on or before the Closing Date. Persons wishing to apply for Shares under the Public Offer should refer to Section 1.9 for further details and instructions.

1.2 MINIMUM SUBSCRIPTION

The minimum subscription for the Offer is 24,000,000 Shares at \$0.25 per Share to raise \$6,000,000 before costs (**Minimum Subscription**). None of the Securities offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription. Should Applications for the Minimum Subscription not be received within 3 months from the date of this Prospectus, the Company will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

1.3 PURPOSE OF THE PUBLIC OFFER

The purposes of the Public Offer are to:

- (a) raise approximately \$6,000,000 (before associated costs);
- (b) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for Admission; and
- (c) position the Company to seek to achieve the objectives detailed in Section 2.

1.4 LEAD MANAGER OFFER

In addition to the Public Offer, the Company will issue a total of 2,000,000 Options to Mac Equity Partners Pty Ltd (**Mac Equity**) (**Lead Manager**), each exercisable at \$0.35 each and expiring on, or before, 31 December 2021 (**Lead Manager Options**) pursuant to the Lead Manager Mandate (see Section 9.1 for further details).

The Lead Manager Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale of any Lead Manager Options (or any Shares issued upon exercise of any Lead Manager Options) that are issued under the Lead Manager Offer.

The rights and liabilities attaching to the Lead Manager Options are described in Section 10.3. If the Lead Manager Options are exercised, the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company. The Company does not intend for the Lead Manager Options to be quoted.

Only the Lead Manager (or its nominees) may accept the Lead Manager Offer. A personalised Lead Manager Offer Application Form will be issued to the Lead Manager together with a copy of this Prospectus.

1.5 CONDITIONAL OFFERS

The Offers under this Prospectus are conditional upon the following events occurring:

- (a) the Company raising the Minimum Subscription pursuant to the Public Offer; and
- (b) ASX providing the Company with a list of conditions which, once satisfied, will result in ASX admitting the Company to the Official List.

If these conditions are not satisfied then the Offers will not proceed and the Company will repay all Application Monies received under the Offers in accordance with the Corporations Act.

1.6 PROPOSED USE OF FUNDS

Following the Public Offer, it is anticipated that the following funds will be available to the Company:

| Source of funds | Amount \$ |
|--|--------------------|
| Approximate cash as at the date of this Prospectus | \$837,000 |
| Proceeds from the Public Offer | \$6,000,000 |
| Total funds available | \$6,837,000 |

The following table shows the intended use of funds in the two-year period following Admission:

| Proposed use of funds – Year 1 | \$ | % |
|--|------------------|------------|
| Product design, research and development ^{1 and 4} | 1,800,000 | 26 |
| Clinical studies and trials | 350,000 | 5 |
| Quality Management systems and regulatory consultancy costs | 100,000 | 1 |
| Fees associated with patent and intellectual property protection | 100,000 | 1 |
| Directors' fee ² | 150,000 | 2 |
| Corporate administration costs ⁵ | 900,000 | 13 |
| General working capital ⁶ | 240,000 | 4 |
| Estimated expenses of the Offer ³ | 532,000 | 8 |
| Total Expenditure – Year 1 | 4,172,000 | 61 |
| Proposed use of funds – Year 2 | \$ | % |
| Product design, research and development ⁴ | 1,400,000 | 20 |
| Clinical studies and trials | 150,000 | 2 |
| Quality Management systems and regulatory consultancy costs | 100,000 | 1 |
| Fees associated with patent and intellectual property protection | 75,000 | 1 |
| Directors' fees | 100,000 | 1 |
| Corporate administration costs ⁵ | 600,000 | 9 |
| General working capital ⁶ | 240,000 | 4 |
| Total Expenditure – Year 2 | 2,665,000 | 39 |
| Total Funds Allocated | 6,837,000 | 100 |

Notes:

- The Company anticipates having access to additional sources of cash funding of approximately \$1,800,000 from the CRC Project Funding Agreement in accordance with Section 9.4 and approximately \$818,000 from the CRC Project Participants Agreement in accordance with Section 9.5. Any funds received will be applied to research and development and clinical trials. In addition, the Company will benefit from in-kind contributions including consumables, practical expertise and guidance from the Project Participants in accordance with Section 9.5. Any in-kind contributions received will be applied to research and development and clinical trials. The CRC Project Funding Agreement and Participants Funding Agreement risk in Section 4.1(d) outlines the potential impact of this funding not being available.
- The \$150,000 includes \$50,000 payable to Messrs Laws and Pocock in respect of a once off success fee payable upon Admission of the Company in respect of work undertaken by Messrs Laws and Pocock as part of the Admission process, as set out in Section 9.2(d).
- Total costs of the Offer are \$600,000 in accordance with Section 9.1. Approximately \$68,000 of these expenses have already been paid by the Company out of existing cash reserves. The costs of the Offer include capital raising fees of 6% on all monies raised being \$360,000 upon completion of the Public Offer.
- Product design, research and development includes the Company's cash contributions to the CRC Project in accordance with Sections 9.4 and 9.5.
- Corporate administration costs include a portion of remuneration of executive management, the Lead Manager corporate advisory fee, audit fees, insurance costs, legal fees, ASX fees and share registry costs.
- General working capital includes an allocation for office and other corporate overhead and is otherwise unallocated. General working capital may also be used to accelerate research and development.
- The Company may seek to access any research and development tax incentive funding from the Australian Commonwealth Government to assist funding research and development. Currently, a research and development tax incentive provides a refundable tax offset for certain eligible research and development activities for an entity whose aggregate turnover is less than \$20 million. Any such funding is uncertain and has therefore not been included in the budgets above.

Shareholders should note that the above estimated expenditures will be subject to modification on an ongoing basis depending on the results obtained from the Company's activities. Due to market conditions, the development of new opportunities and/or any number of other factors (including the risk factors outlined in Section 4), actual expenditure levels may differ significantly from the above estimates.

The Board believes that the funds raised from the Public Offer will provide the Company with sufficient working capital to achieve its stated objectives as detailed in this Prospectus.

The use of further equity funding or Share placements will be considered by the Board where it is appropriate to accelerate a specific project or strategy.

Based on the intended use of funds detailed above, the amounts raised pursuant to the Public Offer are expected to provide the Company sufficient funding for only 2 years' operations. The Company may require further financing in the future. See Section 4.1(n) for further details about the risks associated with the Company's future capital requirements.

1.7 CAPITAL STRUCTURE

On the basis that the Company completes the Offers on the terms in this Prospectus and assuming no further Securities are issued or Options exercised, on Admission the Company's capital structure will be as follows:

| Key Details of the Offers | Shares | Options | Performance Rights |
|--|-------------------------|------------------------|------------------------|
| Existing Securities on issue | 33,578,750 ¹ | 5,500,000 ² | 6,000,000 ³ |
| | 58.3% | 73.3% | 100.0% |
| Shares offered under the Public Offer | 24,000,000 | – | – |
| | 41.7% | – | – |
| Options offered under the Lead Manager Offer ⁴ | – | 2,000,000 | – |
| | – | 26.7% | – |
| Total Securities on issue on completion of the Public Offer | 57,578,750 | 7,500,000 | 6,000,000 |

Note:

1. Including 6,000,000 Shares issued to UniQuest as set out in Section 10.4(c) and 750,000 Shares issued under the Lead Manager Mandate.
2. The Options have been issued to Key Management Personnel (or their nominees) and third-party service providers, with each Option exercisable at \$0.35 and expiring on 31 December 2021. For further information, see Section 10.3.
3. 6,000,000 Performance Rights will be issued to UniQuest (or its nominees) on the terms set out in Section 10.4, comprising 1,800,000 Class A Performance Rights, 2,100,000 Class B Performance Rights and 2,100,000 Class C Performance Rights.
4. The Lead Manager Options will be issued to Mac Equity (or its nominees) under the Lead Manager Offer, have an exercise price of \$0.35 per Option and an expiry date of 31 December 2021. For further information, see Section 10.3.

1.8 FORECASTS

The Directors have considered the matters detailed in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

The Directors consequently believe that, given these inherent uncertainties, it is not possible to include reliable forecasts in this Prospectus.

Refer to Sections 1.6 and 2.3 for further information in respect to the Company's proposed activities.

1.9 APPLICATIONS

(a) General

Applications for Securities under the Offers can only be made using the relevant Application Form accompanying this Prospectus. For further information on how to complete the Application Form, Applicants should refer to the instructions set out on the form.

No brokerage, stamp duty or other costs are payable by Applicants. Cheques must be made payable to “EMvision Medical Devices Limited” and should be crossed “Not Negotiable”. All Application Monies will be paid into a trust account.

BPAY is also available for electronic payment. Applicants wishing to pay by BPAY should complete the online Application Form accompanying the electronic version of this Prospectus which is available via a link at www.emvision.com.au and follow the instructions on the online Application Form (which includes the Biller Code and your unique Customer Reference Number (CRN)).

You should be aware that you will only be able to make a payment via BPAY if you are the holder of an account with an Australian financial institution which supports BPAY transactions.

When completing your BPAY payment, please make sure you use the specific Biller Code and your unique CRN provided on the online Application Form. If you do not use the correct CRN your Application will not be recognised as valid. It is your responsibility to ensure that payments are received by 5.00pm (WST) on the Closing Date. Your bank, credit union or building society may impose a limit on the amount which you can transact on BPAY, and policies with respect to processing BPAY transactions may vary between banks, credit unions or building societies. The Company accepts no responsibility for any failure to receive application monies or payments by BPAY before the Closing Date arising as a result of, among other things, processing of payments by financial institutions. Completed Application Forms and accompanying cheques (for Applications under the Public Offer) must be received by the Company before 5.00pm (WST) on the relevant Closing Date by either being posted or delivered to the following addresses:

| By Hand | By Post |
|---|--|
| To EMvision Medical Devices Limited C/- Link Market Services Limited 1A Homebush Bay Drive Rhodes NSW 2138 | To EMvision Medical Devices Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 |

An original, completed and lodged Application Form together with a cheque for the Application Monies (for Applications under the Public Offer), constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application as valid and how to construe amend or complete the Application Form is final. However, an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque for the Application Monies.

It is the responsibility of Applicants outside Australia to obtain all necessary approvals for the allotment and issue of Shares pursuant to this Prospectus. The return of a completed Application Form with the requisite Application Monies (under the Public Offer) will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained and that the Applicant:

- (i) agrees to be bound by the terms of the relevant offer;
- (ii) declares that all details and statements in the Application Form are complete and accurate;
- (iii) declares that, if they are an individual, they are over 18 years of age and have full legal capacity and power to perform all its rights and obligations under the Application Form;
- (iv) authorises the Company and its respective officers or agents, to do anything on their behalf necessary for the Securities to be issued to them, including to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form;

- (v) acknowledges that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Securities are suitable for them given their investment objectives, financial situation or particular needs; and
- (vi) acknowledges that the Securities have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and accordingly, the Securities may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws.

The Offers may be closed at an earlier date and time at the discretion of the Directors, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. However, the Company reserves the right to extend the Offers or accept late Applications.

(b) Public Offer

Applications under the Public Offer must be for a minimum of 8,000 Shares (\$2,000).

(c) Lead Manager Offer

Only Mac Equity (or its nominees) may accept the Lead Manager Offer. A personalised application form in relation to the Lead Manager Offer will be issued to Mac Equity together with a copy of this Prospectus (**Lead Manager Offer Application Form**). The Company will only provide a Lead Manager Offer Application Form to Mac Equity. No monies are payable for the Lead Manager Options under the Lead Manager Offer.

1.10 CHESS AND ISSUER SPONSORSHIP

The Company will apply to participate in CHESS. All trading on the ASX will be settled through CHESS. ASX Settlement, a wholly-owned subsidiary of the ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry will operate an electronic issuer sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of securities.

Under CHESS, the Company will not issue certificates to Shareholders. Rather, holding statements (similar to bank statements) will be sent to Shareholders as soon as practicable after allotment. Holding statements will be sent either by CHESS (for Shareholders who elect to hold Shares on the CHESS sub-register) or by the Company's Share Registry (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). The statements will set out the number of existing Shares (where applicable) and the number of new Shares allotted under this Prospectus and provide details of a Shareholder's holder identification number (for Shareholders who elect to hold Shares on the CHESS sub-register) or Shareholder reference number (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each Shareholder at the end of each month in which there is a transaction on their holding, as required by the Listing Rules.

1.11 ASX LISTING AND OFFICIAL QUOTATION

Within 7 days after the date of this Prospectus, the Company will apply to ASX for admission to the Official List and for the Shares, including those offered by this Prospectus, to be granted Official Quotation (apart from any Shares that may be designated by ASX as restricted securities).

If ASX does not grant permission for Official Quotation within three months after the date of this Prospectus (or within such longer period as may be permitted by ASIC) none of the Shares offered by this Prospectus will be allotted and issued. If no allotment and issue is made, all Application Monies will be refunded to Applicants (without interest) as soon as practicable.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the Shares offered pursuant to this Prospectus.

1.12 APPLICATION MONIES TO BE HELD IN TRUST

Application Monies will be held in trust for Applicants until the allotment of the Shares under the Public Offer. Any interest that accrues will be retained by the Company.

If the Shares to be issued under this Prospectus are not admitted to quotation within a period of three months from the date of this Prospectus, the Company will either repay the Application Monies (without interest) as soon as practicable to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

1.13 ALLOCATION AND ISSUE OF SHARES

The Directors, in conjunction with the Lead Manager, will allocate Shares at their sole discretion with a view to:

- (a) obtaining an appropriate spread of Shareholders to satisfy Listing Rule 1.1 condition 8;
- (b) recognising the ongoing support of existing Shareholders;
- (c) identifying new potential long-term or cornerstone investors; and
- (d) ensuring an appropriate Shareholder base for the Company going forward.

There is no assurance that any Applicant will be allocated any Shares, or the number of Shares for which it has applied. The Company reserves the right to reject any Application or to issue a lesser number of Shares than those applied for. Where the number of Shares issued is less than the number applied for, surplus Application Monies will be refunded (without interest) as soon as reasonably practicable after the Closing Date.

Subject to the matters in Section 1.11, Securities under the Offers are expected to be allotted on the Allotment Date. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares issued under the Public Offer. Applicants who sell Shares before they receive their holding statements do so at their own risk.

1.14 RISKS

Prospective investors should be aware that an investment in the Company should be considered highly speculative and involves a number of risks inherent in the various business segments of the Company. Section 4 details the key risk factors which prospective investors should be aware of. It is recommended that prospective investors consider these risks carefully before deciding whether to invest in the Company.

This Prospectus should be read in its entirety as it provides information for prospective investors to decide whether to invest in the Company. If you have any questions about the desirability of, or procedure for, investing in the Company please contact your stockbroker, accountant or other independent adviser.

1.15 OVERSEAS APPLICANTS

No action has been taken to register or qualify the Securities, or the Offers, or otherwise to permit the offering of the Securities, in any jurisdiction outside of Australia.

The distribution of this Prospectus within jurisdictions outside of Australia may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws.

This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to his or her Application. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty that there has been no breach of such law and that all necessary approvals and consents have been obtained.

This document does not constitute an offer of Shares in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

(a) Hong Kong

This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the SFO. No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

(b) Malaysia

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Shares. The Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act.

1.16 ESCROW ARRANGEMENTS

ASX will classify certain existing Securities (including the Securities issued under the Lead Manager Offer) on issue in the Company (as opposed to those to be issued under this Prospectus) as being subject to the restricted securities provisions of the Listing Rules. Classified Securities would be required to be held in escrow for up to 24 months and would not be able to be sold, mortgaged, pledged, assigned or transferred for that period without the prior approval of ASX. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

Prior to the Company's Shares being admitted to quotation on the ASX, the Company will enter into escrow agreements with the recipients of any restricted securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of any Securities required to be held in escrow.

As at the date of this Prospectus the Company expects approximately 18,255,200 Shares and 6,400,000 Options to be subject to 24 months escrow and approximately 1,829,250 Shares and 6,000,000 Performance Rights to be subject to 12 months escrow representing an aggregate of approximately 34.9% of the Shares on issue on Admission (assuming none of the Options or Performance Rights are exercised).

1.17 UNDERWRITING

The Offers are not underwritten.

1.18 LEAD MANAGER

Mac Equity has been appointed as Lead Manager to the Public Offer on the terms and conditions summarised in Section 9.1 of this Prospectus.

1.19 WITHDRAWAL

The Directors may at any time decide to withdraw this Prospectus and the Offers in which case the Company will return all Application Monies (without interest) within 28 days of giving notice of their withdrawal.

1.20 PRIVACY DISCLOSURE

Persons who apply for Shares pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess Applications for Shares, to provide facilities and services to Shareholders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1.21 PAPER COPIES OF PROSPECTUS

The Company will provide paper copies of this Prospectus (including any supplementary or replacement document) and the IPO Application Form to investors, or the Lead Manager Offer Application Form to the Lead Manager, upon request and free of charge. Requests for a paper copy from should be directed to the Company Secretary at contact@emvision.com.au.

1.22 ENQUIRIES

This Prospectus provides information for potential investors in the Company, and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial adviser.

Questions relating to the Offers and the completion of an Application Form or the Lead Manager Offer Application Form can be directed to the Company Secretary at contact@emvision.com.au.

2. TECHNOLOGY AND COMPANY OVERVIEW

2.1 MEDICAL IMAGING TECHNOLOGIES

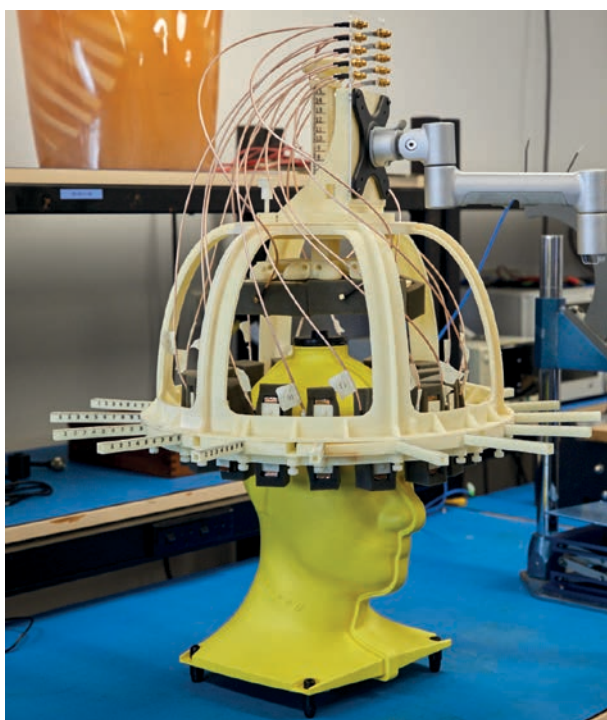
Diagnostic imaging is used to produce images of internal structures of the human body for the purpose of accurate medical diagnosis. A number of mechanisms can be used to produce the images. The use of “invisible light” scanning – using electromagnetic radiation other than the visible light spectrum – for medical diagnostics has been well established over the past 100 years. Initially seen with the development of X-ray imaging in the late 19th and early 20th centuries, the field of radiology has grown with modern imaging methods such as computed tomography (**CT**), magnetic resonance imaging (**MRI**) methods, nuclear medicine and positron emission tomography (**PET**), developed in the latter decades of the 20th century.

CT and MRI scans with and without intravenous contrast material are used in diagnosis of stroke and associated post stroke scanning and imaging, however both techniques have inherent limitations. A key limitation for both technologies is logistical, as imaging currently requires substantial time – both for the initial procedure and subsequent clinical interpretation creating delays and limiting access to services. Both MRI and CT technology require significant levels of sophisticated equipment, and this offers substantial challenges to the development of portable or mobile CT or MRI devices, further increasing the logistical burden for rapid diagnosis. The high level of sophisticated equipment has an impact on the effective cost of the techniques and therefore their utility in broad application for diagnosis and post-operative care. In addition, CT scanning uses high energy ionising X-ray radiation, which is known to be carcinogenic and so is not ideal for repeated use and ongoing monitoring of stroke patients. Nevertheless, CT approaches are widely accepted as the standard neuroimaging technique, and non-contrast CT is typically conducted in all suspected stroke patients.

2.2 TECHNOLOGY OVERVIEW – THE EMVISION TECHNOLOGY (EMVT)

The Company is developing and seeking to commercialise a portable brain scanner (**Brain Scanner**), which utilises electromagnetic microwave imaging for diagnosis of stroke and other medical applications. The Company is currently building a portable pre-clinical prototype of the Brain Scanner and intends to develop a prototype suitable for clinical trials.

A prior prototype of the Brain Scanner, built by UQ, has been tested with both modelling and simulation and on realistic phantom heads which are models that represent and can emulate the anatomical and dielectric properties of the human brain. The testing of the Brain Scanner on the phantom heads involves inserting bleed and clot mimicking substances into the phantom heads to determine if the Brain Scanner can detect the presence of simulated bleeds and clots.



A prototype of the Brain Scanner built by UQ on the phantom head.

The Brain Scanner is not expected to provide the depth of detail that MRI and CT scans can provide and the Company intends to develop the Brain Scanner as a complementary imaging tool, for use in situations where MRI and CT scans are impractical to use due to their size, cost, complexity, and in the case of CT, ionising radiation. The Company's objective is to develop a portable Brain Scanner that is cheaper to use than MRI and CT scans, that could be used at the point of care in post-operative treatment, ambulatory and first responder settings with a focus on diagnosis and stroke monitoring.

Previous prototypes of the Brain Scanner have been able to differentiate between blood clots and bleeds in simulation environments and on realistic phantoms. The Company intends to continue testing the Brain Scanner so that it can be used in excluding haemorrhagic stroke in medical settings. This clinical utility would be analogous to that of a non-contrast CT Scan in stroke care, except without ionising radiation and deployed at the point of care. If the Company is able to satisfy this objective, the Company initially intends to develop the Brain Scanner so that it could be used to monitor life threatening bleeds in the 24-hour and beyond post treatment window in patients who have received thrombolytic drug treatment or a thrombectomy. For further information on the prevalence of stroke in Australia and Europe, see Section 3.

The Company also intends to explore the development and commercialisation of other medical imaging devices that utilise the EMVT for the diagnosis of medical conditions that may arise elsewhere in the body, including the torso of human patients. Whilst work has begun on these projects, including research at UQ, these projects are yet to be developed into clinical ready prototypes.

The EMVT is the result of over 10 years of development by researchers in the School of Information Technology and Electrical Engineering at UQ. The principal focus of research to date has been the development of underlying research concepts, and the subsequent design and development of a pre-clinical "proof of concept" prototype of the Brain Scanner.

The EMVT enables the use of low energy non-ionising microwave radiation to generate 3-dimensional images for use in medical diagnostics and other applications. The EMVT offers a disruptive alternative imaging modality with potentially far reaching applications and commercial opportunity. Electromagnetic microwave imaging as a modality has great potential to become an imaging technology for biomedical applications such as stroke diagnosis and monitoring and offers many potential advantages over CT and MRI, such as:

- (a) based on the Company's research to date, the Brain Scanner is intended to be less capital intensive to manufacture and more cost effective to use compared to CT, MRI or PET allowing it to be priced at a point that may be attractive and affordable for many hospitals;¹
- (b) the Brain Scanner uses low power microwave signals and, in contrast to CT scans, does not produce ionising radiation;
- (c) power consumption for the Brain Scanner is estimated to be a small percentage of the power output of a mobile phone. This forgoes the need and cost of using shielding rooms that are used in conjunction with MRI and CT; and
- (d) the Brain Scanner has the potential to be "miniaturized" to allow for more ubiquitous commercialisation, which may include ambulatory, first responder and remote applications as well as in post-operative settings where it may be preferable not to transport a recovering patient.

Microwave images are maps of the microwave signals that result from the interactions with the electrical property distributions of objects. Two properties that affect the propagation of electromagnetic radiation within materials are dielectric permittivity (tissue capacitance) and conductivity.² These properties are related to other physical properties such as temperature, density, and water content.³ Low-water-content tissues such as skin and fat have permittivity values that are estimated to be less than half those of high water-content tissues such as blood and some cancerous tissues.⁴ The use of microwave imaging in medical applications relies on this contrast of the difference in microwave propagation due to changes in dielectric and conductive properties between healthy and unhealthy tissue.⁵

¹ Noghianian S "Microwave Tomography for Biomedical Quantitative Imaging" Journal of Electrical and Electronic Systems (2012), p 1. Note the author has not provided consent for this statement to be included in this Prospectus.

² Ibid.

³ Ibid.

⁴ Ibid.

⁵ Mobashsher, A. T. and Abbosh, A. M. On-site Rapid Diagnosis of Intracranial Hematoma using Portable Multi-slice Microwave Imaging System. Sci. Rep. 6, 37620; doi: 10.1038/srep37620 (2016), p 2. Note the author has not provided consent for this statement to be included in this Prospectus.

The core of the Brain Scanner is the antenna arrays and associated software necessary to analyse the signals and generate images, based on variations in dielectric properties associated with different materials, including different tissue types and organs within the body. The research team responsible for the development of the Brain Scanner have built a number of laboratory test prototypes including an antenna array, signal capture, image processing algorithms and artificial intelligence driven boundary conditions.

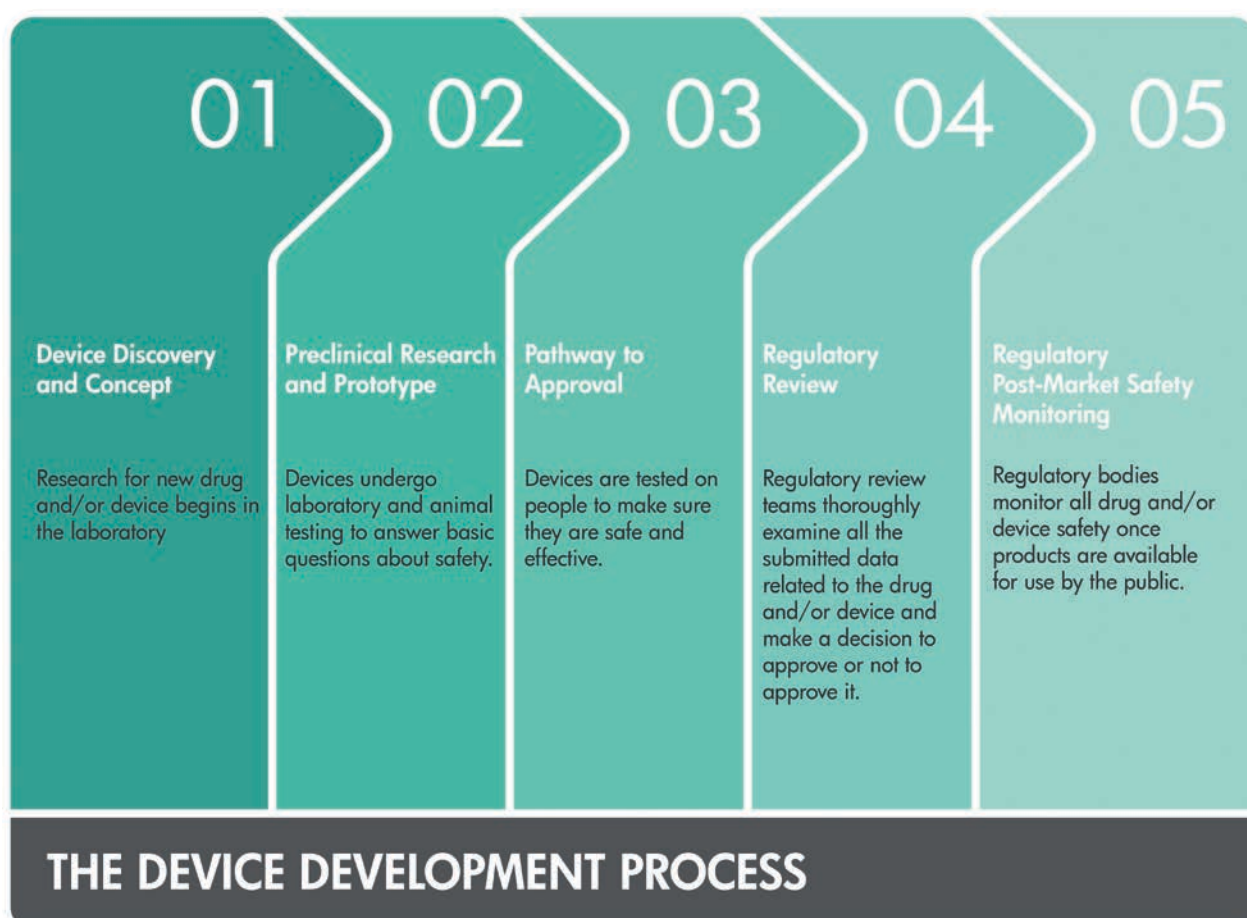
The Company believes that the knowledge acquired from the development of the Brain Scanner will be applicable to the development of other devices. Electromagnetic microwave imaging technology can be adapted to meet various diagnostic needs by the customisation of a specific antenna array, switching network and algorithms for multiple applications.

In addition to the initial application for the EMVT in stroke diagnosis, UQ, in partnership with the Company and Metro South Hospital and Health Service (**PA Hospital**), is undertaking research to develop a potential novel low cost, portable, safe and non-invasive electromagnetic torso scanner for the detection and monitoring of non-alcoholic fatty liver disease (**NAFLD Project**) as a potential adjacent clinical application for the EMVT and microwave imaging. The initial focus of development work will be characterising the dielectric properties of liver tissue and on building and testing a prototype that can be advanced to subsequent clinical trials. It is intended that the funds received pursuant to the QBAF Agreement will go towards undertaking the activities contemplated by the NAFLD Project. See Section 9.6 for further detail on the NAFLD Project.

2.3 PROPOSED DEVELOPMENT AND COMMERCIAL STRATEGY

(a) Typical Device Development Pathway

The development of clinical medical devices is tightly regulated and involves the sequential demonstration of both safety and efficacy of the devices, comparable to the development pathway for other medical technologies such as drug development. An illustration of the typical device development process is shown below.



(b) The Company's Proposed Development Pathway

The Company intends to develop the EMVT through the above regulatory pathways to enable devices incorporating the EMVT to be deployed in medical fields in target markets. Development of the underlying EMVT has progressed over the last 10 years from initial concept and proof-of-concept experiments through pre-clinical research. The Company is now poised to begin the human testing phase of product development for its initial target application of brain injury with a focus on rapid stroke diagnosis and monitoring in accordance with *Stage 3 – Pathway to Approval* as per the development pathway set out in Section 2.3(a).

The Company intends to initiate its planned clinical program immediately on completion of the Public Offer, and over 12 months following the completion of the Public Offer, it intends to gather substantial information to optimise the prototypes incorporating the EMVT.

The Company intends to carry out a Healthy Human Trial with its early clinical prototype before proceeding with a feasibility (pilot) clinical trial. The number and size of the clinical trials will be determined with guidance from clinical research organisations, regulatory consultants alongside regulatory authorities such as the Therapeutic Goods Administration in Australia. The feasibility trial will be aimed at collecting data from stroke patients to refine the prototype and its components such as system algorithms hardware, patient interface and software. Information regarding the technical risks of the device, patient safety, usability amongst other factors will contribute further to the design requirements for any commercialised product.

Under the above development pathway, entities that successfully complete a suitable feasibility study may begin to focus on design controls. At this point most of the design elements begin to be locked down based on earlier patient and clinical testing and subsequent engineering improvements. Design and process controls in compliance with international regulatory standards such as ISO:13485 are mandatory at this point (for further information regarding the Company's device and process control compliance see Section 2.4). A key purpose of this phase is to ensure that there is a sufficiently de-risked pathway to regulatory approval, with the aim of having a safe, quality assured product that meets its intended clinical use and the entity's commercial requirements.

In the event the Company successfully completes a feasibility study, the Company currently anticipates that it would invest in developing the EMVT towards completing the necessary clinical verification to meet regulatory requirements. It is anticipated that the Company will need to complete a pivotal clinical trial to generate the clinical data, including safety and efficacy, required for its initial regulatory pathway, which it currently intends to be CE mark approval.⁶ Final regulatory classification of the device would be determined by the level of patient risk and safety. Factors that can influence the timing of regulatory approval include the risk category of the device, its unique characteristics and comparison to similar devices in the market amongst others.

The path to commercialisation may be affected by numerous factors including but not limited to the regulatory environment, access to key personnel, researchers, material compatibility, funding, competition and market demands which have the ability to significantly affect the time it takes to reach specific development and commercialisation milestones. Accordingly, the Company considers that it is too premature to provide an indicative timetable as to when development and commercialisation events are likely to occur. For further information regarding risks that may affect the commercialisation objectives of the Company, see Section 4.

(c) Commercialisation

The Company intends to expand upon its existing and future clinical collaborations and seek to attract potential commercial partners throughout its clinical program. If the Company achieves regulatory clearance for the Brain Scanner, the Company will aim to secure a major distribution partner, which it considers would be a key milestone towards commercialisation and potential profitability, noting that there is no guarantee that the Company will secure commercial partnerships or agreements or profitability.

The Company has identified Europe and Australia as two primary target market regions, however other geographic markets may also offer commercial opportunities for the Company's commercialisation endeavours.

⁶ CE Marking is a certification mark that indicates conformity with health, safety and environmental protection standards for products sold within the European Economic Area.

Subject to the Brain Scanner producing sufficient signal penetration, image quality and accuracy within an acceptable operating period to warrant commercialisation, the Company's objective is to establish distribution capabilities and networks for capital equipment sales and potential annuity revenue streams which may include but is not limited to consumables, accessories and service.

The above sets out the Company's intentions as at the date of this Prospectus and the Company will continue to monitor the market and its ongoing operations with a view to identifying other potential revenue sources.

The Company does not expect to generate revenue until the Brain Scanner has been cleared for commercial use. Future revenue will likely be dependent on successful development milestones, including clinical validation and regulatory clearance.

2.4 COMPANY BACKGROUND

The Company is an Australian public company, incorporated on 11 July 2017 founded by Messrs Scott Kirkland and Ryan Laws.

The Company executed a Licence Agreement (**Licence Agreement**) with UniQuest Pty Ltd (**UniQuest**), a commercialising entity that manages the Intellectual Property of UQ, granting the Company an exclusive, worldwide and perpetual licence to commercialise the EMVT, including the Brain Scanner. Under an IP assignment deed (**IP Assignment Deed**) and subject to the satisfaction of the conditions precedent as set out in Section 9.3, the Company will be assigned the Intellectual Property rights held by UniQuest to the EMVT.

The Company was successful in winning a Cooperative Research Centres (**CRC**) grant from the Government of the Commonwealth of Australia (**Commonwealth**), presented by the Department of Industry, Innovation and Science, under which the Company will receive approximately \$3,500,000 in cash funding (plus GST), comprising \$2,600,000 from the Commonwealth and \$910,000 from the Project Participants. In addition, the Company will receive approximately \$3,515,759 by way of in-kind contributions including consumables, practical expertise and guidance from the Project Participants.

The program supports industry-led collaborations between industry, researchers and the community and is a proven model for linking researchers with industry to focus on research and development towards use and commercialisation. For further information, see Section 9.5.

In March 2018, UQ was awarded a Queensland State Government Biomedical Assistance Fund (**QBAF Agreement**) grant of \$160,000 to assist with the funding of the NAFLD Project. The grant is subject to UQ contributing \$80,000 and the Company entering into a collaboration agreement with UQ and agreeing to provide support to the project in the form of a cash contribution of \$80,000 and an in-kind contribution equal to \$10,000 including practical expertise and guidance.

The Company has also contracted with UQ, principally through the CRC Project Funding Agreement to carry out further research and development of microwave imaging techniques for biomedical applications. These include advancements in iterative beamography, local area tomography, global tomography, classification (deep learning neural networks) and initial brain template construction.

To further the ongoing product development of the EMVT, the Company has engaged Tiller Design, an industrial design company in Australia to provide industrial design and feasibility studies, mechanical and electronic engineering, production tooling, product assembly and certification as well as project and risk management, supply and sourcing.

In July 2018, TÜV Rheinland completed a successful second stage audit on the Company, which is a significant milestone in the process to obtaining ISO 13485 certification. ISO 13485 is a harmonised standard for quality management systems for medical devices and a number of countries require ISO 13485 certification to support regulatory clearance.

The Company has also engaged third parties for regulatory advice and strategy for the intended design and development of medical devices, as well as to assist the Company with strategic advice for the development of its clinical investigational plans, including those for initial healthy human trials with a clinical prototype and the Company's envisioned pilot hospital trial.

2.5 INTELLECTUAL PROPERTY

UQ has lodged provisional and PCT patent applications that address various potentially unique and novel aspects of the Brain Scanner and EMVT. These patent applications will be assigned to the Company in accordance with the terms of the IP Assignment Deed subject to the satisfaction of the conditions precedent set out in Section 9.3 and cover methods of using microwave radiation to develop 3-dimensional diagnostic images, as well as the framework of the commercial solution based on the underlying Intellectual Property. The patent applications also include aspects of the hardware necessary to generate and interpret the microwave signals for imaging purposes.

In addition to the patent applications, the EMVT and Intellectual Property includes considerable know how in the method of applying microwave-based imaging to the development of possible commercial diagnostic devices.

The details of the Company's Intellectual Property portfolio and the patent applications are more fully detailed in the Intellectual Property Report in Section 8.

2.6 CURRENT CAPITAL STRUCTURE OF THE COMPANY

As at the date of this Prospectus, the capital structure of the Company and particulars of its current Shareholders are as follows:

| Shareholder | Shares | % | Options | Performance Rights |
|--|-------------------|--------------|------------------|--------------------|
| UniQuest Pty Ltd | 6,000,000 | 17.9 | 0 | 6,000,000 |
| Mr Scott Kirkland | 3,575,000 | 10.6 | 600,000 | 0 |
| Mr Ryan Laws ¹ | 3,212,500 | 9.6 | 500,000 | 0 |
| Mr John Keep | 1,707,500 | 5.1 | 400,000 | 0 |
| Mr Geoff Pocock | 225,000 | 0.7 | 500,000 | 0 |
| Dr Ron Weinberger | 1,000,000 | 3.0 | 1,000,000 | 0 |
| Mr Bryant McLarty ² | 1,050,000 | 3.1 | 0 | 0 |
| Mr Tony Keane | 0 | 0 | 500,000 | 0 |
| Non-related party Shareholders | 16,808,750 | 50.1 | 2,000,000 | 0 |
| Shares and Options on issue as at the date of this Prospectus | 33,578,750 | 100.0 | 5,500,000 | 6,000,000 |

Notes:

1. Mr Ryan Laws is an authorised representative of Mac Equity, which is the Lead Manager to the Offer and has entered into a mandate agreement as summarised in Section 9.1. Mac Equity or parties nominated by it are entitled to be issued 2,000,000 Options under the Lead Manager Offer. Mr Ryan Laws holds the 3,212,500 Shares in his personal capacity.
2. Mac Equity, a company controlled by Mr Bryant McLarty, is Lead Manager to the Offer and has entered into a mandate agreement as summarised in Section 9.1. Mac Equity or parties nominated by it are entitled to be issued 2,000,000 Options under the Lead Manager Offer.

Refer to Section 10.1 for a summary of the rights attaching to the Shares.

2.7 DIVIDEND POLICY

The Company does not expect to pay dividends in the near future as its focus will primarily be on growing the existing businesses.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

3. STROKE OVERVIEW

3.1 WHAT IS A STROKE?

Stroke, also known as brain attack, is a serious acute medical emergency caused by sudden impairment in blood supply to the brain, resulting in possible damage to brain tissue.⁷

Strokes can be classified into two major categories: ischemic and haemorrhagic.⁸

- (a) Ischemic stroke: is the most common type of stroke and occurs when blood supply to the brain is blocked, for example by a blood clot.⁹ Strokes may occur when a blood clot forms somewhere in the body and travels through the bloodstream to the brain (embolic), or blood vessels may narrow as a result of atheroma or small vessel disease (thrombosis).¹⁰
- (b) Haemorrhagic stroke: occurs when a blood vessel in the brain leaks or bursts and results in bleeding within the brain tissue (intracerebral haemorrhage) or in the space around the brain (subarachnoid haemorrhage).¹¹

It is estimated that more than 85% of strokes are acute ischemic stroke, caused by thrombotic or embolic occlusion of the cerebral artery.¹²

3.2 TIME SENSITIVITY

Stroke symptoms typically start suddenly, over seconds to minutes following blockage or bleeding.¹³ The symptoms depend on the area of the brain affected.¹⁴ The more extensive the area of brain affected, the more functions are likely to be impacted.¹⁵

Emergency teams need to evaluate the type of stroke the victim is having and the areas of the brain that are affected by the stroke. This will help to determine the correct treatments, and with early treatment the extent of permanent damage can be limited.¹⁶ It is necessary to rule out other possible causes of the symptoms, such as a brain tumour or a drug reaction which require different treatments.¹⁷

Some patients with ischemic stroke can be treated with a medicine that dissolves the blood clot (i.e. intravenous thrombolysis with a recombinant tissue plasminogen activator).¹⁸ The earlier intravenous thrombolysis is given, the greater the chance of a favourable outcome.¹⁹ It is recommended that intravenous thrombolysis is administered as early as possible, but may be administered up to four-and-a-half hours after the onset of stroke.²⁰ Streamlining the acute treatment of stroke with screening tools and hospital pre-notification can increase access to intravenous thrombolysis – reducing mortality and morbidity from stroke.²¹

7 Joshi, B 'Stroke Diagnostics and Therapeutics: Global Markets' BCC Research (2015) HLC180A, p 7.

8 Deloitte Access Economics 'The economic impact of stroke in Australia', National Stroke Foundation (2013), p 1.

9 Ibid.

10 Ibid.

11 Ibid.

12 Joshi, B 'Stroke Diagnostics and Therapeutics: Global Markets' BCC Research (2015) HLC180A, p 7. Note the author has not provided consent for this statement to be included in this Prospectus.

13 Ibid, p 11.

14 Ibid.

15 Ibid.

16 <https://www.mayoclinic.org/diseases-conditions/stroke/diagnosis-treatment/drc-20350119>

17 Ibid.

18 Australian Commission on Safety and Quality in Healthcare 'Acute Stroke – the Case for Improvement'. Sydney: ACSQHC, 2016, p 7.

19 Ibid.

20 Ibid.

21 Ibid.

3.3 MEDICAL IMAGING AND STROKE DIAGNOSIS

Imaging plays a critical role in evaluating patients suspected of acute stroke and transient ischemic attack (**TIA**), especially prior to initiating treatment.²² Over the past few decades, major advances have occurred in stroke imaging and treatment, including FDA approval of revascularisation therapies for effective treatment of acute ischemic stroke.²³ The primary goal of imaging patients with acute stroke symptoms is to distinguish between haemorrhagic and ischemic stroke, this will permit commencement of effective treatments, and determine which is the correct treatment and will ultimately assist outcomes for stroke patients.²⁴

A wide variety of imaging techniques have become available to assess vascular lesions and brain tissue status in acute stroke patients.²⁵ However, the challenge for physicians is to understand the multiple facets of these imaging techniques, including which imaging techniques to implement and how to optimally use them, given available resources at their local institution.²⁶ Important considerations include constraints of time, cost, access to imaging modalities, preferences of treating physicians, availability of expertise, and availability of endovascular therapy.²⁷ The choice of which imaging techniques to employ is impacted by the time urgency for evaluation of patients and the dynamic changes in the literature on acute stroke imaging and treatment. Ideally, imaging algorithms should incorporate rapid access to techniques that provide optimal information without delaying treatment.²⁸

3.4 STROKE PREVALENCE AND TARGET MARKET SIZE

The information relevant to specific disease conditions and the Company's target markets is historical and not projected information. This section does not represent any forecast or projection as to future revenue or profitability of the Company or penetration into markets.

(a) Europe

Stroke is the second most common single cause of death in Europe, accounting for 405,000 deaths (9%) in men and 583,000 (13%) deaths in women each year.²⁹ Stroke is the second most common single cause of death in women (137,000 deaths, 10%) and the third most common cause of death in men (183,000 deaths, 7%) in the under 75 age group.³⁰ Stroke is, jointly with breast cancer, the most common single cause of death under 65 years in women (51,000, 7%), and the third most common cause of death in men (90,000, 6%) in the under 65 year age group.³¹

Stroke is estimated to cost the EU economy €45 billion a year: around one-fifth of the overall cost of Cardiovascular Disease (CVD).³² Of the total cost of stroke in the EU, 44% (€20 billion) is due to direct health care costs, 21% (€9 billion) to productivity losses and 35% (€16 billion) to the informal care of people with stroke.³³

(b) Australia

In 2015, there were 10,869 stroke fatalities in Australia, accounting for 6.8% of the 159,052 deaths.³⁴ In 2015-16, there were 37,300 acute care hospitalisations with a principal diagnosis of stroke, at a rate of 134 per 100,000 population.³⁵

22 Wintermark et al (2013). Imaging Recommendations for Acute Stroke and Transient Ischemic Attack Patients: A Joint Statement by the American Society of Neuroradiology, the American College of Radiology and the Society of NeuroInterventional Surgery. *AJNR*. American Journal of Neuroradiology, 34(11), E117–E127, p 2. <http://doi.org/10.3174/ajnr.A3690> Note the author has not provided consent for this statement to be included in this Prospectus.

23 Ibid.

24 Ibid, p 8.

25 Ibid, p 2.

26 Ibid.

27 Ibid.

28 Ibid.

29 Wilkins et al (2017). European Cardiovascular Disease Statistics 2017. European Heart Network, p11. Note the author has not provided consent for this statement to be included in this Prospectus.

30 Ibid, p11,12.

31 Ibid, p12.

32 Ibid, p 180.

33 Ibid.

34 ABS – 3303.0 – Causes of Death, Australia, 2015. Note the author has not provided consent for this statement to be included in this Prospectus.

35 Australian Institute of Health and Welfare 2018. Australia's health 2018'. Australia's health series no. 16. AUS 221. Canberra: AIHW, p 116. Note the author has not provided consent for this statement to be included in this Prospectus.

3.5 MEDICAL IMAGING MARKET

There are various diagnostic imaging modalities and techniques used by clinical professionals, including:³⁶

- (a) ultrasound;
- (b) CT;
- (c) diagnostic radiology (such as x-ray and mammography);
- (d) MRI; and
- (e) Nuclear medicine imaging, such as PET.

In Sections 3.6 and 3.7 the Company provides an overview of the medical and diagnostic imaging market for the Company's primary target market regions, being Australia and Europe. The Company has focussed on MRI and CT as the two modalities for which the Company's technology is most closely related.

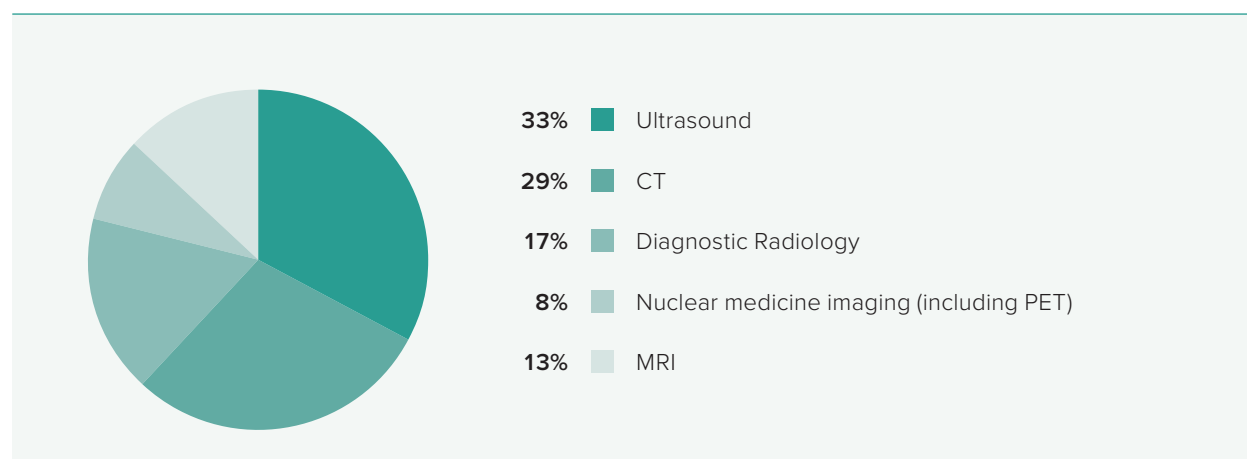
3.6 AUSTRALIA

The distribution of diagnostic imaging machines around Australia is determined by private providers, based on commercial considerations, and by the state and territory governments that provide public health services.³⁷

As at 30 September 2017 there was 348 Medicare eligible MRI machines in Australia.³⁸ NSW accounts for the highest number of Medicare eligible MRI machines (122 machines) followed by VIC (82 machines).³⁹ In 2015-16 there were a total of 1507 CT machines in Australia, with NSW accounting for the highest proportion of machines (562 machines) and the NT accounting for the lowest proportion of machines (13 machines).⁴⁰

During 2016-17, total imaging services (including the diagnosis and treatment of strokes) provided by MRI and CT together accounted for 16% of all Medicare Benefits Scheme services by modality.⁴¹ The Commonwealth paid over \$3.4 billion in patient rebates for all medical services provided during the 2016-17 financial year, of which 33 per cent was paid where an ultrasound was used, followed by 29 percent where a CT was used, 17 per cent for the use of diagnostic radiology, 13 percent where an MRI was used and 8 per cent where nuclear medicine imaging was used.⁴²

Figure 1: Percentage Medicare Benefits Scheme benefits by modality 2016 – 17



Source: Commonwealth of Australia, The Senate Community Affairs References Committee 'Availability and accessibility of diagnostic imaging equipment around Australia' (2018), p 61. Note the author has not provided consent for this statement to be included in this Prospectus.

³⁶ Commonwealth of Australia, The Senate Community Affairs References Committee 'Availability and accessibility of diagnostic imaging equipment around Australia' (2018), p 1.
Note the author has not provided consent for this statement to be included in this Prospectus.

³⁷ Ibid, p 9.

³⁸ Ibid, p 27.

³⁹ Ibid.

⁴⁰ Ibid, p 89.

⁴¹ Ibid, p 60.

⁴² Ibid, p 61.

Before approving a new medical technology for reimbursement and allocating a reimbursement code, private and governmental payers analyse clinical and economic data to determine the clinical value and cost-effectiveness of a product as compared to other available products. Obtaining such a reimbursement code for the Brain Scanner will be subject to the Company commercialising the Brain Scanner and demonstrating that it has clinical value and cost effectiveness in comparison to existing diagnostic options.

3.7 EUROPE

The total market for medical imaging devices in Europe was US\$12.7 billion in 2017.⁴³ The market for MRI in 2017 was US\$1.4 billion and the market for CT in 2017 was US\$1.5 billion.⁴⁴

3.8 COMPETITORS

There are competitors with portable brain scanner technologies, with a focus on stroke care, in varying stages of development. The competitors' technologies have varying clinical utility and a varying ability to deliver accurate and reliable diagnostics. Such companies currently developing these technologies include, but are not limited to Cerebrotech Medical Systems Inc., EMTensor GmbH and Medfield Diagnostics AB. Based on publicly available research papers and marketing materials, the Company believes the Brain Scanner's advantage in comparison to its competitors is the Brain Scanner's calculation methods, which are capable of generating three-dimensional images of the dielectric properties of biological tissue in a short time, whilst enabling a traditional central processing unit (**CPU**) to be used for image reconstruction and results analysis.

3.9 WHAT THIS MEANS FOR THE COMPANY

The Company aims to successfully develop and commercialise the Brain Scanner and penetrate, in the first instance, the Australian and European markets in a manner that responds to the market demand for a portable, safe and cost-effective imaging device that can be used in situations where existing imaging techniques may be impractical, such as in first responder, ambulatory or post-operative settings. The achievement of this aim is subject to a number of risks as summarised in Section 4. This Section 3 does not represent any forecast or projection as to future revenue or profitability of the Company or penetration into markets. The Company provides this Section 3 as an overview of the prevalence of stroke in Australia and Europe and the market demand for technology assisting in the diagnosis and treatment of stroke.

⁴³ Laxmi V, 'Medical Devices: Technologies and global markets' BCC Research (2018), p 52.

⁴⁴ Ibid, p 55, 83.

4. RISK FACTORS

As with any share investment, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company, but should not be taken as an exhaustive list of the potential risk factors to which the Company and its Shareholders are exposed. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Shares.

Any investment in the Company under this Prospectus should be considered highly speculative.

4.1 RISKS SPECIFIC TO THE COMPANY

(a) Intellectual property risk

The Company relies on laws relating to patents, trade secrets, copyright and trademarks to assist to protect its proprietary rights. However, there is a risk that unauthorised use or copying of the Company's software, data, specialised technology or platforms will occur. If the Company fails to adequately protect its intellectual property rights, competitors may gain access to its technology which could harm the Company's businesses.

The core of the EMVT is the subject of multiple patent applications as set out in Section 8. The success of the Company may depend in part on the Company's ability to obtain patents (and therefore proprietary rights) without infringing the proprietary rights of others. There is a risk that the Company will be unable to register or otherwise protect new intellectual property it develops in the future. The grant and enforceability of patents involves complex legal and scientific questions and can be uncertain. There can be no assurance that any patents in relation to the EMVT will afford the Company commercially significant protection of the EMVT, or that competitors will not develop competing technologies that circumvent such patents. This may materially adversely impact the Company's revenue, legal expenses and profitability.

If the Company believes its intellectual property rights have been infringed, it may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of the Company's rights. Any litigation, whether or not it is successful, could result in significant expense to the Company and divert the efforts of its personnel. In addition, unauthorised use of the various brands of the Company in counterfeit products or services could not only result in potential revenue loss, but also have an adverse impact on its brand value and perception of product quality.

(b) Future Intellectual Property Rights

While UniQuest will warrant clear title to the Licensed IP at the time of its assignment to the Company, any claims or potential claims employees or students of UQ, or other third parties, may have in respect of UQ's ownership of the Licensed IP, may affect the Company's rights to exploit the Licensed IP.

The Company's Intellectual Property is being developed in conjunction with third parties, including contractors and researchers employed by UQ. The Company's access to future Intellectual Property and improvements to future Intellectual Property developed by third parties depends on contractual relationships between third parties and their employees and the effective transfer of relevant information and title to inventions or other Intellectual Property from employees to their employers and then to the Company.

(c) Clinical Testing

The Licensed IP must still undergo further clinical studies and those tests and trials may show that it does not work in a safe and effective manner. The Company intends to conduct clinical studies of the Licensed IP in the future, but there can be no guarantee that relevant regulatory agencies such as the TGA (Therapeutic Goods Administration in Australia) or other regulatory agencies will allow the Company to undertake such trials and/or the development and approval process may take longer, cost more than expected and may result in the Licensed IP not producing a viable diagnostic product.

(d) CRC Project Funding Agreement and Participant Agreement Risk

As set out in Sections 9.4 and 9.5, the Company has entered into the CRC Project Funding Agreement, pursuant to which the Company will receive up to \$2,600,000 in funds from the Commonwealth and \$910,000 from the Project Participants over a 36-month period. The funding is conditional on the Company meeting the Project Milestones (or otherwise satisfying the Commonwealth that it is progressing the project in a manner that warrants continued funding) and is subject to the performance of the Project Participants which are required to make contributions of cash, full time equivalents or both, assessed at quarterly intervals over the term of the CRC Project Funding Agreement.

In the event that the Company is unable to meet the Project Milestones the Company must satisfy the Commonwealth that it is progressing the project in a manner that warrants continued funding. In this event, there is a risk the CRC Project Funding Agreement may be suspended or terminated and that the Company will not have access to the funds that would otherwise be available under the CRC Project Funding Agreement.

In the event that the Company is not able to obtain the required contributions from the Project Participants the Company may be required to make good the shortfall otherwise the Commonwealth may reduce the amount of funding.

In the event that the funding under the CRC Project Funding Agreement is reduced, suspended or terminated for any reason, the Company will be required to reassess its research and development budget and activities. If any funding is reduced, suspended or terminated, this is likely to require the Company to seek alternative funding arrangements, however, there can be no assurance that additional funding will be available on acceptable terms to the Company or at all.

In order to satisfy the 31 December 2018 milestone, the Company is required to validate the first prototype for stroke detection in a clinical study by that date. At present, the Company does not intend to commence clinical trials and patient recruitment until the second half of 2019. The Company has advised the Commonwealth of this change to the 31 December 2018 milestone and has received preliminary advice from the Commonwealth that a variation to the Project Milestones will not be required at this stage and the change of date can be confirmed in the Company's quarterly report to the Commonwealth. This date change may affect the timing of future Project Milestones and require the Company to seek variations to these Project Milestones with the Commonwealth at the appropriate time (of which there is no guarantee the Commonwealth will agree to such variation). To ensure continued funding under the CRC Project Funding Agreement in such circumstances, the Company must continue to satisfy the Commonwealth that it is progressing the project in a manner that warrants continued funding.

(e) QBAF and NAFLD Collaboration Agreement

The QBAF Agreement is a grant of \$160,000 to UQ to assist with the funding of the NAFLD Project and is subject to the Company entering into a collaboration agreement with UQ and other NAFLD Project collaborators (**NAFLD Collaboration Agreement**) and, subject to finalisation of the terms, providing support to the NAFLD Project in the form of a cash contribution of \$80,000 and an in-kind contribution equal to \$10,000 including practical expertise and guidance.

In the event that the Company or other NAFLD Project collaborators do enter into the NAFLD Collaboration Agreement and meet their respective contributions, there is a risk that the Queensland Government may not continue to make funding available to UQ to advance the NAFLD Project. Similarly, if the Company does not meet its contribution requirements under the NAFLD Collaboration Agreement it may be liable to UQ for breaches of warranty.

(f) Product development and commercialisation

To date, the Company has funded its activities through the issue of Shares, payments received from Project Participants pursuant to the CRC-P Grant and from other government grants. The Company has not completed the development of any of its devices and does not currently have any commercial agreements to distribute devices or consumables. The Company's ability to generate revenues in the future will be subject to a number of factors, including but not limited to:

- (i) the Company's prototypes performing to a level sufficient to warrant commercialisation, and in particular, that the current and future prototypes of the Brain Scanner are able to produce sufficient signal penetration, image quality and accuracy within an acceptable operating period;
- (ii) the successful completion of product validation and obtaining regulatory clearance for the Brain Scanner;
- (iii) the successful development, product validation and regulatory clearance of other products in the EMVT development pipeline;
- (iv) whether the Company is able to conclude commercially acceptable arrangements with third party manufacturers and distributors;
- (v) the success of sales and marketing efforts and adequate market uptake of the Company's products, including the Brain Scanner; and
- (vi) in the event that any of the products being developed by the Company are commercialised, the ability of the Company to continue to sell products, will depend on its ability to maintain regulatory compliance, pass regular audits and respond to any issues that are raised by regulators from time to time.

(g) Competition and new technologies

The industry in which the Company is involved is subject to domestic and global competition which is fast-paced and fast-changing. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of the Company's projects and business. For instance, new technologies could result in the Company not being differentiated to other similar offerings.

The size and financial strength of some of the Company's competitors may make it difficult for it to maintain a competitive position in the technology market. In particular, the Company's ability to acquire additional technology interests could be adversely affected if it is unable to respond effectively and/or in a timely manner to the strategies and actions of competitors and potential competitors or the entry of new competitors into the market. This may in turn impede the financial condition and rate of growth of the Company.

(h) Cost of component parts risk

The development of products embodying the EMVT may be adversely affected by the availability of products, resources, materials or any variables that may impact on the cost of components for such a product. The price of components for the Company's products could also affect any potential profit margins. If there are delays in product development due to contracted manufacturers or suppliers, it could mean a delay in the release of products which could have an impact on potential future cash flows.

(i) Sales and marketing success

The Company intends to focus on developing and marketing the Company's EMVT and its associated technology. By its nature, there is no guarantee that the Company's technology development and marketing campaign will be successful. In the event that it is not, the Company may encounter difficulty creating market awareness and this would likely have an adverse impact on the Company's future financial performance.

(j) Technology risk

If the Company's technology network is compromised for any reason or the Company's infrastructure and systems prove insufficient and unable to keep up with evolving technologies or demand for the Company's services, the Company's ability to reliably service its clients and remain competitive may be compromised, which in turn may have an adverse impact on the Company's future financial performance.

(k) Personal information collation risk

It is likely that the Company will in the future collect, store and process highly sensitive, highly regulated and confidential information. The provision of secure and reliable information storage and processing services is integral to the businesses and operations of the Company.

As the Company has not yet commenced undertaking clinical trials, the Company does not yet have strict policies and procedures for the collection of data. The Company will need to develop such policies prior to collecting sensitive and personal data. However, even with such policies in place, if the Company's systems or data is compromised for any reason there is a risk that the Company may become involved in legal action due to breaching data confidentiality agreements.

(l) Brand establishment and maintenance

The Company believes that establishing and maintaining the Company's brand in the industry in which it operates is critical to growing its customer base and product and service acceptance. This will depend largely on the Company's ability to provide innovative and in-demand products and services. If the Company fails to successfully establish and maintain its brand, its business and operating results could be adversely affected.

(m) New markets

The Company may look to expand its product offerings into new markets. Any efforts to enter a new market space holds the risk that the product offering does not meet the needs of the market at an acceptable price point, the product does not meet the relevant regulatory standards and/or that the underlying Intellectual Property is not registerable in the market. New markets usually cost substantially more to penetrate than a known market.

(n) Future Capital Needs and Additional Funding

The future capital requirements of the Company will depend on many factors, including the pace and magnitude of its development of its business. The Company believes that its available cash and the net proceeds of the Public Offer will be adequate to satisfy its anticipated current working capital and other capital requirements for the period of time as set out in Section 1.6. Should the Company require additional funding, there can be no assurance that additional financing will be available on acceptable terms or at all. Any inability to obtain additional financing, if required, would have a material adverse effect on the Company's business, financial condition and results of operations.

(o) Reliance on key personnel and researchers

Success of the business will depend on the Directors, CEO and the management of the Company to develop the business and manage operations, and on the ability to attract and retain key quality staff and consultants.

The Company has key contributors including chief inventor Professor Amin Abbosh and Professor Stuart Crozier, who are largely responsible for the research and development of the Brain Scanner and EMVT.

Although chief inventor Professor Amin Abbosh and Professor Stuart Crozier are employees of UQ and Professor Stuart Crozier is contracted as a consultant to continue the development of the EMVT, as set out in Section 5.3(c), there is no assurance that such agreements will not be terminated. If such agreements are terminated or breached, or if these individuals no longer continue in their current roles, new personnel will need to be contracted by the Company or employed by UQ, which may adversely affect the development of the EMVT.

Because of the complexity of its services and technologies, the Company is also substantially dependent on the continued service of its existing researchers and development personnel, some of which are employees of UQ. There is no assurance that these persons will continue to be available to the Company, either as employees of UQ or by other means. In addition, there is no assurance that these persons will remain healthy and able to continue their current roles.

The Company outsources to consultants for expert advice and contract organisations (including UQ) for research, clinical and manufacturing services as well as regulatory pathway expertise. There is no guarantee that such experts or organisations will be available as required or will meet expectations.

(p) Third-party healthcare payer organisations

In both domestic and foreign markets, sales of products are likely to depend in part upon the availability and amounts of reimbursement from third party healthcare payer organisations, including government agencies such as Medicare, private healthcare insurers, self-insured employee plans and other healthcare payers such as health maintenance organisations. In most major markets, there is considerable pressure to reduce the cost of healthcare. No assurance can be given that the Company will obtain reimbursement by such payors at all, or without substantial delay, or that reimbursement amounts will be sufficient to enable the Company to sell products developed on a profitable basis.

(q) Completion risk

As set out in Section 9.3, the Company has entered into a Licence Agreement and IP Assignment Deed with UniQuest, whereby UniQuest licensed and will subsequently assign the Licensed IP to the Company. Under the Licence Agreement the Company has a sole and exclusive right to commercialise the Licensed IP, but will not be assigned the rights and title to the Licensed IP unless and until it completes the assignment pursuant to the IP Assignment Deed. There is a risk that if any of the conditions to completion under the IP Assignment Deed are not satisfied or waived, or any of the counterparties do not comply with their obligations, completion of the assignment may be deferred, occur in part, or may not occur at all. In particular, the Company notes that in order for the IP Assignment Deed to complete, UniQuest must provide evidence to the satisfaction of the Company that UQ's rights and title to the Licensed IP have been assigned to UniQuest. If the assignment does not complete, the Company will not obtain the assignment rights and title to the Licensed IP, but will retain the exclusive license under the License Agreement.

(r) Legal Proceedings

Legal proceedings may arise from time to time in the course of the business of the Company including enforcing or defending its intellectual property rights against infringement and unauthorised use by competitors or in relation to a contract dispute. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

4.2 GENERAL RISKS

(a) General economic climate

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs. The Company's future income, asset values and share price can be affected by these.

(b) Risks Associated with the Regulatory Environment

The Company is not assured of receiving all necessary regulatory clearances and approvals to proceed to commercialisation, and cannot predict with certainty the timelines for such clearances and approvals, or other requirements that may be imposed by regulatory authorities (e.g. further clinical trials or other requirements to prove the safety and effectiveness of the EMVT). In addition, future changes to the EMVT which affect its safety or efficacy may require new regulatory clearance or approvals.

(c) Policies and legislation

Any material adverse changes in government policies or legislation of Australia, or any other country that the Company has economic interests in, may affect the viability and profitability of the Company.

(d) Enforcement of contracts in foreign jurisdictions

From time to time, as part of its business, the Company may enter into contracts which are to be governed by the laws of countries other than Australia.

Should a contractual dispute result in court action or should the Company be required to enforce its rights, the procedure of the courts in the various foreign jurisdictions may be different to those in Australia and the Company may incur significant costs and resources in enforcing such rights.

(e) Negative publicity may adversely affect the Share price

Any negative publicity or announcement relating to any of the Company's substantial Shareholders, key personnel or activities may adversely affect the stock performance of the Company, whether or not this is justifiable. Examples of such negative publicity or announcements may include involvement in legal or insolvency proceedings, failed attempts in takeovers, joint ventures or other business transactions.

(f) Liquidity and Dilution Risk

There can be no guarantee that an active market in the Securities will develop or that the price of the Securities will increase. On completion of the Offers, 34.9% of the issued Shares are anticipated to be subject to escrow with 65.1% of the issued Shares freely tradable.

Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the Public Offer and may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities. The Company may undertake offerings of securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, voting power of the Company's existing Shareholders may be diluted.

(g) Stock market conditions

As with all stock market investments, there are risks associated with an investment in the Company. Share prices may rise or fall and the price of Shares might trade below or above the Offer Price. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company. Further, the stock market is prone to price and volume fluctuations. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the Shares, regardless of the Company's operational performance.

General factors that may affect the market price of Shares include without limitation; economic conditions in Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(h) Foreign Currency and exchange rate risks

The Company currently acquires supplies from international suppliers and may in the future conduct business in other jurisdictions and is therefore exposed to the effects of changes in currency exchange rates. Unhedged, unfavourable movements in foreign exchange rates may have an adverse effect on the Company's revenue and/or cost of operating and therefore affect the market price of the Shares. The Company's primary operating currency is the Australian dollar.

(i) 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 Shares.

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 Shares pursuant to the Public Offer.

5. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

5.1 BOARD OF DIRECTORS

As at the date of this Prospectus, the Board comprises of:

- (a) Mr John Keep – Executive Chairman;
- (b) Mr Scott Kirkland – Executive Director;
- (c) Mr Tony Keane – Non-Executive Director;
- (d) Mr Ryan Laws – Non-Executive Director; and
- (e) Mr Geoff Pocock – Non-Executive Director.

5.2 DIRECTORS' AND OFFICERS' PROFILES

The names and details of the Directors in office at the date of this Prospectus are:



(a) Mr John Keep – Executive Chairman

Mr John Keep has extensive public company board experience as well as senior management experience in the healthcare and hospitality sectors including managing start up enterprises and medical diagnostic companies. Mr Keep led the successful restructuring and revitalization of the radiology company Queensland Diagnostic Imaging, Queensland's leading private radiology and diagnostic imaging group and at Lemarne Healthcare, a company specialising in the detection and treatment of skin cancer. Mr Keep is a director of Queensland Symphony Orchestra Holdings Ltd and a member of that company's Finance Audit and Risk Committee. Mr Keep holds a Bachelor Degree (Economics and Financial Studies Major) from Macquarie University.

Mr Keep leads the development and execution of the Company's strategy and manages its research and engineering partnerships.



(b) Mr Scott Kirkland – Executive Director

Mr Scott Kirkland has held several senior sales positions, including Head of Client Sales at Quantcast, a US-based technology company, prior to founding Kirkland Capital, a private investment company focused on emerging technologies. Mr Kirkland is a co-founder of the Company and will oversee its corporate affairs, commercial strategy and business development efforts. Mr Kirkland has a Bachelor of Arts Informatics degree from the University of Sydney and is a member of the Australian Institute of Company Directors.



(c) Mr Tony Keane – Non-Executive Director

Mr Tony Keane is an experienced business and finance executive and holds a number of independent non-executive director and advisory board roles. Mr Keane also undertakes finance advisory and consultancy assignments for various business clients and previously held numerous roles with a major trading bank principally in business, corporate and institutional banking.

Mr Keane is currently an Independent Non-Executive Director of National Storage Holdings Ltd, the holding company established for National Storage REIT, the first independent, internally managed and fully-integrated owner and operator of self-storage centres listed on the ASX, director of Queensland Symphony Orchestra Pty Ltd, Queensland's largest performing arts company and only professional symphony orchestra and Chairman of Oncore Group Holdings Pty Ltd, which has various interests in the business services sector in Australia, NZ and the UK.

Mr Keane has a Bachelor of Science (Mathematics) degree from University of Adelaide, a Graduate Diploma in Corporate Finance from Swinburne, is a Fellow of the Financial Services Institute of Australasia, and is a graduate of the Australian Institute of Company Directors.



(d) Mr Ryan Laws – Non-Executive Director

Mr Ryan Laws has been involved in the establishment, structuring and capital raising for multiple start-up and early stage companies prior to co-founding the Company. Mr Laws has been investing for a number of years and has an extensive reach throughout the investing community including a number of high net worth and sophisticated investors.

Mr Laws is a co-founder of the Company and is a corporate adviser at Mac Equity.



(e) Mr Geoff Pocock – Non-Executive Director

Mr Geoff Pocock has significant experience as a corporate advisor and strategy consultant advising companies on commercialisation and IP management, business development, mergers and acquisitions strategy and raising equity capital from private and public equity markets.

Mr Pocock is currently the principal of Polaris Consulting (WA) Pty Ltd, and was formerly the Managing Director of Hazer Group Ltd (ASX: HZR), an ASX-listed cleantech chemical engineering company, commercialising a novel low cost and low emission graphite and hydrogen production process initially developed by the University of Western Australia.

Mr Pocock has a Bachelor of Science with first class honours and a Bachelor of Law from the University of Western Australia, and has completed a Postgraduate Diploma in Applied Finance and Investment from the Securities Institute of Australia. Mr Pocock previously spent several years as a research scientist in the biopharmaceutical industry in Australia and the United Kingdom.

5.3 KEY MANAGEMENT PERSONNEL

Other than the Directors, the Company's Key Management Personnel are as follows:



(a) Dr Ronald Weinberger – Chief Executive Officer

Dr Weinberger has more than 20 years' experience in medical research, biotechnology and commercialisation. Dr Weinberger joined Nanosonics in August 2004 and was appointed as an Executive Director in July 2008 then Managing Director and Chief Executive Officer in December 2011 with a period as acting CEO from May 2011. From October 2013 to February 2018, Dr Weinberger was President of Technology Development and Commercialisation and was responsible for the direction of Nanosonics' technology development and commercialisation strategy. He is co-inventor of several of Nanosonics' key technology patents.



(b) Ms Emma Waldon – Chief Financial Officer and Company Secretary

Ms Emma Waldon completed a Bachelor of Commerce at the University of Western Australia, is a member of the Institute of Chartered Accountants of Australia and New Zealand and a Certificated Member of the Governance Institute of Australia.

Ms Waldon has diverse global corporate advisory, capital markets and corporate governance experience having held roles in accounting and debt and equity capital markets in Australia and the United Kingdom. Ms Waldon is currently the company secretary of ASX listed companies Hazer Group Ltd (ASX:HZR), Parkd Ltd (ASX:PKD) and a number of unlisted companies.



(c) Professor Stuart Crozier – Clinical Development

Co-inventor of the EMVT, Professor Stuart Crozier is also the Director of Biomedical Engineering at the UQ. Professor Crozier's advancements in MRI technology have been used in billions of scans around the world and are now central to 65% of all MRI machines manufactured since 1997. Professor Crozier brings a wealth of experience in developing and commercialising medical imaging systems.



(d) Mr Robert Tiller – Product Director

Mr Robert Tiller has over 25 years' experience in medical device product design and commercialisation. As CEO of Tiller Design, Mr Tiller and his team, in collaboration with Nanosonics' R&D team, developed the Trophon EPR device. That device underpinned Nanosonics' success, spring boarding the company to a market capitalisation of over \$800 million.

5.4 INTERESTS OF DIRECTORS

No Director (or entity in which they are a partner or director) has, or has had in the two years before the date of this Prospectus, any interests in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- (c) the Offers, and

no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- (a) any Director to induce him or her to become, or to qualify as, a Director; or
- (b) any Director of the Company for services which he or she (or an entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Offers,

except as disclosed in this Prospectus and as follows.

5.5 SECURITY HOLDINGS OF DIRECTORS

The Directors and their related entities have the following interests in Securities as at the date of this Prospectus:

| Director | Shares | % | Options ¹ |
|-------------------|-----------|-------|----------------------|
| Mr John Keep | 1,707,500 | 5.1% | 400,000 |
| Mr Scott Kirkland | 3,575,000 | 10.6% | 600,000 |
| Mr Tony Keane | 0 | 0.0% | 500,000 |
| Mr Ryan Laws | 3,212,500 | 9.6% | 500,000 |
| Mr Geoff Pocock | 225,000 | 0.7% | 500,000 |

Notes:

1. Comprised of Options issued on the terms and conditions set out in Section 10.3.

Based on the intentions of the Directors at the date of this Prospectus in relation to the Offers, the Directors and their related entities will have the following interests in Securities on Admission:

| Director | Shares | % | Options ¹ |
|------------------------------|------------------------|------|----------------------|
| Mr John Keep | 1,807,500 ² | 3.1% | 400,000 |
| Mr Scott Kirkland | 3,695,000 ³ | 6.4% | 600,000 |
| Mr Tony Keane | 100,000 ⁴ | 0.2% | 500,000 |
| Mr Ryan Laws | 3,212,500 | 5.6% | 500,000 |
| Mr Geoff Pocock ⁵ | 300,000 | 0.5% | 500,000 |

Notes:

1. Comprised of Options issued on the terms and conditions set out in Section 10.3.
2. It is Mr John Keep's intention to subscribe for up to 100,000 Shares under the Public Offer through an associated entity.
3. It is Mr Scott Kirkland's intention to subscribe for up to 120,000 Shares under the Public Offer.
4. It is Mr Tony Keane's intention to subscribe for up to 100,000 Shares under the Public Offer.
5. It is Mr Geoff Pocock's intention to subscribe for up to 75,000 Shares under the Public Offer.

5.6 REMUNERATION OF DIRECTORS

The Directors have received, or accrued, the following remuneration since incorporation of the Company.

| Director | 1 July 2017 – 31 December 2017 | 1 January 2018 – present |
|------------------------------------|--------------------------------|--------------------------|
| Mr John Keep ¹ | \$0 | \$67,334 |
| Mr Scott Kirkland ¹ | \$0 | \$64,640 |
| Mr Tony Keane ² | \$0 | \$8,212 |
| Mr Ryan Laws ^{2, 3 and 4} | \$0 | \$29,419 |
| Mr Geoff Pocock ^{2 and 4} | \$0 | \$0 |

Notes:

1. The Company has entered into executive services agreements with Messrs Kirkland and Keep as set out in Sections 9.2(b) and 9.2(c).
2. The Company has entered into letters of appointment with each of Messrs Keane, Laws and Pocock as set out in Section 9.2(d).
3. Mr Laws has also received fees as an authorised representative of the Lead Manager, Mac Equity, as summarised in Section 9.1.
4. These figures do not include once off success fees of \$25,000 payable to each of Messrs Laws and Pocock upon Admission, in respect of work undertaken for the Company prior to Admission.

5.7 RELATED PARTY TRANSACTIONS

The Company has entered into the following related party transactions on arms' length terms:

- (a) executive services agreements with Messrs Scott Kirkland and John Keep as set out in Sections 9.2(b) and 9.2(c);
- (b) letters of appointment with each of its non-executive Directors on standard terms as set out in Section 9.2(d);
- (c) a contractor services agreement dated 13 March 2018 (**Contractor Services Agreement**) with Mr Ryan Laws for corporate communication services provided to the Company, as set out in Section 9.1;
- (d) deeds of indemnity, insurance and access with each of its Directors on standard terms as set out in Section 9.10; and
- (e) a non-recourse loan with Dr Ron Weinberger in the amount of \$160,000, by which Dr Weinberger acquired 1,000,000 Shares at an issue price of \$0.16 as set out in Section 9.2(a). No interest is payable on the Loan and the Company expects (subject to ASX's application of the restrictions applicable under the Listing Rules) that all Shares issued to Dr Weinberger will be subject to ASX restrictions.

The Company has also entered into the Lead Manager Mandate with Mac Equity as set out in Section 9.1. While Mac Equity is not a related party of the Company, Director Mr Ryan Laws is an authorised representative of Mac Equity.

At the date of this Prospectus, no other material transactions with related parties and Directors' interests exist that the Directors are aware of, other than those disclosed in the Prospectus.

5.8 ASX CORPORATE GOVERNANCE COUNCIL PRINCIPLES AND RECOMMENDATIONS

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the Company's policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted the 3rd edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current Board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are detailed below. Following Admission, the Company's full Corporate Governance Plan will be made available in a dedicated corporate governance information section of the Company's website at www.emvision.com.au.

(a) Board of Directors

The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. Clearly articulating the division of responsibilities between the Board and management will help manage expectations and avoid misunderstandings about their respective roles and accountabilities.

In general, the Board assumes (amongst others) the following responsibilities:

- (i) providing leadership and setting the strategic objectives of the Company;
- (ii) appointing and when necessary replacing the Executive Directors;
- (iii) approving the appointment and when necessary replacement, of other senior executives;
- (iv) undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director;
- (v) overseeing management's implementation of the Company's strategic objectives and its performance generally;
- (vi) approving operating budgets and major capital expenditure;
- (vii) overseeing the integrity of the Company's accounting and corporate reporting systems including the external audit;
- (viii) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (ix) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate; and
- (x) monitoring the effectiveness of the Company's governance practices.

The Company is committed to ensuring that appropriate checks are undertaken before the appointment of a Director and has in place written agreements with each Director which detail the terms of their appointment.

(b) Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. The Board currently consists of the 2 Executive Directors and 3 Non-Executive Directors (2 of whom the Company considers independent). As the Company's activities develop in size, nature and scope, the composition of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

(c) Identification and management of risk

The Board's collective experience will assist in the identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(d) Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

(e) Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(f) Remuneration arrangements

The remuneration of any Executive Director will be decided by the Board, without the affected Executive Director participating in that decision-making process.

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

Directors are also entitled to be paid reasonable travel and other expenses incurred by them in the course of the performance of their duties as Directors.

The Board reviews and approves the Company's remuneration policy in order to ensure that the Company is able to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(g) Securities trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its Key Management Personnel (i.e. Directors and, if applicable, any employees reporting directly to the Executive Directors). The policy generally provides that the written acknowledgement of the Chairman (or the Board in the case of the Chairman) must be obtained prior to trading.

(h) Diversity policy

The Board values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Accordingly, the Company has set in place a diversity policy. This policy outlines the Company's diversity objectives in relation to gender, age, cultural background and ethnicity.

Given the current size of the Company, the Board has determined that the benefits of the initiatives recommended by the ASX Corporate Governance Council are disproportionate to the costs involved in implementing such strategies including compliance with the requirement for the Company to set and report against measurable objectives for achieving gender diversity.

The Board will drive the Company's diversity strategies on an informal basis and will apply the initiatives contained in its Diversity Policy to the extent that the Board considers relevant and necessary.

(i) Audit and risk

The Company has a separate audit and risk committee which carries out duties including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

(j) External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

5.9 DEPARTURES FROM RECOMMENDATIONS

Following Admission, the Company will be required to report any departures from the Recommendations in its annual financial report.

The Company's departures from the Recommendations as at the date of this Prospectus are detailed in the table below.

| Principles and Recommendations | Comply (Yes/No) | Explanation |
|--|-----------------|--|
| PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT | | |
| Recommendation 1.5 A listed entity should: <ul style="list-style-type: none"> (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: <ul style="list-style-type: none"> (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. | Partially | <ul style="list-style-type: none"> (a) The Company has adopted a Diversity Policy, however, given the current size of the Company, the Board has determined that the benefits of the initiatives recommended by the ASX Corporate Governance Council are disproportionate to the costs involved in implementing such strategies, including compliance with the requirement for the Company to set and report against measurable objectives for achieving gender diversity. The Board will drive the Company's diversity strategies on an informal basis and will apply the initiatives contained in its Diversity Policy to the extent that the Board considers relevant and necessary. (b) The Company's Diversity Policy will be available on the Company's website following Admission. (c) For each reporting period following Admission, the Company will include in the annual report each year relevant information about the Company's diversity practices to the extent required by its Diversity Policy. |
| PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE | | |
| Recommendation 2.4 A majority of the board of a listed entity should be independent directors. | No | The Board has formed the view that, given the size and nature of the business of the Company, the current Board structure is appropriate for the Company at its current stage of development. |
| Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity. | Partially | The Board has formed the view that, given the size and nature of the business of the Company, and the knowledge and experience John Keep brings to the Company, that John Keep is the most appropriate person to hold the position of Chairman of the Company even though he is not independent by reason of being an Executive Director. The Chairman is not the same person as the CEO of the entity. |

| Principles and Recommendations | Comply (Yes/No) | Explanation |
|--|--------------------|--|
| PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING | | |
| <p>Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ul style="list-style-type: none"> (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: <ul style="list-style-type: none"> (i) the charter of the committee; (ii) the relevant qualifications and experience of the members of the committee; and (iii) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | Partially | <p>The Company has an Audit and Risk Committee which comprises Tony Keane (Chair), Geoff Pocock and John Keep. A majority of these members are Independent Directors, however John Keep is an Executive Director.</p> <p>The Audit and Risk Committee's Charter will be available on the Company's website following Admission.</p> <p>The Company will report on the meetings and attendance of the Audit and Risk Committee.</p> |

6. FINANCIAL INFORMATION

6.1 INTRODUCTION

The financial information contained in this Section 6 includes historical and pro forma consolidated financial information for the financial period ending 30 April 2018. The financial period commenced on the Company's date of incorporation 11 July 2017.

The financial information in this Section relates to the following statements:

- (a) statutory historical statement of profit and loss for the period ended 30 April 2018 (**FY18**), (**Statutory Historical Results**);
- (b) statutory historical statement of cash flows for FY18 (**Statutory Historical Cash Flows**); and
- (c) statutory historical statement of financial position as at 30 April 2018 (**Statutory Historical Statement of Financial Position**),

(referred to in this Section as the Statutory Historical Financial Information).

Information provided in this Section 6 should be read in conjunction with the risk factors outlined in Section 4, and the other information provided in this Prospectus.

6.2 BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL INFORMATION

(a) Overview

The statutory consolidated historical financial statements of the Company for FY18 have been audited by BDO East Coast Partnership.

The financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (**IASB**).

The Statutory Historical Financial Information has been reviewed and reported on by BDO Corporate Finance (East Coast) Pty Ltd (**BDO**) as set out in the Independent Limited Assurance Report on Historical Financial Information set out in Section 7. Investors should note the scope and limitations of the Independent Limited Assurance Report (refer to Section 7).

(b) Preparation of the Historical and Pro Forma Financial Information

The Statutory Historical Financial Information has been extracted from the audited statutory consolidated financial statements of the Company for the financial period ending 30 April 2018.

The Pro Forma Historical Financial Information has been prepared for the purpose of inclusion in this Prospectus. The Pro Forma Historical Statement of Financial Position as at 30 April 2018 is based on the reviewed consolidated financial statements of the Company at that date adjusted to reflect the impact of the Public Offer and the Lead Manager Offer and other material transactions post 30 April 2018.

6.3 STATUTORY HISTORICAL RESULTS

Overview

Table 1 below sets out the Statutory Historical Results for the financial period ended 30 April 2018.

Table 1: Statement of profit or loss for the financial period ended 30 April 2018

| | FY18 \$ |
|---|------------------|
| Revenue | |
| Grant income | 401,000 |
| Other income | 45,834 |
| Interest received | 15 |
| Expenses | |
| Administration expenses | (92,800) |
| Employee expenses | (103,518) |
| Research and development costs | (655,120) |
| Finance costs | (177) |
| Loss before income tax expense | (404,765) |
| Income tax expense | – |
| Loss after income tax expense for the period | (404,765) |

6.4 STATUTORY HISTORICAL CASH FLOWS

Overview

Table 2 below sets out the Statutory Historical Cash Flows for the financial period ended 30 April 2018.

Table 2: Statutory Historical Cash Flows for the financial period ended 30 April 2018

| | FY18 \$ |
|--|------------------|
| Cash flows from operating activities | |
| Grant income received (inclusive of GST) | 421,100 |
| Payments to suppliers and employees (inclusive of GST) | (793,611) |
| Interest received | 15 |
| Interest and other finance costs paid | (177) |
| Net cash used in operating activities | (372,673) |
| Cash flows from investing activities | |
| Net cash used in investing activities | – |
| Cash flows from financing activities | |
| Proceeds from issue of shares | 1,697,663 |
| Share issue costs | – |
| Net cash from financing activities | 1,697,663 |
| Net increase in cash and cash equivalents | 1,324,990 |
| Cash and cash equivalents at beginning of financial period | – |
| Cash and cash equivalents at the end of the period | 1,324,990 |

6.5 GENERAL FACTORS AFFECTING THE OPERATING RESULTS OF THE COMPANY

Below is a discussion of the main factors which affected the Company's operations and relative historical financial performance in the financial period ended 30 April 2018. The discussion of these general factors is intended to provide a summary only and does not detail all factors that affected the Company's historical operating and financial performance.

The loss for the Company for the period amounted to \$404,765.

During the period the Company had grant income of \$401,000 from a Cooperative Research Centre Program (**CRCP**) grant and other income of \$45,834 being contributions from participants in the CRCP.

Operating expenses during the period principally related to research and development costs associated with the EMVT, employee expenses, general corporate overheads and costs associated with a proposed listing of the Company on the ASX.

Operating cash outflows for the period were \$372,673. Financing cash inflows for the period were \$1,697,663 from the issue of 31,453,750 Shares in the Company at a range of issue prices.

The Company had a net asset position at 30 April 2018 of \$1,719,380. The net asset position included a \$480,000 intangible asset being a license in respect of the technology licensed from UniQuest.

6.6 STATUTORY HISTORICAL STATEMENT OF FINANCIAL POSITION AND PRO FORMA HISTORICAL STATEMENT OF FINANCIAL POSITION

(a) Overview

Table 3 below sets out the pro forma adjustments that have been made to the audited Statutory Historical Statement of Financial Position for the Company at 30 April 2018 in order to prepare the Pro Forma Statement of Financial Position for the Company. These adjustments (including the \$6,000,000 (before costs) raised under the Public Offer, transaction expenses and other material transactions) reflect the impact of the changes in capital structure that will take place as part of the Offers under this Prospectus, as if they had occurred or were in place as at 30 April 2018.

Table 3: Statutory Historical Statement of Financial Position and Pro Forma Historical Statement of Financial Position as at 30 April 2018

| \$'000 | Audited 30 April 2018 | Pro forma adjustments | Pro forma 30 April 2018 |
|--------------------------------------|----------------------------------|----------------------------------|------------------------------------|
| Cash and cash equivalents | 1,324,990 | 5,400,000 | 6,724,990 |
| Short term investments | – | – | – |
| Trade and other receivables | 65,416 | – | 65,416 |
| Notes receivable | – | – | – |
| Inventory | – | – | – |
| Prepaid expenses | – | – | – |
| Other current assets | – | – | – |
| Total current assets | 1,390,406 | 5,400,000 | 6,790,406 |
| Fixed assets | – | – | – |
| Long term investments | – | – | – |
| Goodwill | – | – | – |
| Intangible assets | 480,000 | – | 480,000 |
| Other assets | – | 160,000 | 160,000 |
| Total non-current assets | 480,000 | 160,000 | 640,000 |
| Total assets | 1,870,406 | 5,560,000 | 7,430,406 |
| Trade and other payables | (151,026) | – | (151,026) |
| Current portion of long term debt | – | – | – |
| Accrued expenses | – | – | – |
| Other current liabilities | – | – | – |
| Total current liabilities | (151,026) | – | (151,026) |
| Long term debt | – | – | – |
| Other long term liabilities | – | – | – |
| Total non-current liabilities | – | – | – |
| Total liabilities | (151,026) | – | (151,026) |
| Net assets | 1,719,380 | 5,560,000 | 7,279,380 |
| Equity | | | |
| Common stock | 2,124,145 | 5,746,210 | 7,870,355 |
| Preferred stock | – | – | – |
| Reserves | – | 614,045 | 614,045 |
| Retained earnings | (404,765) | (800,255) | (1,205,020) |
| Other stockholder equity | – | – | – |
| Total equity | 1,719,380 | 5,560,000 | 7,279,380 |

(b) Adjustments adopted in compiling the Pro Forma Historical Statement of financial position

The Pro Forma Historical Statement of Financial Position has been adjusted to reflect the following:

- (i) Pro forma cash and cash equivalents have been adjusted to reflect the issue of 24,000,000 Shares at \$0.25 each to raise \$6,000,000 (before costs), offset by transaction costs of \$600,000.
- (ii) On 6 July 2018, the Company entered into a \$160,000 non-recourse loan agreement with Dr Ron Weinberger (Chief Executive Officer) to facilitate Dr Weinberger's purchase of 1,000,000 Shares at an issue price of \$0.16 each pursuant to his executive services agreement as summarised in Section 9.2(a). No interest is payable on the loan. These Shares were issued on 17 July 2018 and are part of the 2,125,000 Shares noted below.
- (iii) On 17 July 2018, the Company issued 2,125,000 Shares to the directors, executives and contractors of the Company for no cash consideration.
- (iv) On 17 July 2018, the Company issued 5,500,000 Options to directors, executives and contractors of the Company with an exercise price of \$0.35 each and an expiry date of 31 December 2021.
- (v) The issue of 2,000,000 Options to the Lead Manager (or its nominees) in part consideration for capital raising services provided to the Company. These Options will have an exercise price of \$0.35 per Option and an expiry date of 31 December 2021.
- (vi) On 25 September 2018, the Company issued 6,000,000 Performance Rights to UniQuest on the terms set out in Section 9.3. The issue of these Performance Rights does not impact the Pro Forma Historical Statement of Financial Position.

6.7 LIQUIDITY AND CAPITAL RESOURCES

The Board believes that the funds raised from the Public Offer will provide the Company with sufficient working capital to achieve its stated objectives as detailed in Sections 1.6 and 2.

The use of further equity funding or Share placements will be considered by the Board where it is appropriate to accelerate a specific project or strategy.

Based on the intended use of funds detailed in Section 1.6, the amounts raised pursuant to the Public Offer will provide the Company sufficient funding for only 2 years' operations. The Company may require further financing in the future. See Section 4.1(n) for further details about the risks associated with the Company's future capital requirements.

6.8 SUMMARY OF KEY ACCOUNTING POLICIES

A summary of key accounting policies which have been adopted in preparation of the Statutory Historical Financial Information are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) Basis of preparation

The general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the AASB and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the IASB.

(b) Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

(c) Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed herein.

(d) Foreign currency translation

The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

(e) Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

(f) Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(g) Grant income

The Company receives grant income from the federal government and other non-government participants in the grant program.

If conditions are attached to a grant which must be satisfied before the Company is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year end a liability is recognised until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Company obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

(h) Impairment of other tangible and intangible assets

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount.

An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

(i) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- (i) When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- (ii) When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

(j) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(m) Employee benefits

(i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

(iii) Share-based payments

The Company provides benefits in the form of share-based payments, whereby persons render services in exchange for shares or rights over shares ('equity settled transactions'). The Company does not provide cash settled share-based payments.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using an option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Company receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the period in which the service conditions are fulfilled, ending on the date on which the relevant persons become fully entitled to the award (the 'vesting period'). The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

All changes in the liability are recognised in profit or loss. Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Company or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Company or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(n) Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(o) Goods and Services Tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The amount of GST recoverable from the tax authority is included in other receivables and the amount of GST payable to the tax authority is included in other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(p) Research and development

Research costs are expensed in the period in which they are incurred.

Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Company is able to use or sell the asset; the Company has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit.

(q) New Accounting Standards and Interpretations not yet mandatory or early adopted

A number of Australian Accounting Standards have been issued or amended but are not yet effective. None are considered relevant to the Company.

(r) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

(i) Impairment of intangibles

The Company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using calculations which incorporate various key assumptions. All intangible assets are accounted for using the cost model whereby costs are amortised on a straight-line basis over their estimated useful lives. The Company has yet to ascribe an estimated useful life of the intangibles as the patents are provisional and the technology subject to research and development before being available to be commercialised. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing.

(ii) Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

7. INDEPENDENT LIMITED ASSURANCE REPORT



Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

The Directors
EMvision Medical Devices Limited
Suite 7, 29 The Avenue
Nedlands WA 6009, Australia

11 October 2018

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT

INTRODUCTION

BDO Corporate Finance (East Coast) Pty Ltd (BDO) has been engaged by EMvision Medical Devices Limited (EMvision or the Company) to prepare this Independent Limited Assurance Report (Report) in relation to certain financial information of EMvision, for the Initial Public Offer of fully paid ordinary shares (Shares) in the Company, for inclusion in a prospectus proposed to be issued in October 2018 (Prospectus).

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

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

HISTORICAL FINANCIAL INFORMATION

Statutory historical financial information

This Report relates to the following Financial Information as set out in Section 6 of the Prospectus:

- statutory historical statement of profit and loss for the period ended 30 April 2018 (FY18), (Statutory Historical Results);
- statutory historical statement of cash flows for FY18 (Statutory Historical Cash Flows); and
- statutory historical statement of financial position as at 30 April 2018 (Statutory Historical Statement of Financial Position),

(together, the Statutory Historical Financial Information).

You have engaged BDO to review the Statutory Historical Financial Information of EMvision (listed above) included in the Prospectus.

The Statutory Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the company's adopted accounting policies. The Statutory Historical Financial Information has been extracted from the interim financial report of EMvision for the period ended 30

BDO Corporate Finance (East Coast) Pty Ltd ABN 70 050 038 170 AFS Licence No. 247420 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Corporate Finance (East Coast) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation, other than for the acts or omissions of financial services licensees.



April 2018, which was audited by BDO East Coast Partnership Pty Ltd in accordance with the Australian Auditing Standards.

BDO East Coast Partnership Pty Ltd issued an unmodified opinion on the financial report for the period to 30 April 2018. The audit opinion contains an explanatory paragraph stating the financial statements have been prepared assuming EMvision will continue as a going concern. BDO East Coast Partnership Pty Ltd noted that the Company's loss from continuing operations since inception and negative cash flows from operations raise material uncertainty about EMvision's ability to continue as a going concern.

The Statutory Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

PRO FORMA FINANCIAL INFORMATION

Pro Forma historical financial information

You have engaged BDO to review the following pro forma financial information included in the Prospectus:

- Pro forma historical statement of financial position as at 30 April 2018 (Pro Forma Historical Statement of Financial Position).

(Pro Forma Historical Financial Information)

The Pro Forma Historical Financial Information has been derived from the Statutory Historical Financial Information of EMvision, after adjusting for the effects of pro forma adjustments described in section 6 of the Prospectus. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the event(s) or transaction(s) to which the pro forma adjustments relate, as described in section 6 of the Prospectus, as if those event(s) or transaction(s) had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information does not represent the company's actual or prospective financial position, financial performance, and cash flows.

Directors' Responsibility

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

Our Responsibility

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



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

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

Review statement on the Historical and Pro Forma Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Statutory Historical Financial Information and Pro Forma Historical Financial Information for the period ended 30 April 2018 are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in section 6 of the Prospectus.

SUBSEQUENT EVENTS

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

INDEPENDENCE

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the Prospectus other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received. BDO performs the audit of the closed end funds managed by EMvision for which normal professional fees are received.

GENERAL ADVICE WARNING

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

Without modifying our conclusions, we draw attention to section 6 of the Prospectus, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

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



FINANCIAL SERVICES GUIDE

Our Financial Services Guide follows this Report. This guide is designed to assist retail clients in their use of any general financial product advice in our Report.

Yours faithfully

BDO CORPORATE FINANCE (EAST COAST) PTY LTD

A handwritten signature in black ink, appearing to read 'SS', with a stylized flourish extending to the right.

Sebastian Stevens

Director



Appendix 1: FINANCIAL SERVICES GUIDE

This Financial Services Guide is issued in relation to an independent limited assurance report (ILAR) prepared by BDO Corporate Finance (East Coast) Pty Ltd (ABN 70 050 038 170) (BDO) at the request of the Directors of EMvision Medical Devices Ltd (EMvision).

Engagement

The ILAR is intended to accompany the prospectus proposed to be issued by EMvision in October 2018 (Prospectus).

Financial Services Guide

BDO holds an Australian Financial Services Licence (License No: 247420) (Licence). As a result of our ILAR being provided to you BDO is required to issue to you, as a retail client, a Financial Services Guide (FSG). The FSG includes information on the use of general financial product advice and is issued so as to comply with our obligations as holder of an Australian Financial Services Licence.

Financial services BDO is licensed to provide

The Licence authorises BDO to provide reports for the purposes of acting for and on behalf of clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate restructures or share issues, to carry on a financial services business to provide general financial product advice for securities and certain derivatives (limited to old law securities, options contracts and warrants) to retail and wholesale clients.

BDO provides financial product advice by virtue of an engagement to issue the ILAR in connection with the issue of securities of another person.

Our ILAR includes a description of the circumstances of our engagement and identifies the party who has engaged us. You have not engaged us directly but will be provided with a copy of our ILAR (as a retail client) because of your connection with the matters on which our ILAR has been issued.

Our ILAR is provided on our own behalf as an Australian Financial Services Licensee authorised to provide the financial product advice contained in the ILAR.

General financial product advice

BDO Corporate Finance does not accept instructions from retail clients. BDO Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. BDO Corporate Finance does not provide personal retail financial product advice to retail investors nor does it provide market-related advice to retail investors.

We provide general advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us.

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that BDO may receive

BDO will receive a fee based on the time spent in the preparation of the ILAR in the amount of approximately \$20,000 (plus GST and disbursements). BDO will not receive any fee contingent upon the outcome of the proposed transaction, and accordingly, does not have any pecuniary or other interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased opinion

in relation to the transaction.

Remuneration or other benefits received by our employees

All our employees receive a salary. Employees may be eligible for bonuses based on overall productivity and contribution to the operation of BDO or related entities but any bonuses are not directly connected with any assignment and in particular are not directly related to the engagement for which our ILAR was provided.

Referrals

BDO does not pay commissions or provide any other benefits to any parties or person for referring customers to us in connection with the reports that BDO is licensed to provide.

Associations and relationships

BDO is the licensed corporate finance arm of BDO East Coast Partnership, Chartered Accountants and Business Advisers. The directors of BDO may also be partners in BDO East Coast Partnership, Chartered Accountants and Business Advisers.

BDO East Coast Partnership, Chartered Accountants and Business Advisers is comprised of a number of related entities that provide audit, accounting, tax and financial advisory services to a wide range of clients.

BDO's contact details are as set out on our letterhead.

BDO is unaware of any matter or circumstance that would preclude it from preparing the ILAR on the grounds of independence under regulatory or professional requirements. In particular, BDO has had regard to the provisions of applicable pronouncements and other guidance statements relating to professional independence issued by Australian professional accounting bodies and Australian Securities and Investments Commission (ASIC).

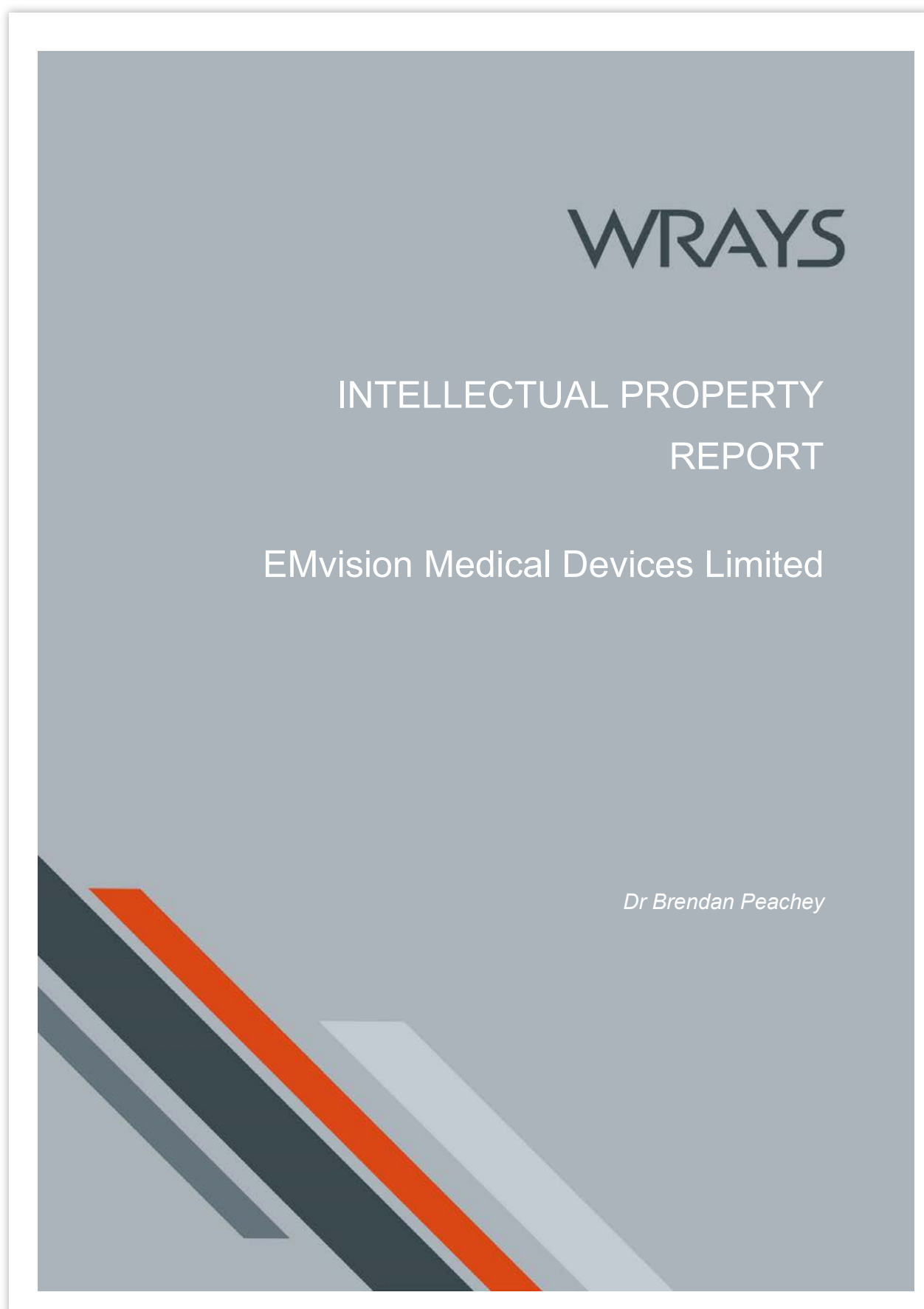
Complaints resolution

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to The Complaints Officer, BDO Corporate Finance (East Coast) Pty Ltd, Level 11, 1 Margaret Street, Sydney NSW 2000.

On receipt of a written complaint we will record the complaint, acknowledge receipt of the complaint and seek to resolve the complaint as soon as practical. If we cannot reach a satisfactory resolution, you can raise your concerns with the Financial Ombudsman Service Limited (FOS). FOS is an independent body established to provide advice and assistance in helping resolve complaints relating to the financial services industry. BDO is a member of FOS. FOS may be contacted directly via the details set out below.

Financial Ombudsman Service Limited
GPO Box 3
Melbourne VIC 3001
Toll free: 1300 78 08 08
Email: info@fos.org.au

8. INTELLECTUAL PROPERTY REPORT



INTELLECTUAL PROPERTY REPORT

9 October 2018

The Directors

Emvision Medical Devices Limited
Level 10, 12 Creek Street
Brisbane, QLD, 4000

Dear Sirs

This Report has been prepared for inclusion in a Prospectus required for lodgement at the Australian Securities and Investments Commission for the purpose of raising funds through the issue of securities.

Contents

1.0 Executive Summary

Section 2.0 briefly sets out the background of the EMvision Medical Devices Limited (ACN 620 388 230) of Level 10, 12 Creek Street, Brisbane, QLD, 4000, (hereinafter 'Emvision') intellectual property portfolio and the basis of the summary of the patent applications and patents given in this report.

Section 3.0 describes the families of patents and patent applications that will be assigned to Emvision upon the satisfaction of certain conditions precedent as set out below in section 4.0.

Section 4.0 explains the proprietorship of the relevant applications in the patent portfolio.

Sections 5.0 and 6.0 provide general comments on patent procedures and protection.

Section 7.0 addresses Emvision know-how.

2.0 Background

Emvision has exclusive rights to commercialise a portfolio of Australian and International patent applications and trade secrets and know-how associated with such patents.

This Report has been prepared by Wrays. The status summary of patents and patent applications provided in this Report is correct to the best of our knowledge at the date of this Report.

3.0 The Emvision Patent Portfolio

3.1 Background

The information in this Report is current as at 28 September 2018.

This Report summarises the status of patents and patent applications. In compiling this Report, the filing particulars have been confirmed and the current status ascertained. The patents and patent applications set out in this Section are currently in force, although they are subject to the payment of periodic (mainly annual) fees in order to maintain them in force.

3.2 Emvision Patent Families

3.2.1 Patent Family 1 : *An Improved Computational Electromagnetic Process and System*

International Patent Application PCT/AU2017/050568

| | |
|-------------------|-------------------------------|
| Applicant: | The University of Queensland* |
| Filing Date: | 7 June 2017 |
| Listed Inventors: | Abbosh, Amin; Afsari, Arman |
| Priority Date: | 7 June 2016 (AU2016902221) |
| | 8 March 2017 (AU2017900803) |

3.2.2 Patent Family 2 : *A Tomographic Imaging System and Process*

International Patent Application PCT/AU2018/050425

| | |
|------------|-------------------------------|
| Applicant: | The University of Queensland* |
|------------|-------------------------------|

Filing Date: 9 May 2018
Listed Inventors: Abbosh, Amin; Zamani, Ali; Afsari, Arman
Priority Date: 8 June 2017 (AU2017902192)

3.2.3 Patent Family 3 : *Wearable Antenna Assembly for Electromagnetic Head Imaging*

Australian Provisional Patent Application 2018903275
Applicant: The University of Queensland*
Filing Date: 4 September 2018
Listed Inventors: Not yet listed

3.2.4 Patent Family 4 : *System and Process for Electromagnetic Medical Imaging*

Australian Provisional Patent Application 2018903284
Applicant: The University of Queensland*
Filing Date: 4 September 2018
Listed Inventors: Not yet listed

3.2.5 Patent Family 5 : *Beamography System and Process for Electromagnetic Medical Imaging*

Australian Provisional Patent Application 2018903285
Applicant: The University of Queensland*
Filing Date: 4 September 2018
Listed Inventors: Not yet listed

**see information under the heading 'Proprietorship' for further details*

4.0 Proprietorship

4.1 Assignment of Patent Families

Each of the Patent Families listed above will be assigned in two steps:

- Step 1: The University of Queensland (the current proprietor, subject to our comments on Entitlement in section 4.2 below) to Uniquet Pty Ltd (an interim proprietor) (**Assignment Step 1**);
- Step 2: Uniquet Pty Ltd to Emvision (**Assignment Step 2**).

Assignment Step 2 will occur upon satisfaction or waiver of the following conditions precedent (**Conditions Precedent**):

- (a) Emvision receiving from the ASX a conditional admission letter that it will be admitted to the official list of the ASX subject to the satisfaction of various conditions as specified by the ASX and, either:
 - i. Emvision confirming that it has received valid subscriptions under its capital raising for not less than 20,000,000 shares at an issue price of no less than \$0.25 to raise not less than \$5,000,000; or
 - ii. the admission of Emvision to a similarly recognised financial market and Emvision receiving valid subscriptions for a capital raising of at least \$5 million; and
- (b) Uniquet Pty Ltd providing evidence to Emvision's satisfaction that The University of Queensland has assigned its rights and title in the Patent Families to Uniquet Pty Ltd (i.e. evidence that Assignment Step 1 is complete).

As part of the legal assignment giving effect to Assignment Step 2 which will be executed by Uniquet Pty Ltd and Emvision, Uniquet has agreed to give a warranty to Emvision, as at the date of execution of the assignment, that Uniquet has obtained an assignment of the Patent Families (and other related intellectual property) from The University of Queensland and all contributors involved in the creation of the inventions the subject of the Patent Families.

In effect, this means that upon execution of the assignment for Assignment Step 2, Uniquet promises that it will be able to give good title in the Patent Families to Emvision.

4.2 Entitlement

A patent for an invention may only be granted to the inventor(s) or to a person who has entitlement to the invention by way of assignment, employment contract or other means.

Patent Families 1 to 5 inclusive were filed in the name of The University of Queensland. Each of these Patent Families will be assigned to Emvision as per section 4.1 above.

As part of the legal assignment giving effect to Assignment Step 2, Uniquet is required to provide Emvision with a list of contributors/inventors to the Patent Families together with a warranty that it will obtain all necessary assignments from those contributors/inventors in order to give Emvision good title to the Patent Families (and other related intellectual property) under the assignment.

5.0 Patent Protection and the Requirements for Patentability

Patent rights constitute an important component of intellectual property, and provide protection for new, non-obvious and useful inventions for a limited period. Patents may be granted in respect of new or improved products, compositions and processes in almost all areas of current scientific, commercial and industrial activities, including pharmaceuticals.

Patent rights are essentially national rather than trans-national and a patent must be obtained in each country where protection of an invention is required. A fundamental requirement of the patent system is that the invention be 'new' at the time of lodging a patent application. Newness in this sense is judged in relation to what was publicly known or used at the date of the application. Another requirement is for a distinct inventive advance over what was previously known. This means that valid patent protection cannot be obtained for trivial or obvious developments.

Pursuant to the Paris Convention, the filing of an initial patent application in, for example, Australia establishes a priority date for the invention in Australia and all other countries that are a party to this Convention, including countries such as the United States, Canada, New Zealand, Europe and Japan.

The usual steps towards obtaining a patent in Australia and other countries in respect of an invention begin by filing of an application accompanied by a provisional specification. The filing

of a provisional application establishes the priority date in respect of the invention disclosed in the provisional specification.

Within twelve months from the date of the filing of the provisional application, a complete application must be lodged otherwise the provisional application, which remains pending for only one year, ceases to exist, along with the priority date set thereby. Thus, if no application is filed within one year of the provisional application, the priority date is no longer valid. Within the one year pendency of the provisional application, in order to obtain protection in other countries, the applicant may file separate national patent applications in each of the countries in which protection is required. Alternatively, the applicant may file a single International application under the provisions of the Patent Cooperation Treaty (generally referred to as a 'PCT' application or an 'International' application) in which it is possible to designate countries or regions in which protection is required. The International application itself does not mature into a worldwide patent, but at the end of the international phase, steps can be taken to file the application into any or all of the countries or regions designated in the original International application.

Regional patent applications, such as a European regional application, may also be filed. A European application may designate any or all countries that are a party to the European Patent Convention. A European patent application may also be extended to certain other jurisdictions including those that are not full signatories to the European Patent Convention. The European patent application is processed centrally and in a single language and, if ultimately successful, can mature into a granted European patent, which must then be validated in each country in which protection is sought, some of which require translation into that country's native language. The term 'European patent' thus actually constitutes a bundle of national patent rights, each of which can be enforced separately through national Courts.

In Australia and most other countries, patent rights may be kept in force for a period of 20 years from the date of filing of the complete application on which the patent is granted, and while the patent is in force the owner has the exclusive right to exploit the invention.

6.0 Potential Limitation of Patent Protection

In most countries, a patent application is subjected to examination for novelty (and obviousness) before a patent is granted. There can be no assurance that each of the patent applications set out in Section 3.0 will result in the grant of a patent, or that the scope of

protection provided by any granted patent will be identical to the scope of the application as originally filed. Furthermore, the scope of protection provided by a granted patent in one jurisdiction may differ from that provided by a granted patent in another jurisdiction, due to differences in examination and scope of available protection.

It should be noted that the grant of a patent does not guarantee validity of that patent since it may be revoked on the grounds of invalidity at any time during its life. If none of the claims of a granted patent are valid then the patent is unenforceable. For example, relevant prior disclosures may be discovered that were not raised during examination, which may limit the scope of patent protection sought, perhaps to a very narrow field.

Further, it should also be noted that the granting of a patent does not guarantee that the patentee has freedom to operate the invention claimed in the patent. It may be that working of a patented invention is prevented by the existence of another patent.

7.0 Emvision Trade Secrets and Know-How

Emvision, through its own efforts and through subcontracted services agreements and research partnerships, undertakes considerable research and development activity. This activity gives rise to a pool of knowledge, some of which may provide a basis for formalised protection (such as patents) and some of which is retained confidentially for internal use to aid subsequent development activities (such as trade secrets and confidential know-how). That is, in our opinion, Emvision has a degree of know-how and trade secrets that extends beyond the formalised protection described above. Further, in addition to the above, it is our understanding that Emvision takes steps to ensure the documentation of know-how and prevent leakage of IP through a combination of:

- Taking active steps within the organisation to ensure that trade secrets and know-how are treated and managed as highly confidential information;
- Maintaining a database to document, record and manage the storage, transfer and release of trade secrets and know-how;
- Incorporating confidentiality clauses into employment agreements to ensure the information stays within Emvision;
- Entering into confidentiality agreements with potential collaborators, partners and other third parties prior to any disclosure of detailed technical information.

Upon satisfaction or waiver of the Conditions Precedent, Uniquet has also agreed to assign to Emvision certain know-how and technical information (including any calculations and algorithms) related to:

- (a) the Patent Families;
- (b) developments, updates, enhancements, improvements, variations, modifications, derivations or adaptations, to, for or of, the Patent Families (**Improvements**), including any new or parallel applications or uses of the Patent Families or the Improvements;
- (c) any hardware, software, articles or devices which can be used to exploit the Patent Families or the Improvements; and
- (d) any intellectual property rights in or relating to any product, kit, apparatus, substance, documentation or information resource (or any part of such materials) which applies or is made according to all or any part of the Patent Families or the know-how and technical information listed above.

8.0 Disclaimer and Limitations

The Report is not to be construed as a legal opinion as to the registrability of patent applications. It should also be appreciated that the Report is not a validity opinion. No conclusions on validity based on the Report should be made. Moreover, the Report does not provide any guarantee that the subject inventions may be commercially exploited without risk of infringement of earlier patents.

The searches conducted for this Report and the results of which are in part relied upon in this Report, have been substantially computer based and as such, would have been limited in terms of the time periods and the geographical areas covered. All searches are subject to the accuracy and scope of the records searched as well as to the indexing and classification of those records. Moreover, any search strategy will inevitably involve some compromise between scope and cost.

8.1 Patent Disclaimer

It should be noted that our search results are largely dependent upon the accuracy with which the patent office databases have been established and maintained. Note that this search cannot be taken as an indication as to whether the invention(s) infringe any patents or patent applications in force in Australia or in any other country. An infringement search in respect of Australia would require an exhaustive search of Australian Patent Office records, and an

infringement search for any other country would require a similar search of that country's patent records.

Limitations Due to Unpublished Documents

Further please note that the search results are limited to patents and patent applications that have been published, i.e. are open to public inspection. This normally occurs 18 months after the original priority application has been filed with the Patent Office. The United States is an exception where certain older patent applications are not published until grant, which typically occurs between two to four years from the U.S. filing date. There may also be delays between official publication and the implementation of information onto the relevant databases. It is therefore possible that applications relevant to Emvision have been filed but not yet published, in which case such applications would not have been located by our search.

Examination Reports in One Country Not Binding In Other Countries

In most countries, patent applications undergo an independent search and examination by the local Patent Office, the results of which are not binding in other jurisdictions. Similarly, international PCT search and examination reports are not binding on national patent applications during subsequent examination in the national phase. Such reports should therefore be regarded as indicative only and not determinative of patentability. It should also be appreciated that the grant of a patent in one country provides no guarantee that patents will grant in other jurisdictions.

Scope of Claims May Vary during Examination

It is often necessary during the examination of a patent application to define the invention more specifically by amendment of the claims, so as to distinguish relevant prior art. As a result of this process, there may be variations in the claims between countries, reflecting in part the different examination procedures and threshold requirements for patentability, according to national laws. Whilst this is a relatively standard procedure, in certain circumstances, such amendments may affect the scope and hence the commercial significance of the resultant patent protection.

Grant of Patent Provide No Guarantee of Validity

A granted patent provides no guarantee of validity. In most jurisdictions, a patent application undergoes a substantive examination process before proceeding to grant which confers an initial presumption of validity. However, the validity of a patent may be challenged at any time after grant, by way of revocation proceedings filed in a Court of competent jurisdiction.

Grant of Patent Provides No Guarantee of Non-Infringement

The grant of a patent provides no guarantee that the patentee is entitled to commercially exploit the patented invention, since the working of an invention, even if validly patented, may infringe an earlier patent or other intellectual property rights.

9.0 Statement of Independence

Wrays, established in 1920, is Western Australia's largest patent and trade mark attorney practice, proudly representing a significant number of Western Australia's largest businesses, in addition to numerous international and multinational clients. Neither Wrays nor any of its partners has any entitlement to any securities in Emvision, or has any other interest in the promotion of Emvision. Furthermore, the payment of fees to Wrays for the preparation of this Report is not contingent upon the outcome of the Prospectus.

We have given our consent to the issue of the Prospectus with this report appearing therein.

9. MATERIAL CONTRACTS

The Directors consider that certain contracts entered into by the Company are material to the Company or are of such a nature that an investor may wish to have particulars of them when making an assessment of whether to apply for Shares under the Public Offer. The provisions of such material contracts are summarised in this Section.

9.1 LEAD MANAGER MANDATE

On 25 October 2017, the Company entered into a mandate to appoint Mac Equity as Lead Manager to the Public Offer which was amended by letters on 28 March 2018 and 5 June 2018 (**Lead Manager Mandate**). Pursuant to the Lead Manager Mandate, Mac Equity will provide lead manager and corporate advisory services in connection with the marketing of, and undertaking of, the Public Offer.

Pursuant to the Lead Manager Mandate, the Company will pay Mac Equity the following fees:

- (a) (**Seed Capital Raise**): 6.0% on the total amount raised under the Company's previous seed capital raise of \$870,200 at \$0.16 per Share (which has already been paid);
- (b) (**Public Offer**): 6.0% on the total amount raised under the Public Offer;
- (c) (**Founder Shares**): 750,000 Shares (which have already been issued);
- (d) (**Lead Manager Options**): 2,000,000 Options on the terms and conditions set out in Section 10.3; and
- (e) (**Corporate Advisory**) following Admission, the Company will retain Mac Equity for a monthly fee of \$5,000 (plus GST) for a 12-month period for the provision of corporate advisory services.

The Lead Manager Mandate contains additional provisions considered standard for agreements of this nature.

Mr Ryan Laws, a Director of the Company, is an authorised representative, and is not a director or employee of, the Lead Manager. Mr Laws has, or will, receive the following fees in connection with services provided to the Company by the Lead Manager:

- (a) \$27,518 (plus GST) in relation to the seed capital raise (which has already been paid);
- (b) a maximum amount of up to \$180,000 (plus GST) comprising part of the Lead Manager's 6% fee in relation to the Public Offer; and
- (c) \$3,500 (plus GST) of the Lead Manager's monthly corporate advisory fee.

As at the date of this Prospectus, the Company has also paid Mr Laws a sum of \$29,419 (plus GST) pursuant to the Contractor Services Agreement for corporate communication services provided to the Company. The Contractor Services Agreement will terminate on either party providing the other with 14 days' written notice. Mr Laws intends to terminate the Contractor Services Agreement on Admission.

See Section 9.2(d) for details relating to the terms of Mr Laws' director engagement with the Company.

9.2 EXECUTIVE SERVICES AGREEMENTS AND MATERIAL KEY MANAGEMENT PERSONNEL AGREEMENTS

(a) Executive Services Agreement – Dr Ronald Weinberger

The Company entered into an executive services agreement with Dr Ron Weinberger (**Weinberger Agreement**) on 28 May 2018 (**Commencement Date**) pursuant to which he is engaged as a full-time employee and serves the Company as the Chief Executive Officer responsible for the overall management and supervision of the activities, operations and affairs of the Company, subject to the overall control and direction of the Board (**Services**).

The remuneration payable to Dr Weinberger for the Services is \$260,000 per annum (inclusive of superannuation) (**RW Base Salary**) and will accrue from the Commencement Date. In addition, the Company has issued Dr Weinberger with 1,000,000 Shares (at \$0.16 per Share by way of a non-recourse loan provided on standard terms to the value of \$160,000) and 1,000,000 Options pursuant to the Plan which are subject to certain vesting conditions and otherwise on the terms set out in Section 10.3. The Options will be escrowed for a period of 24 months in accordance with Listing Rules.

The Board may, in its absolute discretion, invite Dr Weinberger to participate in bonus and/or other incentive schemes that the Company may implement from time to time, subject to Shareholder approval.

In the event of a change of control, Dr Weinberger will receive a bonus payment equal to 12 months of the RW Base Salary.

The Weinberger Agreement is for an indefinite term, continuing until terminated by either the Company or Dr Weinberger giving not less than 6 months' written notice of termination to the other party (or shorter period in limited circumstances).

Dr Weinberger is also subject to restrictions in relation to the use of confidential information during and after his employment with the Company ceases and being directly or indirectly involved in a competing business during the continuance of his employment with the Company and for a period of 12 months after his employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

The Weinberger Agreement contains additional provisions considered standard for agreements of this nature.

(b) Executive Services Agreement – Mr Scott Kirkland

The Company has entered into an executive services agreement with Mr Scott Kirkland (**Kirkland Agreement**) pursuant to which he is engaged as a full-time employee and serves the Company as the Executive Director of Corporate Affairs responsible for overseeing all aspects of business development, including; corporate communications, marketing and product commercialisation (**Services**).

Prior to listing, Mr Kirkland is paid an annual fee of \$72,000 (exclusive of GST). Subsequent to listing on the ASX, the remuneration payable to Mr Kirkland for the Services is \$205,000 per annum (exclusive of superannuation) (**SK Base Salary**). In addition, the Company has issued Mr Kirkland with 600,000 Options (for nil consideration) pursuant to the EMvision Employee Securities Incentive Plan (**Plan**), some of which are subject to certain vesting conditions as set out in Section 10.3(c). The Options will be escrowed for a period of 24 months in accordance with Listing Rules.

The Board may, in its absolute discretion, invite Mr Kirkland to participate in bonus and/or other incentive schemes that the Company may implement from time to time, subject to Shareholder approval.

In the event of a change of control, Mr Kirkland will receive a bonus payment equal to 12 months of the SK Base Salary.

The Kirkland Agreement commenced on 12 July 2018 and is for an indefinite term, continuing until terminated by either the Company or Mr Kirkland giving not less than 3 months' written notice of termination to the other party (or shorter period in limited circumstances).

Mr Kirkland is also subject to restrictions in relation to the use of confidential information during and after his employment with the Company ceases and being directly or indirectly involved in a competing business during the continuance of his employment with the Company and for a period of 12 months after his employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

The Kirkland Agreement contains additional provisions considered standard for agreements of this nature.

(c) Executive Services Agreement – Mr John Keep

The Company has entered into an executive services agreement with Mr John Keep (**Keep Agreement**) pursuant to which he is engaged as a full-time employee and serves the Company as Executive Chairman responsible for assuming leadership and direction of the Board and working in conjunction with the CEO to develop the Company's research and business strategy (**Services**).

Prior to listing, Mr Keep is paid an annual fee of \$75,000 (exclusive of GST). Subsequent to listing on the ASX, the remuneration payable to Mr Keep for the Services is \$95,000 per annum (exclusive of superannuation). In addition, the Company has issued Mr Keep with 400,000 Options pursuant to the Plan, some of which are subject to certain vesting conditions and terms as set out in Section 10.3. The Options will be escrowed for a period of 24 months in accordance with Listing Rules.

The Board may, in its absolute discretion, invite Mr Keep to participate in bonus and/or other incentive schemes that the Company may implement from time to time, subject to Shareholder approval.

The Keep Agreement commenced on 12 July 2018 and is for an indefinite term, continuing until terminated by either the Company or Mr Keep giving not less than 3 months' written notice of termination to the other party (or shorter period in limited circumstances).

Mr Keep is also subject to restrictions in relation to the use of confidential information during and after his employment with the Company ceases and being directly or indirectly involved in a competing business during the continuance of his employment with the Company and for a period of 12 months after his employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

The Keep Agreement contains additional provisions considered standard for agreements of this nature.

(d) Non-Executive Director Agreements – Messrs Geoff Pocock, Ryan Laws and Tony Keane

The Company has entered into separate non-executive director letter agreements with Messrs Pocock, Laws and Keane.

Pursuant to these letter agreements, the Company has agreed to pay Messrs Pocock and Laws (on and from Admission) and Mr Keane (effective from his appointment date) each a director's fee of \$25,000 (plus applicable GST or superannuation) per year for services provided to the Company as Non-Executive Directors and issue 500,000 Options each which are subject to certain vesting conditions and terms set out in Section 10.3. In addition, Messrs Pocock and Keane will each receive an additional director's fee of \$5,000 (plus superannuation) per year whilst serving as Chair of the Remuneration & Nomination Committee and Audit & Risk Committee respectively.

The appointment of Mr Geoff Pocock was effective from 1 March 2018, Mr Ryan Laws from 11 July 2017 and Mr Tony Keane from 29 June 2018 and may be terminated by advising the Board in writing of their resignation.

Pursuant to their respective letter agreements, Messrs Laws and Pocock will each be paid a once off success fee of \$25,000 upon Admission, in respect of work undertaken for the Company prior to Admission.

(e) Executive Services Agreement – Mr Stuart Crozier

The Company entered into an executive services agreement (**Crozier Agreement**) with Mr Stuart Crozier on 21 September 2017 as amended on 4 July 2018 pursuant to which Mr Crozier is engaged as Research and Clinical Development Executive consultant (**Engagement**).

Mr Crozier will be responsible, for giving advice to the board, in conjunction with the CEO and the research team, for the following:

- (i) overseeing the development of the Company's proprietary technology;
- (ii) managing the Company's clinical development activities; and
- (iii) assisting the Company's business and commercialisation plan with respect to clinical validation and regulatory approvals.

Pursuant to the Crozier Agreement, the Company has issued 1,000,000 Shares, and 500,000 Options. The Options are subject to certain vesting conditions and terms as set out in Section 10.3.

The Engagement will end on 31 December 2019 or as otherwise agreed unless terminated earlier by either party providing the other with 3 month's written notice.

Mr Crozier is also subject to restrictions in relation to the use of confidential information during and after his Engagement with the Company ceases and being directly or indirectly involved in a competing business during the continuance of his Engagement with the Company and for a period of 12 months after his Engagement with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

(f) Executive Services Agreement – Robert Tiller

The Company entered into an executive services agreement with Mr Robert Tiller (**Tiller Agreement**) on 1 May 2018 pursuant to which Mr Tiller is engaged as the Director of Product Development.

Mr Tiller will be responsible for the oversight and leadership of the design, development and manufacture of the Company's products to meet commercial, clinical, quality and regulatory compliance.

Prior to Admission, the Company will pay Mr Tiller fees of \$75,000 per annum (including superannuation) and following Admission, Mr Tiller will receive \$220,000 per annum (including superannuation). Pursuant to the Tiller Agreement, the Company has also issued 300,000 Shares for nil issue price, and 400,000 Options to Mr Tiller, with each Option exercisable at \$0.35 on or before 31 December 2021 and subject to certain vesting conditions and terms as set out in Section 10.3.

The Tiller Agreement may be terminated at any time by either party providing the other with 3 month's written notice, or without notice upon a material breach of the Tiller Agreement.

Mr Tiller is also subject to restrictions in relation to the use of confidential information during and after his employment with the Company ceases and being directly or indirectly involved in a competing business during the continuance of his employment with the Company and for a period of 6 months after his employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

(g) Company Secretary and Financial Controller Agreement

The Company entered into a contractor services agreement dated 2 October 2018 with the Company Secretary, Ms Emma Waldon (**Waldon Agreement**) for the provision of company secretarial and chief financial officer services. Prior to Admission, the Company will pay Ms Waldon a monthly fee of \$5,000 (plus GST) and on and from Admission, a monthly fee of \$9,000 (plus GST).

The Company has also issued Ms Waldon 800,000 Options pursuant to the Plan, with each Option exercisable at \$0.35 expiring on 31 December 2021 and otherwise on the terms set out in Section 10.3.

The Waldon Agreement may be terminated by either party on the provision of 1 months' written notice to the other party, or without notice upon a material breach of the Waldon Agreement.

Ms Waldon is subject to restrictions in relation to the non-solicitation of any of the Company's Key Management Personnel or any of their related entities for a period of 12 months after her employment with the Company ceases. The Waldon Agreement is otherwise on terms which are considered standard for agreements of this nature.

9.3 UNIQUEST IP LICENCE AGREEMENT & ASSIGNMENT DEED

UniQuest is a commercialising entity that manages the Intellectual Property of UQ, and accordingly, UQ has granted the sole and exclusive global rights in Intellectual Property the subject of the Licence Agreement (**Licensed IP**) to UniQuest. The Company executed the Licence Agreement with UniQuest for the sole and exclusive global right to develop and commercialise the Licensed IP in relation to the whole body of human and animal subjects. In consideration for the Licence Agreement, the Company:

- (a) issued 6,000,000 Shares to UniQuest;
- (b) issued 6,000,000 Performance Rights to UniQuest on the terms set out in Section 10.4; and
- (c) agrees to pay UniQuest a royalty of:
 - (i) 3.5% on net sales by the Company;
 - (ii) 10% on any net consideration received by the Company in return for a grant of a sub-licence of the Licensed IP or under any settlement for infringement of the Licensed IP; and
 - (iii) once the Company obtains regulatory approval for a Licensed Product in Australia, North America or Europe, and worldwide commercial sales of 20 units of a Licensed Product, the Company will be required to pay \$20,000 annually until all the last of the patent rights comprising the Licensed IP expires,(together, the **Royalty**).

The Licence Agreement, also contains the IP Assignment Deed by which UniQuest assigns all rights and title in the Licensed IP to the Company. The assignment of the Licensed IP is subject to the following conditions precedent:

- (a) the Company receiving a conditional admission letter from ASX which sets out, among other things, that the Company will be admitted to the official list of the ASX, subject to the satisfaction of various conditions as specified by the ASX;
- (b) UniQuest providing evidence to the satisfaction of the Company that UQ has assigned its rights and title in the Licensed IP to UniQuest; and
- (c) the Licensee confirming that it has received valid subscriptions under its capital raising for not less than 20,000,000 Shares to raise not less than \$5,000,000; or
- (d) the admission of the Company to a similarly recognised financial market and the Company receiving valid subscriptions for a capital raising of at least \$5,000,000.

In consideration for the IP Assignment Deed, the Company will pay nominal consideration of \$10 to UniQuest. Effective from the date of the IP Assignment Deed, the Licence Agreement will terminate, save for the dispute resolution provisions and the Company's ongoing obligations in respect of the Royalty and the Performance Rights.

9.4 CRC PROJECT FUNDING AGREEMENT

On 21 December 2017 the Company entered into the CRC Project Funding Agreement (CRC-P60941) with the Commonwealth's Department of Industry Innovation and Science, pursuant to subsection 34(1) of the *Industry Research and Development Act 1986 (Cth)*.

Under the CRC Project Funding Agreement, the Commonwealth will provide up to \$2,600,000 by way of quarterly instalments over a 36-month period. The Company has received \$801,000 of this funding as at the date of this Prospectus.

The payment of the instalments is conditional on the occurrence of the Company meeting certain performance milestones and obtaining contributions from the Company's project participants, being UQ, GE Healthcare Australia Pty Ltd (**GE Healthcare**) and PA Hospital (together, **Project Participants**) in a timely manner (**Participant Contributions**).

The Company is obliged to contribute \$2,179,914 in cash over the life of the CRC-P project. As part of the Participants Agreement, it is expected that a large portion of the Company's cash contribution will be spent with UQ in research and development for the proposed development of the portable brain scanner. The Company has paid \$264,940 of these cash contributions as at the date of this Prospectus.

The milestones include the:

- (a) (**Feasibility Trial**): validation of the first prototype for stroke detection in a clinical study by 31 December 2018;
- (b) (**Pivotal Trial**): validation for the second prototype for stroke detection in a clinical study by 31 December 2019;
- (c) building a miniaturised clinical prototype by 5 December 2020; and
- (d) completion of the project by 5 December 2020.

(together, the **Project Milestones**).

In order to satisfy the 31 December 2018 milestone, the Company is required to validate the first prototype for stroke detection in a clinical study by that date. At present, the Company does not intend to commence clinical trials and patient recruitment until the second half of 2019, but has made progress in terms of advancing relevant algorithms, establishing its quality management system and progress towards obtaining ethics clearances for clinical trials. Based on prior dealings under the CRC Project Funding Agreement, in order to continue to receive funding from the Commonwealth in lieu of missing a milestone, the Company will be required to provide a progress report to the satisfaction of the Commonwealth, which the Company intends to provide prior to the deadline. The Company has advised the Commonwealth of this change to the 31 December 2018 milestone and has received preliminary advice from the Commonwealth that a variation to the Project Milestones will not be required at this stage and the change of date can be confirmed in the Company's quarterly report to the Commonwealth.

This date change may affect the timing of future Project Milestones and require the Company to seek variations to these Project Milestones with the Commonwealth at the appropriate time (of which there is no guarantee the Commonwealth will agree to such variation). To ensure continued funding under the CRC Project Funding Agreement in such circumstances, the Company must continue to satisfy the Commonwealth that it is progressing the project in a manner that warrants continued funding.

The Commonwealth may terminate the project or reduce the scope of the project by notice and may terminate the project immediately in a number of events, including upon breaches the CRC Project Funding Agreement or in the event the Company is unable to obtain Participant Contributions.

Any intellectual property created under the CRC Project Funding Agreement will vest with the Company, save for any third-party rights to the relevant intellectual property.

9.5 COOPERATIVE RESEARCH CENTRE PROJECT – PARTICIPANTS AGREEMENT

On 4 April 2018, the Company entered into a Participants Agreement with UQ, GE Healthcare Australia and PA Hospital for the purpose of carrying out the portable brain scanner project.

The project will take the prototypes through clinical trials to validate the safety, efficacy and patient benefit. The clinical trials are a crucial step in delivering the device to the market to improve patient outcomes after stroke or traumatic brain injury.

Under the Participants Agreement, over the 36-month period covered by the CRC Project Funding Agreement, the Project Participants and the Company will contribute the following cash, full time equivalent value and non-staff in kind contributions:

| Type | Company | Participants | Total |
|----------------------------|------------------|------------------|------------------|
| Cash | 2,179,914 | 910,000 | 3,089,914 |
| Full time equivalent value | 1,250,000 | 850,000 | 2,100,000 |
| Non-Staff In kind | 500,000 | 2,665,759 | 3,165,759 |
| Total contribution | 3,929,914 | 4,425,759 | 8,355,673 |

The contributions will be made in respect of the Project Milestones. As at the date of this Prospectus, the Participants have paid \$91,667 (plus GST) in cash contributions and the Company has contributed \$264,940.

The Company may terminate the agreement by notice in the event the Commonwealth terminates the CRC Project Funding Agreement or in the event that it reasonably believes the project is no longer viable.

9.6 QBAF AND NAFLD COLLABORATION AGREEMENT

The State of Queensland acting through the Department of State Development, Manufacturing, Infrastructure and Planning (**Department**) has established the Queensland Biomedical Assistance Fund to provide funding for qualified researchers to undertake evidence-based research in a Queensland university or research institution, which research is aligned to the Department's research priorities.

UQ has signed the QBAF Agreement with the Department governing the terms and conditions on which funding of \$160,000 will be provided by the Department to UQ to be applied to the NAFLD Project. In order for UQ to receive funds under the QBAF Agreement, the Company must enter into the NAFLD Collaboration Agreement with UQ and other project collaborators. The NAFLD Collaboration Agreement has not been executed at the time of issuing this Prospectus, however, the Company expects this to occur shortly after Admission.

The NAFLD Collaboration Agreement will set out the obligations of the NAFLD Project collaborators, which includes the Company. Under the NAFLD Collaboration Agreement, the Company will retain the rights to its Intellectual Property and Intellectual Property created during the NAFLD Project.

Under the NAFLD Collaboration Agreement, the Company is likely to be required to make four cash contributions of \$20,000 and an in-kind contribution of \$10,000, as a condition of UQ obtaining funding under the QBAF Agreement.

9.7 AGREEMENT WITH TILLER DESIGN

The Company entered into a services agreement with Tiller Design Pty Limited (**Tiller Design**) on 9 July 2018 to provide design data and fabricated prototypes for the Company's clinical trials and support the research team (**Tiller Design Agreement**).

Subject to actual costs of the development and production of the prototype, it is estimated that costs (excluding prototype hardware costs and general expenses) for the design and development of the prototypes up to December 2019 will be approximately \$1,093,000 (exclusive of GST). The Tiller Design Agreement is invoiced on a monthly basis and may be terminated at any time, with all fees payable to Tiller Design up to and including the current month and the next full month post-termination.

On full satisfaction of payment of fees owed pursuant to the Tiller Design Agreement, all industrial and intellectual property rights which are created or arise from services provided by Tiller Design will automatically be assigned to the Company. As set out in section 9.2(f), the Company has appointed Mr Robert Tiller as Director of Product Development. Whilst Mr Tiller is a related party of Tiller Design, he is not considered to be a related party of the Company.

The Tiller Design Agreement contains additional provisions considered standard for agreements of this nature.

9.8 MOBIUS CLINICAL TRIAL MASTERS SERVICES AGREEMENT

The Company entered into a clinical trial services agreement with Mobius Medical Pty Ltd (**Mobius**), a contract research organisation, on 7 December 2017 pursuant to which Mobius will provide consultancy services in connection with the Company's clinical trials (**Services**) (**Mobius Agreement**).

The Mobius Agreement will terminate on 31 December 2020 unless terminated earlier by the parties providing written notice to the other party at any time that no project is outstanding, or where there is an ongoing project, by providing 30 days' written notice. Subject to the actual costs of the clinical trial, it is estimated that the Company will pay Mobius a fee of approximately \$152,515 (inclusive of GST).

The Mobius Agreement contains additional provisions considered standard for agreements of this nature, including an acknowledgement by Mobius that any Intellectual Property that arises from the provision of the Services remains the exclusive property of the Company.

9.9 SPRING SERVICES AGREEMENT

The Company entered into a services agreement with Spring Sydney Pty Limited (**Spring**) on 2 July 2018 pursuant to which Spring will provide investor and media engagement services (**Services**) (**Spring Services Agreement**).

Prior to Admission, Spring will be paid a fee of \$5,000 per month (exclusive of GST) in part consideration for the performance of Services. Subsequent to listing on the ASX, Spring will be paid a fee of \$8,000 per month (exclusive of GST). In addition, the Company has issued Spring (or its nominees) 200,000 Options exercisable at \$0.35 each, expiring 31 December 2021 and otherwise on the terms and vesting conditions set out in Section 8.3.

The Spring Services Agreement can be terminated by either party providing four weeks' written notice to the other party. The Spring Services Agreement contains additional provisions considered standard for agreements of this nature.

9.10 DEEDS OF INDEMNITY, INSURANCE AND ACCESS

The Company is party to a deed of indemnity, insurance and access with each of the Directors and the Company Secretary. Under these deeds, the Company indemnifies each Director and the Company Secretary to the extent permitted by law against any liability arising as a result of the Director or officer acting as a director or officer of the Company. The Company is also required to maintain insurance policies for the benefit of the relevant Director or officer and must allow the Directors and officers to inspect board papers in certain circumstances. The deeds are considered standard for documents of this nature.

10. ADDITIONAL INFORMATION

10.1 RIGHTS ATTACHING TO SHARES

A summary of the rights attaching to the Shares is detailed below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to the Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) **(Ranking of Shares):** At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.

(b) **(Voting rights):** Subject to any rights or restrictions, at general meetings:

- (i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;
- (ii) has one vote on a show of hands; and
- (iii) has one vote for every Share held, upon a poll.

(c) **(Dividend rights):** Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment. No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend.

(d) **(Variation of rights):** The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

(e) **(Transfer of Shares):** Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien.

(f) **(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.

The Directors may convene a general meeting at their discretion. General meetings shall also be convened on requisition as provided for by the Corporations Act.

(g) **(Unmarketable parcels):** The Company's Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the minority Shareholders stating that the Company intends to sell their relevant Shares unless an exemption notice is received by a specified date.

(h) **(Rights on winding up):** If the Company is wound up, the liquidator may with the sanction of special resolution, divide the assets of the Company amongst members as the liquidator sees fit. If the assets are insufficient to repay the whole of the paid up capital of members, they will be distributed in such a way that the losses borne by members are in proportion to the capital paid up.

10.2 SUMMARY OF THE COMPANY'S EMPLOYEE SECURITIES INCENTIVE PLAN

The Company's Employee Securities Incentive Plan (**Plan**) was adopted by the Board on 24 May 2018. The full terms of the Plan may be inspected at the registered office of the Company during normal business hours. A summary of the terms of the Plan is set out below:

(a) Eligible Participant

Eligible Participant means a person that:

- (i) is an "eligible participant" (as that term is defined in ASIC Class Order 14/1000) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order 14/1000); and
- (ii) has been determined by the Board to be eligible to participate in the Plan from time to time.

(b) Purpose

The purpose of the Plan is to:

- (i) assist in the reward, retention and motivation of Eligible Participants;
- (ii) link the reward of Eligible Participants to Shareholder value creation; and
- (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

(c) Plan administration

The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

(d) Eligibility, invitation and application

- (i) The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.
- (ii) On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.
- (iii) If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

(e) Grant of Securities

The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

(f) Terms of Convertible Securities

Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

(g) Vesting of Convertible Securities

Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

(h) Exercise of Convertible Securities and cashless exercise

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

(i) Delivery of Shares on exercise of Convertible Securities

As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

(j) Forfeiture of Convertible Securities

Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
- (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

(k) Change of control

If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.

(l) Rights attaching to Plan Shares

All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

(m) Disposal restrictions on Plan Shares

If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

- (i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

(n) Adjustment of Convertible Securities

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

(o) Participation in new issues

There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

(p) Amendment of Plan

Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

(q) Plan duration

The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

10.3 OPTIONS TERMS

The following terms and conditions apply to the Options (including the Lead Manager Options) issued to third party service providers, unless specified otherwise):

(a) Entitlement

Each Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise of the Option.

(b) Exercise Price and Expiry Date

The Options have an Exercise Price of \$0.35 per Option and will expire at 5:00pm AEST on or before 31 December 2021.

The Lead Manager Options have an Exercise Price of \$0.35 per Option and will expire at 5:00pm (WST) on or before 31 December 2021.

If the Options are not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) Vesting Terms

The following Options issued are subject to vesting conditions that are yet to be satisfied, as set out below:

| Holder | Vesting Condition |
|---|---|
| Dr Ron Weinberger | 500,000 Options will vest on the date that is 12 months from the date of Admission; 250,000 Options will vest on the date that a healthy human trial is completed with a clinical device prototype of the Brain Scanner; and 250,000 Options will vest on the date the Company completes a successful pilot clinical trial. |
| Mr Scott Kirkland | 402,000 Options will vest on or about the date of Admission. |
| Mr John Keep | 268,000 Options will vest on or about the date of Admission. |
| Messrs Geoff Pocock, Ryan Laws and Tony Keane | 500,000 Options will vest on or about the date of Admission |
| Mr Stuart Crozier | The Options will vest in 4 equal tranches of 125,000 Options every 3 months over a 12-month period commencing upon the date of Admission. |
| Mr Robert Tiller | (a) 200,000 Options will vest on the date that a healthy human trial is completed with a clinical device prototype of the Brain Scanner; and (b) 200,000 Options will vest on the date the Company completes a successful pilot clinical trial. |
| Third party service providers | (a) 100,000 Options will vest at completion of 6 months services to the Company; and (b) 100,000 Options will vest at completion of 12 months services to the Company. |

(d) Exercise Period

The Options are exercisable at any time and from time to time on or prior to the Expiry Date.

(e) Quotation of the Options

The Options are not quoted on the Official List. No application for quotation of the Options on the Official List will be made by the Company.

(f) Transferability of the Options

The Options will be transferable subject to compliance with the Corporations Act and Listing Rules.

(g) Notice of Exercise

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

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

(h) Shares Issued on Exercise

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

(i) Quotation of Shares on Exercise

The Company will apply for official quotation on ASX of all Shares issued upon exercise of the Options within 10 Business Days after the date of issue of those Shares.

(j) Timing of Issue of Shares

Within 10 Business Days after the date of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice to the Option holder (or his nominee).

(k) Participation in New Issues

There are no participation rights or entitlements inherent in the Options and the Option holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will give the Option holder no less than 10 Business Days' notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

Adjustment for Bonus Issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(l) Adjustment for Entitlements Issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will not be adjusted following an entitlement offer.

(m) Adjustments for Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Option holders will be varied in accordance with the Listing Rules.

10.4 PERFORMANCE RIGHT TERMS

The terms and conditions of the Performance Rights are as follows:

(a) Definitions

In these terms and conditions, unless the context otherwise requires:

Restriction Period means the period which a Share issued on the exercise of a Performance Right is dealt with in accordance to the Listing Rules.

Successful Clinical Trial means a clinical trial that meets its primary end point and is designed to collect definitive evidence of the safety and performance of the device for a specified intended use, typically in a statistically justified number of patients.

(b) Milestones

The Performance Rights have the following milestones attached to them:

- (i) **Class A Performance Rights:** 1,800,000 Performance Rights will vest upon the completion of the first Successful Clinical Trial for a Licensed Product for the head or neck.
- (ii) **Class B Performance Rights:** 2,100,000 Performance Rights will vest upon the issue of the first regulatory approval for any Licensed Product in any of Australia, North America or Europe for the head or neck.
- (iii) **Class C Performance Rights:** 2,100,000 Performance Rights will vest upon the completion of the first Successful Clinical Trial for a Licensed Product for the torso.

(each referred to as a **Milestone**).

(c) Grant of Performance Rights

The Performance Rights are granted to UniQuest by the Company as per the Milestones in paragraph 10.4(b) above. A grant certificate will be provided in respect of each Performance Right.

(d) Vesting

The Performance Rights will vest on the date the Milestone relating to that Performance Right has been satisfied. The Company will notify the holder in writing when the relevant Milestones have been satisfied. The Company will notify the holder within 14 days of becoming aware that a Milestone has been satisfied.

(e) Conversion

Upon vesting, each Performance Right will, at the holder's election, convert into one Share free of encumbrances. The holder may apply to exercise Performance Rights upon vesting by filling out a notice of exercise form, as attached.

(f) Lapse

Any Performance Right that has not vested within 5 years from the date the Company is admitted to the Official List (**Listing Date**) will automatically lapse.

(g) Expiry Date

The Performance Rights will automatically expire 5 years after the Listing Date.

For the avoidance of doubt any vested but unexercised Performance Rights will automatically expire on the Expiry Date.

(h) Transfer

The Performance Rights are not transferable.

(i) Participation in entitlements and bonus issues

Subject always to the rights under paragraphs (j) and (k), holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(j) Adjustment for bonus issue

If securities are issued pro-rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Performance Rights to which holders of Performance Rights are entitled will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder were vested immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Corporations Act and the Listing Rules at the time of the bonus issue. UniQuest will be given notice in writing of any adjustment by the Company.

(k) Reorganisation of capital

In the event that the issued capital of the Company is reconstructed, all the holder's rights as a holder of Performance Rights will be changed to the extent necessary to comply with the Listing Rules and Corporations Act at the time of reorganisation provided that, subject to compliance with the Listing Rules and Corporations Act, following such reorganisation the holder's economic and other rights are not diminished or terminated. UniQuest will be given notice in writing of any adjustment by the Company.

(l) Dividend and voting rights

The Performance Rights do not confer on the holder an entitlement to vote or receive dividends.

(m) Return of capital rights

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(n) Rights on winding up

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

(o) Change in control

Upon:

- (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50.1% of the Company's shares on issue; and
 - (B) having been declared unconditional by the bidder; or
 - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,
- then, to the extent Performance Rights have not converted into Shares due to satisfaction of a Milestone, Performance Rights will automatically convert to that number of Shares which would have issued in connection with the Performance Rights as if the relevant Milestone had been achieved. If the Performance Rights convert to Shares representing more than 10% of the total Shares on issue at that time, then the Performance Rights will be adjusted so the Shares granted to UniQuest will represent 10% of the total Shares.

(p) Issue of Shares

The Shares to which the holder is entitled on exercise of the Performance Right will be issued, free of encumbrances, to the holder within 10 Business days of the date of the exercise of notice in respect of the relevant Performance Right. All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares. For the avoidance of doubt, the holder will, from and including the issue date of any Shares, be the legal owner of the Shares and will be entitled to dividends and to exercise voting rights attached to the Shares. The Company will bear all costs and expenses associated with the issue of Shares in accordance pursuant to these terms and conditions.

(q) Quotation

The Company will not apply for quotation of the Performance Rights on the ASX. The Company will apply for the Shares to be quoted on the ASX in accordance with the Listing Rules within 10 Business Days of the later of the date the Shares are issued and the date any Restriction Period that applies to the Shares ends. The Shares may be subject to restrictions on disposal in accordance with the Listing Rules in which case the Company will impose a holding lock with the Company's share registry and will not be able to be traded until the holding lock is lifted by the Company.

(r) Cleansing statement or prospectus

The Company will issue, where required to enable Shares issued on exercise of Performance Rights to be freely tradeable on the ASX (subject to any Restriction Period), a cleansing statement under section 708A(5) of the Corporations Act at the time Shares are issued. Where a cleansing statement is required, but cannot be issued, the Company will have a prospectus available in relation to the Shares which complies with the requirements of the Corporations Act.

(s) Variation to terms and conditions

The Company will not vary these terms and conditions without the prior written consent of UniQuest. UniQuest may not unreasonably withhold its consent where a variation is required to comply with the Corporations Act or the Listing Rules.

10.5 EFFECT OF THE OFFERS ON CONTROL AND SUBSTANTIAL SHAREHOLDERS

Those Shareholders holding an interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows. See Sections 5.5 and 9.3 for further details on each of the Shareholders' holdings listed in the tables below.

| Name | Number of Shares | % of Shares |
|----------------------------------|------------------|-------------|
| UniQuest (on an undiluted basis) | 6,000,000 | 17.9% |
| Mr Scott Kirkland | 3,575,000 | 10.6% |
| Mr Ryan Laws | 3,212,500 | 9.6% |
| Mr John Keep | 1,707,500 | 5.10% |

Based on the information known as at the date of this Prospectus, and the Public Offer being fully subscribed, on Admission the following persons will have an interest in 5% or more of the Shares on issue on an undiluted, and fully diluted basis:

| Name | Number of Shares | % of Shares |
|--|------------------|-------------|
| UniQuest (on an undiluted basis) | 6,000,000 | 10.4% |
| UniQuest (on a fully diluted basis, assuming the Performance Rights convert into Shares) | 12,000,000 | 18.9% |
| Mr Scott Kirkland ² | 3,695,000 | 6.4% |
| Mr Ryan Laws | 3,212,500 | 5.6% |

Notes:

1. This table assumes that no substantial Shareholder subscribes for, and receives additional Shares under the Offer.
2. It is Mr Scott Kirkland's intention to subscribe for up to 120,000 Shares under the Public Offer.
3. Messrs Kirkland and Laws have a relevant interest in 600,000 and 500,000 Options respectively, as set out in Section 5.5. The Company will also issue a total of 2,000,000 Options to Mac Equity (or its nominees). Mr Ryan Laws is an authorised representative of Mac Equity.

10.6 INTERESTS OF PROMOTERS, EXPERTS AND ADVISERS

(a) No interest except as disclosed

Other than as set out below or elsewhere in this Prospectus, no persons or entity 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 holds at the date of this Prospectus, or held at any time during the last 2 years, any interest in:

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

and the Company has not paid any amount or provided any benefit, or agreed to do so, to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the Offers.

(b) Share registry

Link Market Services has been appointed to conduct the Company's share registry functions and to provide administrative services in respect of the processing of the Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

(c) Auditor

BDO has been appointed to act as auditor to the Company. The Company estimates it will pay BDO a total of \$13,000 (plus GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, BDO has been paid approximately \$11,500 (plus GST) for these services and approximately \$13,600 (plus GST) for tax advisory services.

(d) Legal adviser

Bellanhouse has acted as the Australian solicitors to the Company in relation to the Offers. The Company estimates it will pay Bellanhouse \$80,000 (plus GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Bellanhouse has been paid approximately \$56,705 (plus GST) for these services.

(e) Intellectual Property

Wrays has acted as the Intellectual Property Expert for the Company and has prepared the Intellectual Property Report set out in Section 8. The Company estimates it will pay Wrays a total of \$5,000 for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Wrays have been paid approximately \$5,472 (plus GST) for other legal services.

(f) Investigating Accountant

BDO has acted as Investigating Accountant and has prepared the Independent Limited Assurance Report which is included in Section 7 of this Prospectus. The Company estimates it will pay BDO a total of \$20,000 (plus GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC BDO has been paid approximately \$5,500 (plus GST) for these services.

(g) Lead Manager

Mac Equity has acted as the Lead Manager to the Offers. Details of the payments to be made to Mac Equity are set out in Section 9.1. During the 24 months preceding lodgement of this Prospectus with ASIC, Mac Equity has acted for the Company and been paid fees of approximately \$52,212 (plus GST) for capital raising services in relation to a seed raising in May 2018.

10.7 CONSENTS

(a) General

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any 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.

(b) Each of the parties referred to below:

- (i) does not make the Offers;
- (ii) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus;
- (iii) 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 contained in this Prospectus with the consent of that party as specified below; and
- (iv) has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn its consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear.

(c) Share Registry

Link Market Services has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as Share Registry of the Company in the form and context in which it is named.

(d) Auditor

BDO has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Auditor to the Company in the form and context in which it is named.

(e) Legal adviser

Bellanhouse has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Australian legal adviser to the Company in the form and context in which it is named.

(f) Intellectual Property Expert

Wrays has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Intellectual Property Expert to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Intellectual Property Report in the form and context in which it is included.

(g) Investigating Accountant

BDO has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Investigating Accountant in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Independent Limited Assurance Report in the form and context in which it is included.

(h) Lead Manager

Mac Equity has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Lead Manager to the Offers in the form and context in which it is named.

10.8 EXPENSES OF OFFERS

The total approximate expenses of the Offers payable by the Company are:

| Fees | \$ |
|---|----------------|
| ASIC Lodgement Fee | 3,206 |
| ASX Quotation Fee | 80,000 |
| Legal Fees | 80,000 |
| Investigating Accountant Fees | 20,000 |
| Intellectual Property Report | 5,000 |
| Capital Raising Fee ¹ | 360,000 |
| Prospectus Design and Printing | 10,000 |
| Share Registry Fees | 10,000 |
| Other administrative and miscellaneous expenses | 31,794 |
| Total estimated expenses | 600,000 |

Notes:

1. Refer to Section 9.1.

2. Approximately \$68,000 of these expenses have already been paid by the Company out of existing cash reserves.

10.9 CONTINUOUS DISCLOSURE OBLIGATIONS

Following Admission, the Company will be a “disclosing entity” (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be 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 Shares (unless a relevant exception to disclosure applies). Price sensitive information will be publicly released through ASX before it is otherwise disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to ASX. In addition, the Company will post this information on its website after ASX confirms that an announcement has been made, with the aim of making the information readily accessible to the widest audience.

10.10 LITIGATION

So far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company.

10.11 ELECTRONIC PROSPECTUS

Pursuant to Regulatory Guide 107 ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Shares in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the relevant Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this 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 relevant 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. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

10.12 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 10.7 of this Prospectus.

10.13 STATEMENT OF DIRECTORS

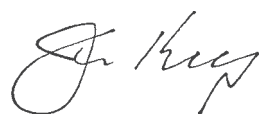
The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in the financial information in Section 6, there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

11. AUTHORISATION

The 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 ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company by:

A handwritten signature in black ink, appearing to read 'John Keep', with a stylized, cursive script.

John Keep

Executive Chairman

Dated: 11 October 2018

12. GLOSSARY OF TERMS

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

\$ or A\$ means Australian dollars.

AASB means the Australian Accounting Standards Board.

Admission means admission of the Company to the Official List, following completion of the Offers.

Allotment Date means the date, as determined by the Directors, on which the Shares offered under this Prospectus are allotted, which is anticipated to be the date identified in the Indicative Timetable.

Applicant means a person who submits an Application Form.

Application means a valid application for Securities pursuant to this Prospectus.

Application Form means the IPO Application Form or the Lead Manager Offer Application Form, as the context requires.

Application Monies means application monies for Shares under the Public Offer received and banked by the Company.

ASIC means the Australian Securities and Investments Commission.

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

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

ASX Settlement Rules means ASX Settlement Operating Rules of ASX Settlement Pty Ltd ABN 49 008 504 532.

Auditor means BDO East Coast Partnership.

BDO means BDO East Coast Partnership or BDO Corporate Finance (East Coast) Pty Ltd (as applicable)..

Board means the board of Directors of the Company as at the date of this Prospectus.

Brain Scanner means a device or prototype that utilises the EMVT to produce images of the human brain for use in the medical industry.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date means the date that the Offers closes which is 5.00pm (WST) on 14 November 2018 or such other time and date as the Board determines.

Commencement Date has the meaning ascribed in Section 9.2(a).

Company means EMvision Medical Devices Limited ACN 620 388 230.

Constitution means the constitution of the Company.

Contractor Services Agreement means the contract services agreement dated 13 March 2018 between the Company and Mr Ryan Laws for corporate communication services provided to the Company.

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

CRCP has the meaning ascribed in Section 6.5.

CRC Project Funding Agreement means a cooperative research centre projects grant, granted by the Australian Research Council as summarised in section 9.4.

CT means a medical imaging procedure using a computed tomography method.

Directors means the directors of the Company.

Electronic Prospectus means the electronic copy of this Prospectus located at the Company's website www.emvision.com.au.

EMVT means the Company's medical imaging technology that utilises electromagnetic microwave energy to create images of the human brain and other organs.

Engagement has the meaning ascribed in Section 9.2(e).

Exercise Price means the price at which Options may be exercised, as set out in the table in Section 10.3.

Expiry Date means the date upon which the Options expire as set out in the table in Section 10.3.

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

FDA means the Food and Drug Administration, a federal agency of the United States' Department of Health and Human Services.

GE Healthcare means GE Healthcare Australia Pty Ltd (ACN 001 408 402).

Group has the meaning given in Section 10.2(b).

GST means Goods and Services Tax.

Healthy Human Trial means the testing of a clinical device on healthy human volunteers to provide the necessary safety and usability information required for the Company's ethics submission to secure clearance to run the Company's clinical trial on stroke patients in the hospital.

IASB means the International Accounting Standards Board.

Independent Limited Assurance Report means the report contained in Section 7.

Indicative Timetable means the indicative timetable for the Offers on page 2 of this Prospectus.

Intellectual Property has the same meaning as given under the IP Licence Agreement and means all intellectual property rights including current and future registered and unregistered rights in respect of copyright, designs, circuit layout, trade secrets, know-how, confidential information, patents, inventions and discoveries and all other intellectual property as defined or described in article 2 of the convention establishing the World Intellectual Property Organisation 1967.

Intellectual Property Report means the report contained in Section 8.

Investigating Accountant means BDO Corporate Finance (East Coast) Pty Ltd.

IP Assignment Deed means the deed of assignment of the Intellectual Property rights held by UniQuest to the Company, as set out in Section 9.3.

IP Licence Agreement means the licence agreement by which UniQuest grants the Company an exclusive right to license the EMVT, as set out in Section 9.3.

IPO Application Form means the Application Form accompanying this Prospectus in respect of the Public Offer.

Keep Agreement has the meaning ascribed in Section 9.2(c).

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Kirkland Agreement has the meaning ascribed in Section 9.2(b).

Lead Manager means Mac Equity.

Lead Manager Mandate has the meaning given in Section 9.1.

Lead Manager Offer means the offer by the Company pursuant to this Prospectus of 2,000,000 Options.

Lead Manager Offer Application means a valid application for Options under the Lead Manager Offer pursuant to this Prospectus.

Lead Manager Offer Application Form has the meaning given in Section 1.9.

Lead Manager Options has the meaning given in Section 9.1.

Licence Agreement has the meaning given in Section 2.4.

Licensed IP means the Intellectual Property the subject of the Licence Agreement, IP Assignment Deed or both.

Licensed Product means a product embodying the Licensed IP.

Listing Rules means the listing rules of ASX.

Mac Equity means Mac Equity Partners Pty Ltd ACN 126 369 640 (AFSL 338731).

Milestone has the meaning ascribed in Section 10.4(b).

Mobius Agreement has the meaning ascribed in Section 9.8.

MRI means a medical imaging procedure using magnetic resonance imaging.

NAFLD means non-alcoholic fatty liver disease.

NAFLD Project means the project to develop a potential novel low cost, portable, safe and non-invasive electromagnetic torso scanner for the detection and monitoring of non-alcoholic fatty liver disease.

NAFLD Collaboration Agreement means the proposed agreement between UQ, the Company and the NAFLD collaborators as set out in Section 9.6.

Nanosonics means Nanosonics Limited (ACN 095 076 896).

Notice of Exercise has the meaning given in Section 10.3.

Offer Period means the period from the date of this Prospectus until the Closing Date.

Offers means the Public Offer and the Lead Manager Offer.

Offer Price means \$0.25 per Share under the Public Offer.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the Listing Rules.

Opening Date means the date specified as the opening date in the Indicative Timetable.

Options means the Options issued, or to be issued, to the Company's Key Management Personnel and third-party service providers on the terms summarised in Section 10.3.

PA Hospital means Metro South Hospital and Health Service (ABN 86 834 068 616).

Participant Contributions means a financial contribution by a Project Participant.

PCT means the Patent Cooperation Treaty 1970, an international treaty providing uniform procedures for filing patent applications and seeking to enforce these patents among member states.

Performance Rights means a performance right on the terms and conditions summarised in Section 10.4.

PET means positron emission tomography.

Plan means the Company's Employee Incentive Plan on the terms set out in Section 10.2.

Project Milestones has the meaning given in Section 9.4.

Project Participant means GE Healthcare, UQ and PA Hospital.

Prospectus means this prospectus dated 11 October 2018.

Public Offer has the meaning given in Section 1.1.

QBAF Agreement means the Queensland Biomedical Assistance Fund agreement.

R&D means research and development.

Recommendations has the meaning ascribed in Section 5.8.

RW Base Salary has the meaning ascribed in Section 9.2(a).

Section means a section of this Prospectus.

Securities means any securities, including Shares, Options, performance shares or other convertible securities, issued or granted by the Company.

SFO means Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong.

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

Shareholder means a holder of one or more Shares.

Share Registry means Link Market Services Limited (ACN 083 214 537).

SK Base Salary has the meaning ascribed in Section 9.2(b).

Spring Services Agreement has the meaning ascribed in Section 9.9.

Tiller Design Agreement has the meaning ascribed in Section 9.2(f).

Tiller Design means Tiller Design Pty Ltd (ACN 064 777 233)

UniQuest means UniQuest Pty Ltd (ACN 010 529 898).

UQ means The University of Queensland (ABN 63 942 912 684).

Waldon Agreement has the meaning ascribed in Section 9.2(g).

Weinberger Agreement has the meaning scribed in Section 9.2(a).

Wrays means Wrays Pty Ltd (ACN 009 142 009) trading as Wrays.

WST means Western Standard Time, being the time in Perth, Western Australia.

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Your Guide to the Application Form

Please complete all relevant white sections of the Application Form in BLOCK LETTERS, using black or blue ink. These instructions are cross-referenced to each section of the form.

The Shares to which this Application Form relates are EMvision Medical Devices Limited Shares. Further details about the shares are contained in the Prospectus dated 11 October 2018 issued by EMvision Medical Devices Limited. The Prospectus will expire 13 months after the date this Prospectus was lodged with ASIC. While the Prospectus is current, EMvision Medical Devices Limited will send paper copies of the Prospectus, any supplementary document and the Application Form, free of charge on request.

The Australian Securities and Investments Commission requires that a person who provides access to an electronic application form must provide access, by the same means and at the same time, to the relevant Prospectus. This Application Form is included in the Prospectus.

The Prospectus contains important information about investing in the Shares. You should read the Prospectus before applying for Shares.

- A** Insert the number of Shares you wish to apply for. The Application must be for a minimum of 8,000 Shares. You may be issued all of the Shares applied for or a lesser number.
- B** Insert the relevant amount of Application Monies. To calculate your Application Monies, multiply the number of Shares applied for by the issue price. Amounts should be in Australian dollars. Please make sure the amount of your cheque or bank draft equals this amount.
- C** Write the full name you wish to appear on the register of Shares. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct registrable title.
- D** Enter your Tax File Number (TFN) or exemption category. Business enterprises may alternatively quote their Australian Business Number (ABN). Where applicable, please enter the TFN or ABN for each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory and will not affect your Application. However, if these are not provided, EMvision Medical Devices Limited will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments.
- E** Please enter your postal address for all correspondence. All communications to you from EMvision Medical Devices Limited and the Share Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- F** If you are already a CHES participant or sponsored by a CHES participant, write your Holder Identification Number (HIN) here. If the name or address recorded on CHES for this HIN is different to the details given on this form, your Shares will be issued to EMvision Medical Devices Limited's issuer sponsored subregister.
- G** Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.
- H** Please complete the details of your cheque or bank draft in this section. The total amount of your cheque or bank draft should agree with the amount shown in section B.
Make your cheque or bank draft payable to **"EMvision Medical Devices Limited"** in Australian currency and cross it "Not Negotiable". Your cheque or bank draft must be drawn on an Australian bank. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.

LODGEMENT INSTRUCTIONS

This Application Form and your cheque or bank draft must be mailed or delivered so that it is received before 5.00pm (WST) on 14 November 2018 at:

Mailing Address

EMvision Medical Devices Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Hand Delivery

EMvision Medical Devices Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

(do not use this address for mailing purposes)

PERSONAL INFORMATION COLLECTION NOTIFICATION STATEMENT

Personal information about you is held on the public register in accordance with Chapter 2C of the *Corporations Act 2001*. For details about Link Group's personal information handling practices including collection, use and disclosure, how you may access and correct your personal information and raise privacy concerns, visit our website at www.linkmarketservices.com.au for a copy of the Link Group condensed privacy statement, or contact us by phone on +61 1800 502 355 (free call within Australia) 9am–5pm (Sydney time) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

CORRECT FORMS OF REGISTRABLE NAMES

Note that ONLY legal entities are allowed to hold Shares. Applications must be in the name(s) of natural persons or companies. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms below.

| Type of Investor | Correct Form of Registration | Incorrect Form of Registration |
|--|---|--|
| Individual Use given names in full, not initials | Mrs Katherine Clare Edwards | K C Edwards |
| Company Use Company's full title, not abbreviations | Liz Biz Pty Ltd | Liz Biz P/L or Liz Biz Co. |
| Joint Holdings Use full and complete names | Mr Peter Paul Tranche & Ms Mary Orlando Tranche | Peter Paul & Mary Tranche |
| Trusts Use the trustee(s) personal name(s) | Mrs Alessandra Herbert Smith <Alessandra Smith A/C> | Alessandra Smith Family Trust |
| Deceased Estates Use the executor(s) personal name(s) | Ms Sophia Garnet Post & Mr Alexander Traverse Post <Est Harold Post A/C> | Estate of late Harold Post or Harold Post Deceased |
| Minor (a person under the age of 18 years) Use the name of a responsible adult with an appropriate designation | Mrs Sally Hamilton <Henry Hamilton> | Master Henry Hamilton |
| Partnerships Use the partners' personal names | Mr Frederick Samuel Smith & Mr Samuel Lawrence Smith <Fred Smith & Son A/C> | Fred Smith & Son |
| Long Names | Mr Hugh Adrian John Smith-Jones | Mr Hugh A J Smith Jones |
| Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s) | Mr Alistair Edward Lilley <Vintage Wine Club A/C> | Vintage Wine Club |
| Superannuation Funds Use the name of the trustee of the fund | XYZ Pty Ltd <Super Fund A/C> | XYZ Pty Ltd Superannuation Fund |

Put the name(s) of any joint Applicant(s) and/or account description using < > as indicated above in designated spaces at section C on the Application Form.

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02 8667 5337

emvision.com.au