

SUPPLEMENTARY PROSPECTUS

Important information

This supplementary prospectus (**Supplementary Prospectus**) issued by STEMify Limited (to be renamed 'Swoop Holdings Limited') ACN 009 256 535 (**Company**) is dated 7 May 2021 and was lodged with ASIC on that date.

This Supplementary Prospectus is intended to be read together with the prospectus issued by the Company dated 16 April 2021 (**Prospectus**). Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus is available in electronic form on the Company's website <https://swoop.com.au/prospectus/>. A hard copy of this Supplementary Prospectus together with the Prospectus is also available on request as set out in the Prospectus.

Neither ASIC, ASX or their respective officers take any responsibility for the contents of this Supplementary Prospectus.

Purpose of this Supplementary Prospectus

This Supplementary Prospectus has been prepared to provide information to investors on correspondence received from Carray Group Pty. Ltd. ACN 151 256 503 (**Carray Group**) making allegations against the Cirrus Group relating to matters including trade mark infringement, misleading and deceptive conduct and passing-off in respect of its use of registered and unregistered 'Swoop' trade marks.

As the content of this Supplementary Prospectus is not considered by the Company to be materially adverse to investors, no action needs to be taken by investors who have already subscribed under the Prospectus.

This is an important document and should be read in its entirety. If you do not understand any of the information in this Supplementary Prospectus, you should consult your professional advisers.

1. Carray Group Allegations and potential claims

Since the date of the Prospectus, Cirrus Communications has received letters from Carray Group alleging that the Cirrus Group is infringing its registered trade mark, and committing conduct that constitutes 'passing off' under common law and misleading and deceptive conduct under Australian Consumer Law by the Cirrus Group's use of registered and unregistered trade marks that contain the word 'Swoop' (**Carray Group Allegations**).

Carray Group operates in the digital marketing and website design space, and also claims to provide web hosting services. Carray Group is the owner of a registered Australian trade mark number 1781880 'SWOOP DIGITAL' (**Carray's Registered Mark**). In Australia, trade marks are registered in respect of particular goods and services (with such goods and services grouped into 'classes'). Carray's Registered Mark is registered in relation to a range of services relating to online marketing, consultancy and advertising services and web design services, including search engine optimisation, computer consultancy services and hosting and maintenance of web sites (classes 35 and 42).

Cirrus Communications holds a registered trade mark for the word 'SWOOP' in classes 38 and 41 (**Cirrus' Registered Mark**). The Cirrus' Registered Mark covers the Cirrus Group's core business offerings, including the provision of telecommunications and internet service provider (**ISP**) services.

The Cirrus Group does not provide digital marketing or website design services and Carray Group does not provide ISP services in competition to the Cirrus Group. Web hosting services, which are legacy services which were acquired as part of Cirrus Communications' acquisition of Anycast and Bosley in FY20 have not been actively promoted by the Cirrus Group under the Swoop brand. These services constitute an immaterial part of Cirrus Group's business only representing approximately \$10,000 of monthly revenue. Carray Group proclaims to be a full-service digital marketing agency.

Carray Group has threatened to make a Court application for an injunction to stop the Cirrus Group from using Cirrus' Registered Mark and unregistered SWOOP marks in relation to web hosting and related services, and has otherwise threatened to commence legal proceedings against the Cirrus Group, including for damages or an account of profits and to seek the revocation of Cirrus' Registered Mark. While Carray Group has alleged an infringement of its intellectual property rights as a result of the conduct of the Cirrus Group, it has not to date made demands on any member of the Cirrus Group for a quantified amount of loss or damage.

The board of Cirrus Communications denies the Carray Group Allegations and intends to vigorously defend any proceedings that are brought against the Cirrus Group by Carray Group and counterclaim against Carray Group.

The Board does not consider that the Carray Group Allegations or the proceedings threatened to be commenced by the Carray Group are materially adverse to investors. Discussions with the Carray Group in respect of the Carray Group Allegations are ongoing.

2. Consequential changes to the Prospectus

The Company makes the following consequential changes to the Prospectus as a result of the Carray Group Allegations:

- **Section 11.1 - Additional Information** - The statement in section 11.1 (Litigation) be deleted and replaced with the following:

As at the date of this Prospectus, the Group is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Group, other than as disclosed in this Prospectus relating to the Carray Group Allegations.

- **Section 13 - Glossary** - Replace the definition of Prospectus with the following definition:

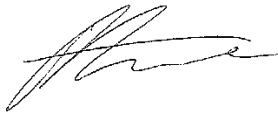
***Prospectus** means this prospectus, dated 16 April 2021, as supplemented by the supplementary prospectus dated 7 May 2021 (including the electronic lodgement of those documents).*

Other than as set out above and below, all details in relation to the Prospectus remain unchanged.

In accordance with section 720 of the Corporations Act, each director and proposed director of the Company has consented to the lodgement of this Supplementary Prospectus with ASIC.

-ENDS-

Released with the authority of the Board.



Jonathan Pearce
Non-Executive Director
for and on behalf of
STEMify Limited