

Adherium Limited

ACN 605 352 510
(ASX code: ADR)

PROSPECTUS

Accelerated Non-renounceable Entitlement Offer

*For a non-renounceable accelerated pro-rata entitlement offer to Eligible Shareholders of 1 New Share for every Share held by Shareholders at the Record Date at an issue price of A\$0.005 per New Share **together with** 1 New Option for every New Share issued under the Offer (plus where the New Option is exercised prior to 15 November 2025, an additional Bonus Option) to raise a maximum of approximately A\$4 million before costs (**Entitlement Offer**) and the placement of any Shortfall under the Entitlement Offer.*

The Retail Entitlement Offer closes at 5.00pm (AEST) on 10 July 2025 (unless extended).

The Offers are partially underwritten by PAC Partners Securities Pty Limited

IMPORTANT NOTICE

This document is important and should be read in its entirety.

If, after reading this Prospectus, you have any questions about the Offer Securities being offered under this Prospectus or any other matter relating to the Offers, then you should consult your professional adviser. An investment in the Offer Securities offered by this Prospectus should be considered speculative.

This Prospectus may not be released to US wire services or distributed in the United States.

This Prospectus has also been prepared in accordance with Section 713 of the Corporations Act.

IMPORTANT NOTICE

1. Prospectus

This Prospectus is dated **24 June 2025**. A copy of this Prospectus has been lodged with ASIC on that date. ASIC and its officers take no responsibility for the contents of this Prospectus. No Offer Securities will be issued or allotted on the basis of this Prospectus later than 13 months after the date of this Prospectus (**Expiry Date**).

This Prospectus is a transactional specific prospectus for an Entitlement Offer of continuously quoted securities (being the New Shares offered under this Prospectus) and options to acquire continuously quoted securities (New Options and Bonus Options), has been prepared in accordance with section 713 of the Corporations Act.

This Prospectus does not contain the same level of disclosure as an initial public offering prospectus prepared pursuant to Section 710 of the Corporations Act. In making representations in this Prospectus, regard has been made to the fact that the Adherium Limited (**ADR** or the **Company**) is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult. Further information is provided in Sections 7.4 of this Prospectus. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX.

The Company will apply to ASX within 7 days of the date of this Prospectus for quotation of the New Shares offered under this Prospectus. The ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may quote the New Shares is not to be taken in any way as an indication of the merits of the Company. The New Options and/or the Bonus Options will not be quoted.

Applications for New Shares, New Options and Bonus Options offered pursuant to this Prospectus including also for any Additional Securities can only be submitted in accordance with the terms of the applicable original Entitlement and Acceptance Form which accompanies this Prospectus. Applications for the Shortfall Offer can only be submitted by invitation from the Company and only upon the Shortfall Application Form. If you are in any doubt about the contents of this document, you should obtain independent professional advice.

2. Applications

Applications for New Shares and New Options (including Additional Securities) by Eligible Shareholders can only be made by payment via Bpay® or EFT, in accordance with instructions contained in Entitlement & Acceptance Form, as further described in Section 4 of this Prospectus. Each Eligible Shareholder's Entitlement & Acceptance Form sets out that Eligible Shareholder's Entitlement to participate in the Entitlement Offers.

3. Disclaimer

The information contained in this Prospectus is not investment advice. Before deciding to invest in the Company, you should read and understand the entire Prospectus and, in particular, in considering the Company's prospects, you should consider the

risk factors that could affect the Company's performance.

You should carefully consider these risk factors in Section 6 in light of your personal circumstances (including financial and taxation issues) and seek advice from your professional adviser before deciding to invest. Investing in the Company involves risks.

None of the Company, the Directors or any other person gives any guarantee as to the success of the Company, the repayment of capital, the payment of dividends, the future value of the Offer Securities or the price at which the New Shares will trade on the ASX. Any references to past performance of the Company is no guarantee of future performance.

4. No Representations other than this Prospectus

No person or entity is authorised to give any information or to make any representation in connection with the Offers that is not contained in this Prospectus or has not been released to ASX with the authorisation of the Company. No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital by the Company or the payment of a return on the Offer Securities.

You should rely only on information contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company or the Directors.

The Application Forms accompanying this Prospectus are important. Please refer to the instructions in Section 4 of this Prospectus regarding the acceptance of any Offers.

5. Forward looking information

Some of the statements appearing in this Prospectus may be in the nature of forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. You should be aware that such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate.

Forward looking statements are subject to many inherent risks and uncertainties before actual outcomes are achieved. Those risks and uncertainties include factors and risks specific to the industry in which the Company operates as well as general economic conditions, interest rates, exchange rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and any variation may be materially positive or negative. Forward looking information (including forecast financial information) is subject to uncertainty and contingencies, many of which are outside the control of the Company.

6. Past performance

Investors should note that the Company's past performance, including Share price performance, provides no guarantee or guidance as to future Share price performance.

Any past performance and pro forma financial information given in this Prospectus is provided for

illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's view of its future performance, including the Company's future financial position or Share price performance. Investors should note that the pro-forma financial information has not been audited and is based on management estimates and not on financial statements prepared in accordance with applicable statutory requirements. Accordingly, investors should treat this information with appropriate caution.

7. No cooling off rights apply to this Offer

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

8. Offer Restrictions on Distribution

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to lodge this Prospectus in any jurisdiction outside of Australia or to otherwise permit a public offering of New Shares or New Options in any jurisdiction outside Australia.

In particular, the Offer Securities have not been, and will not be, registered under the US Securities Act and may only be offered and sold in the United States in accordance with an available exemption from registration under the US Securities Act and applicable US state securities laws. The Company will not offer or sell the Offer Securities in the United States.

Payment of the Application Monies will be taken by the Company as a representation that the Applicant is an Eligible Shareholder.

9. Target Market Determination

In accordance with the obligations under the Corporations Act, the Company has determined the target market for the Offers of the New Options under this Prospectus.

The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (www.adherium.com). By making application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

10. Prospectus availability

Those investors who receive this Prospectus electronically are advised that the issue of securities under this Prospectus is only available to persons receiving the Prospectus in accordance with the distribution restrictions described in item 8 above.

A paper copy of this Prospectus may be obtained free of charge from the Company or downloaded from the ASX website. The information on the ASX website or the Company's website do not form part of this Prospectus.

Eligible Shareholders will be able to access a copy of this Prospectus and a personalised Entitlement and Acceptance Form online at www.computersharecas.com.au/adroffer. Those who access the electronic version of this Prospectus should ensure they download and read the entire Prospectus. The electronic version of the Prospectus on the Company's website will not

include a personalised Entitlement and Acceptance Form.

11. Photographs and diagrams

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration purposes only and should not be interpreted to mean that any person shown in them 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 are based on information available at the date of this Prospectus.

12. Enquiries

Before making a decision about investing in the Entitlement Offer, you should seek advice from your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser to determine whether it meets your objectives, financial situation and needs.

If you have any questions on how to take up the Offer Securities offered to you under the Offers, please contact the Company's Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

13. Definitions and glossary, financial amounts and time

Definitions of certain terms used in this Prospectus are contained in Section 9. Unless otherwise indicated, all references to currency are to Australian dollars and all references to time are to Melbourne, Victoria time.

TABLE OF CONTENTS

Key Offer details	2
Important Dates*	2
1. ENTITLEMENT OFFER OVERVIEW	5
2. DETAILS OF THE OFFER	9
3. EFFECT OF THE ENTITLEMENT OFFER	18
4. ACTION REQUIRED BY ELIGIBLE RETAIL SHAREHOLDERS	22
5. RIGHTS AND LIABILITIES ATTACHING TO THE NEW SHARES AND NEW OPTIONS	27
6. RISKS	32
7. ADDITIONAL INFORMATION	35
8. DIRECTORS' STATEMENT	40
9. DEFINITIONS	42
10. CORPORATE DIRECTORY	44
ANNEXURE A – OPTION TERMS AND CONDITIONS	42
ENTITLEMENT AND ACCEPTANCE FORM	44

Key Offer details

Key details	
Entitlement Offer to Eligible Shareholders	<p>The Entitlement Offer is:</p> <ul style="list-style-type: none"> • 1 New Share for every Share held at the Record Date at the Issue Price plus: • 1 New Option for every New Share issued under the Offer (plus where the New Option is exercised prior to 15 November 2025, an additional Bonus Option); <p>together with the Top-Up Facility for Shareholders who subscribe for their full Entitlement.</p>
Issue Price per New Share	\$0.005 (i.e. 0.5 cent) per New Share payable in full on Application.
Exercise Price per New Option and Expiry Date of 31 July 2026	\$0.005 (i.e. 0.5 cent) per New Option.
Exercise Price per Bonus Option and Expiry Date of 15 November 2026	\$0.005 (i.e. 0.5 cent) per Bonus Option.
Maximum number of New Shares issued under the Entitlement Offers (subject to rounding) assuming a Maximum Subscription Amount of \$4 million	800,000,000 New Shares.
Maximum number of New Options to be issued the Entitlement Offers (subject to rounding) assuming a Maximum Subscription Amount of \$4 million	800,000,000 New Options.
Maximum number of Bonus Options to be issued assuming all New Options are exercised prior to 15 November 2025	800,000,000 Bonus Options
Maximum Subscription Amount to be accepted	Approximately \$4 million (before expenses and costs of the Offers).
Maximum number of Shares on issue following the Entitlement Offers (<u>excluding</u> any shares issued upon the exercise of any options including the New Options and any Bonus Options and subject to rounding)	1,698,479,081 Shares.
Maximum number of Options on issue following the Offers (assuming no Bonus Options issued and subject to rounding)	1,299,252,457 Options.

Important Dates*

Event	Date
Institutional Entitlement Offer opens	24 June 2025
Institutional Entitlement Offer closes	5.00pm (AEST) on 25 June 2025
Announcement of results of Institutional Entitlement Offers	26 June 2025
Record Date to determine Entitlement of Eligible Retail Shareholders to participate in the Retail Entitlement Offer	7.00pm (AEST) on 26 June 2025

Retail Entitlement Offer opens Dispatch of the Eligible Retail Shareholder's letter advising them of the access details for the Prospectus and online Entitlement & Acceptance Form.	1 July 2025
Issue New Shares under Institutional Entitlement Offer (including shortfall commitments under the Institutional Entitlement Offer)	27 June 2025
Last day to extend the Closing Date for Retail Entitlement Offer	7 July 2025
Retail Entitlement Offer closes	5.00pm (AEST) on 10 July 2025
Results of Retail Entitlement Offer and Shortfall (if any) announced to the ASX	17 July 2025
<u>Issue of the New Shares and New Options under Retail Entitlement Offer</u>	17 July 2025
<u>Right to be issued Bonus Options lapses</u> (if New Options are not exercised)	5.00pm (AEDT) on 15 November 2025

**The above dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act and the Listing Rules, to extend these dates without prior notice including extending the last date for receipt of the Applications, or to delay or withdraw the Offer at any time without prior notice. If withdrawn, all Application Monies for New Shares which have not been issued will be refunded (without interest) as soon as practicable.*

Letter from the Chairman

Dear Shareholder,

On behalf of the Board of Adherium Limited (**Company**), I am pleased to invite you to participate in the Company's Entitlement Offer of 1 New Share for every Share held at the Record Date of 26 June 2025 at an Issue Price of \$0.005 per New Share, together with 1 New Option for every New Share issued under the Entitlement Offers (plus where a New Option is exercised prior to 15 November 2025, an additional Bonus Option) - to raise up to maximum of approximately \$4 million (before expenses).

The Entitlement Offers are partially underwritten (to approximately \$1 million) and the funds raised will be applied as detailed in section 2.4 of this Prospectus.

The Entitlement Offers will consist of:

- an Institutional Entitlement Offer to Eligible Institutional Shareholders (**Institutional Entitlement Offer**); and
- an offer to Eligible Retail Shareholders (**Retail Entitlement Offer**).

The Retail Entitlement Offer may be summarised as follows:

- Eligible Retail Shareholders holding Shares may subscribe under the Retail Entitlement Offer for 1 New Share for every Share held as at the Record Date.
- The issue price for New Shares is \$0.005 (0.5 cent) per New Share.
- For each New Share issued under the Entitlement Offers the investor will also receive one New Option (and where exercised prior to 15 November 2025, one Bonus Option).
- There is no minimum subscription to be raised under this Prospectus before the Retail Entitlement Offer can close.
- Eligible Retail Shareholders who apply for their full Entitlement may also subscribe for Additional Securities beyond their Entitlement on the basis that some other existing Shareholders will be either ineligible or may fail to fully take up their Entitlement (**Top-Up Offer**). This Top-Up Offer to apply for Additional Securities is restricted only to Eligible Shareholders.
- If there remains any Shortfall after allocation of Entitlements to Eligible Shareholders under the Entitlement Offers and Top-Up Offer, the Directors also reserve the right for up to 3 months after the close of the Entitlement Offers to place any Shortfall at the Board's discretion under this Prospectus but at a price no less than the Issue Price (**Shortfall Offer**).

The Institutional Entitlement Offer is to be conducted upon the same terms as the Retail Entitlement Offer.

There are substantial risks in investment in health care and biotechnology companies, as well as medical device development and commercialisation. **Shareholders should carefully consider in detail the summary of current investment risks contained in Section 6 of this Prospectus.**

We look forward to your participation in the Offers.

Yours sincerely

Lou Panaccio
Non-executive Chair
Adherium Limited

1. ENTITLEMENT OFFER OVERVIEW

1.1 Overview of the Offers

This Section is not intended to provide full information for investors intending to apply for securities offered pursuant to this Prospectus. This Prospectus and all of its Sections should be read and considered in their entirety.

Question	Response	Where to find more information
What is the Entitlement Offer	<p>Accelerated non-renounceable entitlement offer of New Shares and options (Entitlement Offers), comprised of two parts:</p> <ul style="list-style-type: none"> • Institutional Entitlement Offer - Eligible Institutional Shareholders in Australia, New Zealand, Hong Kong, Singapore and Canada (Ontario province only) invited to take up all or part of their Entitlements; and • Retail Entitlement Offer - Eligible Retail Shareholders in Australia and New Zealand are being invited to take up all or part of their Entitlements. 	Sections 2.1 and 2.6
What are the terms of the Entitlement Offers	1 New Share for every existing Share held on the Record Date at an issue price of \$0.005 (0.5 cent) per New Share, together with the issue to the subscribers of 1 New Option for every New Share issued under the Entitlement Offers (plus where a New Option is subsequently exercised prior to 15 November 2025, an additional Bonus Option).	Section 2.1
Are the New Options / Bonus Options to be Quoted on the ASX	No, the Company will not be applying to the ASX for the listing of the New Options or the Bonus Options.	Section 2.18
Can I sell or transfer my Entitlements	No, the Entitlement Offers are non-renounceable and, accordingly, you cannot offer to sell or transfer any of your Entitlement on ASX or via an off-market transfer.	Section 2.6
Am I an Eligible Retail Shareholder	The Retail Entitlement Offer is made to Eligible Retail Shareholders only, registered as a holder of Shares as at 7.00 pm on 26 June 2025 (Record Date).	Section 2.2
Can I purchase Additional Securities at the same price (Top-Up Offer)?	Yes, the Company is also offering a Top-Up Facility so Eligible Shareholders who fully subscribe under the Entitlement Offers will also have the right to apply for Additional Securities (New Shares not subscribed for by other Eligible Shareholders, plus accompanying New Options / Bonus Options) at the same Issue Price. Any Additional Securities will only be issued at the Board's discretion and only from any available Shortfall - there is no guarantee that the Board will issue any Additional Securities under the Top-Up Facility.	Sections 2.1 and 2.10

Question	Response	Where to find more information
How will the Additional Securities be allocated	<p>The Company reserves the right to scale back any applications for Additional Securities in their absolute and sole discretion where the aggregate of New Shares applied for under the Top-Up Offers exceeds the available shortfall from Shareholders who have not taken up, or are ineligible to take up, their Entitlement in full.</p> <p>When determining the amount (if any) by which to scale back an application, the Company may take into account a number of factors, including the size of an Applicant's shareholding in the Company, the extent to which an Applicant has sold or bought additional Shares in the Company before and after both the announcement of the Entitlement Offers and the Record Date, as well as when the application was made.</p>	Section 2.10
Shortfalls – Shortfall Offer	<p>If there remains any Shortfall, the Directors reserve the right for up to 3 months from the close of the Entitlement Offer to place any Shortfall at their discretion at a price no less than the Issue Price. The issue of Shares and options under a Shortfall, if any, will be allocated by the Board in its discretion. Application may only be made under the Shortfall Offer pursuant to a Shortfall Application Form at the invitation of the Company.</p> <p>The Shortfall (if any) will be calculated after the close of each offer under the Entitlement Offer (that is after the close of the Institutional Entitlement Offer and after the close of the Retail Entitlement Offer).</p> <p>In each case, the issue of any New Shares under the Shortfall will be accompanied by the issue of 1 New Option and for each New Option exercised before 5.00pm (AEDT) on 15 November 2025, 1 Bonus Option.</p>	Section 2.11
Minimum Subscription	There is no minimum subscription amount under the Offers.	
Is the Offer underwritten?	Yes, the Entitlement Offers are partially underwritten up to approximately \$1 million. Details of the Underwriting Agreement are contained in section 5.3.	Section 2.9
How do the New Shares rank in comparison to existing Shares	All New Shares issued under the Entitlement Offer will rank equally in all respects with existing Shares from the date of their issue.	Sections 2.18 and 5.1
What are my choices?	<p>As an Eligible Shareholder you may:</p> <ul style="list-style-type: none"> take up all of your Entitlement under the Entitlement Offer (and if you have taken up all your Entitlement, you may also apply for participation in the Top-Up Facility under the Top-Up Offer); or exercise only a portion of your Entitlement and allow 	Section 4.1

Question	Response	Where to find more information
	<p>the balance to lapse; or</p> <ul style="list-style-type: none"> do nothing, in which case all of your Entitlements will lapse and you will receive no value for those lapsed Entitlements. As the Issue Price of the New Shares is at a material discount to the recent market price for the Company's shares, there may be a material number of New Shares issued under the Entitlement Offers, so failing to take up your Entitlement means that your holdings would therefore be diluted as a result of the issue of the New Shares and New Options / Bonus Options issued under this Prospectus. 	
What will be the effect of the Entitlement Offers on control	<p>The effect of the Entitlement Offers on the control of the Company will vary with the level of Entitlements and Additional Securities taken up by Eligible Shareholders and the issue of any Shortfall. The Board will not allocate any Additional Securities such that such an allocation would result in a Shareholder having an interest in the Company in breach of the takeover thresholds under Chapter 6 of the Corporations Act. In this regard, no Corporations Act Chapter 6 approvals under the Corporations Act will be sought.</p>	<p>Section 3.2</p>
Intention of existing significant shareholders	<p>Prior to the issue of this Prospectus Trudell Medical Limited and Phillip Asset Management Ltd as trustee for BioScience Managers Translation Fund I have exercised some of their convertible notes and acquired additional Shares – each increasing to 19.9% of the issued share capital. In addition they have indicated an intention to maintain their respective percentage interest by participating under the Entitlement Offers.</p>	
How do I apply for New Shares / New Options under the Entitlement Offers	<p>Eligible Retail Shareholders can apply for New Shares and New Options under the Retail Entitlement Offer by making payment by BPAY® or EFT in the amount of Entitlement Offer (and Top-Up Offer, if applicable) applied for, as described in Section 4. You do not need to return the Entitlement and Acceptance Form - the Company will assume that you have applied for that number of New Shares corresponding the Application Monies paid. You may accept all or part of your Entitlement.</p>	<p>Sections 4.2 and 4.3</p>
How do I apply for New Shares / New Options under the Shortfall Offer	<p>If invited by the Company to make an application, you can apply for New Shares and New Options (including Bonus Options) under the Shortfall Offer by completing the relevant sections of the Shortfall Application Form accompanying this Prospectus, sending the completed Shortfall Application Form to the Share Registry and making payment by EFT in the amount of the Shortfall Offer applied for.</p>	<p>Section 4.7</p>

Question	Response	Where to find more information
How can I obtain further information	<p>If you have any questions on how to take up the Offer Securities offered to you under the Offers, please contact the Company's Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) or go to www.computersharecas.com.au/adroffer.</p> <p>For advice, actively consult your broker, accountant or other professional adviser.</p>	
Risk Factors	<p>There are many risks associated with an investment in the Company, including relating to the Company's business, its regulatory environment, its financial requirements generally. These risks will in part turn upon the Company's ability to:</p> <ul style="list-style-type: none"> • continue its commercial roll out of its products, grow the service requirements of those customers and attract new customers. This depends on adoption of the Company's product offering by patients, physicians, disease management organisations, hospitals and payers; • remain competitive in highly competitive medical device industry which is subject to rapid technology change. Competitors may commercialise products that compete directly or indirectly with the Company's products. If competitors develop products or technologies that are more effective, the Company's current or future products may become obsolete or uncompetitive; • raise further funds in the future through equity offerings, debt financing or corporate collaboration or to successfully commercialise its products to allow sufficient sales to fund on-going Company operations; and • retain key personnel. <p>Refer to Section 6 for a more detailed description of some of these Risk Factors.</p>	Section 6

2. DETAILS OF THE OFFER

2.1 The Offers

The Entitlement Offers:

The Company is offering Eligible Shareholders the opportunity to subscribe for 1 New Share for every Share held at 7:00pm (AEST) on the Record Date at an Issue Price of \$0.005 per New Share with the issue of 1 New Option for every New Share issued under the Entitlement Offer (plus where a New Option is subsequently exercised prior to 15 November 2025, an additional Bonus Option). Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a New Share, that will be rounded up to the nearest whole New Share.

Your Entitlement under the Retail Entitlement Offer is shown on, and you may only make application pursuant to, the terms of your accompanying Entitlement & Acceptance Form (or your Entitlement & Acceptance Form you access online located at www.computersharecas.com.au/adroffer). Details on how to accept the Entitlement Offer are set out in Section 4.

The Top-Up Offer:

Eligible Shareholders who fully subscribe for their entire Entitlement under the Entitlement Offer may also apply under the Top-Up Facility for Additional Securities, known as their **Top-Up Offer**.

The allocation of any Additional Securities will be limited to the extent that there are sufficient New Shares available (after all acceptances have been received under the Entitlement Offer) which have not been taken up by some of the Eligible Shareholders (and Ineligible Foreign Shareholders), regarded as the "Shortfall". The Company will calculate the Shortfall after the close of the Institutional Entitlement Offer (in respect of Eligible Institutional Shareholders) and after the close of the Retail Entitlement Offer (in respect of Eligible Retail Shareholders).

Any Additional Securities to be issued will only be issued at the Board's discretion - there is no guarantee that the Board will issue any Additional Securities under the Top-Up Facility.

The Shortfall Offer:

Subject to the Corporations Act and the Listing Rules, the Board reserves the right to offer any Shortfall (after the allocations of all New Shares under the Entitlement Offer and Top-Up Offer) to eligible investors within a 3-month period after the close of the Entitlement Offers.

Application may only be made under the Shortfall Offer pursuant to a Shortfall Application Form accompanying this Prospectus and only upon invitation by the Company.

2.2 Eligible Shareholders

Eligible Institutional Shareholders are those sophisticated or professional Shareholders on the Record Date, who:

- if in Australia, in accordance with sections 708(8) and (11) of the Corporations Act, respectively, are sophisticated or professional Shareholders on the Record Date who have an address in Australia;
- if in Canada (Ontario province only) are an "accredited investor" as defined in National Instrument 45-106 – Prospectus Exemptions;
- if in New Zealand, (i) are an investment business within the meaning of clause 37 of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand) (the "FMC Act"), (ii) meet the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act, (iii) are large within the meaning of clause 39 of Schedule 1 of the FMC Act, (iv) are a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act or (v) are an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act (and, if an eligible investor, have provided the necessary certification);

- if in Hong Kong, are a “professional investor” (as defined in the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong); or
- if in Singapore, are an “institutional investor” or an “accredited investor” (as such terms are defined in the Securities and Futures Act 2001 of Singapore (“SFA”)).

Eligible Retail Shareholders are those holders of Shares who:

- a) are registered as a holder of Shares as at the Record Date; and
- b) have an address on the Company's share register in Australia or New Zealand,

or who would otherwise qualify as an exempt investor in their local jurisdiction and where, in respect of that exempt investor, no registration of the Offer is required in their local jurisdiction for the Company to make the Offer.

Shareholders who do not satisfy the above mentioned criteria are regarded as Ineligible Foreign Shareholders. All Ineligible Foreign Shareholders will be sent a letter advising of their inability to participate in the Entitlement Offers. The Company, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Shareholder and is therefore able to participate in the Entitlement Offers, or an Ineligible Foreign Shareholder and is therefore unable to participate in the Entitlement Offers. The Company disclaims all liability to the maximum extent permitted by law in respect of any determination as to whether a Shareholder is an Eligible Shareholder or an Ineligible Foreign Shareholder.

2.3 Size and Nature of the Offers

As at the date of this Prospectus, the Company has on issue 898,479,081 Shares, 499,252,457 unlisted options, 1,918,650 unlisted convertible notes and 27,479,536 stock appreciation rights. In addition:

- Approximately 800,000,000 New Shares will be offered under the Entitlement Offers to raise approximately \$4 million before the expenses of the Entitlement Offers is taken into account.
- Approximately 800,000,000 New Options (plus where a New Option is subsequently exercised prior to 15 November 2025, an additional Bonus Option) will be offered under the Entitlement Offers. Each option exercisable on payment of the exercise price into one Share in accordance with its terms.

On completion of the Entitlement Offers the Company will have on issue up to approximately 1,698,479,081 Shares, 1,918,650 unlisted convertible notes and 1,299,252,457 unlisted options and 27,479,536 stock appreciation rights.

As announced to the market on 19 May 2025, ADR has received firm commitments to raise a total of \$900,000 (initially via a loan) through the issue of approximately 900,000 convertible notes (with one attaching option for every two Shares issued under the convertible notes) subject to ADR Shareholder approval. Shareholder approval for the issue of the convertible notes is to be sought at the Company's upcoming AGM. If shareholder approval is not obtained, the loan of \$900,000 plus accrued interest will be repayable 12 months from the original advance.

There is no minimum subscription amount under the Offers before the Company may use the funds raised after the close of the Offers (noting that the Institutional Entitlement Offer closes on 25 June 2025).

2.4 Use of Funds

Where the Maximum Amount is raised under the Entitlement Offers of approximately \$4 million, the Company proposes to use these funds as follows:

Indicative expenditure*		A\$ (M)
Description		
Customer onboarding and scale up		0.8
Product development and capital expenditure		0.3
Sales Contractors		0.3
Data Scientists / Product impact evidence		0.7
CEO and sales team recruitment		0.2
General working capital		1.3
Costs of the Entitlement Offers		0.4
Maximum funds raised under the Entitlement Offers		\$4 million

** Notes: As at 30 May 2025 the Company's cash at bank was \$102,184. Many of the line items of expenditure / use of funds above are estimates only and do not reflect contractual commitments of the Company. Actual expenditures in the future may vary.*

2.5 Opening and closing dates

The Institutional Entitlement Offer and the Top-Up Offer will open for receipt of acceptances on 24 June 2025. The closing date under the Institutional Entitlement Offer is 5.00 pm (AEST) on 25 June 2025 (unless extended).

The Retail Entitlement Offer and the Top-Up Offer will open for receipt of acceptances on 1 July 2025. The Closing Date for acceptance of your Application is 5.00 pm (AEST) on 10 July 2025 (unless extended).

The Company reserves the right, subject to the Corporations Act and the Listing Rules, to extend the last date for the close of the Offers, or to delay or withdraw the Offers at any time without prior notice. Where an Offer is withdrawn, all Application Monies will be refunded (without interest) as soon as practicable by EFT to your bank account.

Any extension of the closing dates under the Institutional Entitlement Offer or Retail Entitlement Offer will have a consequential effect on the issue date of New Shares and New Options.

2.6 Entitlements

The Entitlement Offers and the Top-Up Offer are non-renounceable and therefore Eligible Shareholders cannot offer to sell or transfer any of their Entitlement on ASX or via an off-market transfer (or any other exchange or privately transferred).

Shareholders who do not take up their Entitlement in full will have their percentage interest in the Company diluted as compared to that percentage as at the date the Entitlement Offers are made.

Your Entitlement has been calculated and rounded up to the nearest whole number (at the offer ratio) and where the Company receives Applications in aggregate in excess of the maximum number of available Shares – all Applications will be pro rata reduced, but not below each Eligible Retail Shareholder's respective Entitlement.

As described in Sections 2.10 and 2.11, any New Shares and New Options not taken up by an Eligible Retail Shareholders by the Closing Date will form part of the Shares available under the Top-Up Offer and Shortfall Offer.

2.7 Entitlements and acceptance

The Entitlement of Eligible Retail Shareholders to participate in the Entitlement Offers will be determined on the Record Date. Your Entitlement is shown on the Entitlement & Acceptance form accompanying this Prospectus (or accessed online at www.computersharecas.com.au/adroffer).

2.8 No cooling off rights

Cooling off rights do not apply to an investment in Offer Securities. You cannot withdraw your Application once it has been received.

2.9 Underwriting

The Offers are partially underwritten and details of the Underwriting Agreement are contained in Section 5.3. The Underwriter from the proceeds under the Entitlement Offers will be paid 6% of the funds raised.

2.10 Top-Up Facility

Eligible Shareholders may, in addition to taking up their Entitlements in full, apply for any number of Additional Securities in excess of their Entitlements by using the Top-Up Facility (**Top Up Offer**).

Additional Securities will only be available where the total number of New Shares the subject of all Applications received under the Entitlement Offers is less than the aggregate available under the Entitlement Offers. Any Additional Securities issued will be at the same Issue Price of \$0.005 per New Share together with the issue of 1 New Option (plus where a New Option is subsequently exercised prior to 15 November 2025, an additional Bonus Option) for every New Share issued to the same Eligible Shareholder under the Top Up Facility.

There can be no guarantee that there will be any allocation of Additional Securities under the Top-Up Facility. It is an express term of the Entitlement Offers that Eligible Shareholders who apply for Additional Securities are bound to accept a lesser number of Additional Securities than they applied for, or that they may be allocated no Additional Securities at all. In both cases, excess Application Monies will be refunded without interest. The Company reserves the right to scale back any applications for Additional Securities in its absolute and sole discretion where the aggregate of New Shares applied for under the Top-Up Offers exceeds the New Shares available from Shareholders who have not taken up, or are ineligible to take up, their Entitlement in full. When determining the amount (if any) by which to scale back an application, the Company may take into account a number of factors, including the size of an Applicant's shareholding in the Company, the extent to which an Applicant has sold or bought Shares in the Company before and after both the announcement of the Offers and the Record Date, as well as when the application was made.

For the avoidance of doubt, the prohibitions set out in section 606 of the Corporations Act on certain acquisitions of relevant interests in voting shares will apply to limit the acquisition of Additional Securities through the Top-Up Facility (as well as any other Shares issued under a Shortfall).

2.11 Shortfall Offer

The Directors also reserve the right, subject to the Corporations Act and the Listing Rules, to place any Shortfall at their discretion within 3 months after the close of the Entitlement Offers at a price not less than the Issue Price of \$0.005 per New Share plus the corresponding options (**Shortfall Offer**). In each case, the issue of any New Shares under the Shortfall Offer will be accompanied by the issue of 1 New Option plus for each New Option exercised before 5.00pm (AEDT) on 15 November 2025, 1 Bonus Option.

Application may only be made under the Shortfall Offer pursuant to a Shortfall Application Form and only upon invitation of the Company.

2.12 Issue and despatch

The issue of New Shares and New Options under the Institutional Entitlement Offer is expected to occur on 27 June 2025.

The issue of New Shares and New Options under the Retail Entitlement Offer is expected to occur on 17 July 2025.

It is the responsibility of Applicants to determine their allocation prior to trading in the New Shares. Applicants who sell New Shares without making such determination do so at their own risk. The Company will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares before the New Shares are listed on the official list of ASX or before they receive their holdings statements, whether on the basis of confirmation of the allocation provided by the Company, the Share Registry or otherwise.

2.13 ASX Listing

The Company has made an application for official quotation by ASX of the New Shares as offered under this Prospectus. If the New Shares are not quoted by ASX within 3 months after the date of this Prospectus, the Company will not issue any New Shares and all Application Monies received will be refunded (without interest) in full to the Applicants.

The fact that ASX may grant official quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares, New Options or Bonus Options. Neither ASX nor any of its officers accepts or takes any responsibility for the contents of this Prospectus.

The Company does not intend to seek quotation by the ASX of the New Options or the Bonus Options – therefore there is no guarantee of any secondary trading in the New Options or the Bonus Options.

2.14 CHESS

The Company will apply to ASX to participate in CHESS for those Shareholders who have, or wish to have, a sponsoring stockbroker. Shareholders who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, Shareholders will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares and New Options allotted to them under this Prospectus. The notice will also advise Shareholders of their Holder Identification Number (**HIN**) and explain, for future reference, the sale and purchase procedures for the New Shares under CHESS and issuer sponsorship.

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

2.15 Ineligible Foreign Shareholders

In accordance with ASX Listing Rule 7.7.1 and Section 9A of the Corporations Act, the Company has decided that it is unreasonable to make the Entitlement Offer to any Shareholder who is not an Eligible Retail Shareholder as at the Record Date (**Ineligible Foreign Shareholder**), having regard to:

- a) the number of Shareholders with addresses in such other countries as a proportion of total Shareholders in the Company;
- b) the number and value of the New Shares applicable to those Shareholders would be offered under the Offer; and

- c) the cost to the Company of complying with applicable legal and regulatory requirements in such other countries.

To the extent that there are any Ineligible Foreign Shareholders registered at the Record Date, the Company will send details of the Entitlement Offer to each Ineligible Foreign Shareholder and advise each Ineligible Foreign Shareholder that they will not be offered New Shares and New Options under the Entitlement Offer.

2.16 Overseas shareholders

The Entitlement Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or to issue this Prospectus. In particular, this Prospectus may not be distributed to any person, and the New Shares and New Options may not be offered or sold, in any country outside Australia except to the extent permitted below for the Retail Entitlement Offer as well as the Institutional Entitlement Offer and Shortfall Offer.

Retail Entitlement Offer

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand)*. In addition, for Eligible Retail Shareholders who subscribe for New Shares, the Company will issue New Options for no consideration.

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013 (New Zealand)*. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Institutional Entitlement Offer and Shortfall Offer

Canada

This Prospectus constitutes an offering of New Shares only in the Province of Ontario (the "Province"), only to persons to whom New Shares may be lawfully distributed in the Province, and only by persons permitted to sell such securities. This Prospectus is not a prospectus, an advertisement or a public offering of securities in the Province. This Prospectus may only be distributed in the Province to persons that are "accredited investors" (as defined in National Instrument 45-106 – *Prospectus Exemptions*).

No securities commission or authority in the Province has reviewed or in any way passed upon this Prospectus, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence. No prospectus has been, or will be, filed in the Province with respect to the offering of New Shares or the resale of such securities. Any person in the Province lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Province must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against

the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Statutory rights of action for damages and rescission. Securities legislation in the Province may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Province.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

Hong Kong

WARNING: This Prospectus 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 (the "SFO"). Accordingly, this Prospectus may not be distributed, and the New Shares and New Options may 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 New Shares and New Options 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 New Shares and New Options that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares or New Options 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 Prospectus 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 Prospectus, you should obtain independent professional advice.

New Zealand

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

Other than in the entitlement offer, the New Shares and New Options may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This Prospectus and any other materials relating to the New Shares or New Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares or New Options, may not be issued, circulated or distributed, nor may the New Shares or New Options be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the “SFA”) or another exemption under the SFA.

This Prospectus has been given to you on the basis that you are an “institutional investor” or an “accredited investor” (as such terms are defined in the SFA). If you are not such an investor, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the New Shares or New Options being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares or New Options. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

2.17 Custodians and nominees

Eligible Retail Shareholders who are nominees or custodians must comply with the following paragraphs in relation to the participation of any underlying beneficial owners (**UBH**) of Shares in the Offers.

The offer to apply for Additional Securities under the Top-Up Facility will be available to the UBH of custodians / nominees to the extent the UBH is (i) resident in Australia or New Zealand; or (ii) is in such other jurisdiction as the Company may determine is permissible taking into account applicable laws. Due to legal restrictions, nominees and custodians may not send this Prospectus to any person outside Australia except a beneficial shareholder in New Zealand or who is and Eligible Institutional Shareholder.

Each custodian or nominee who is applying for Additional Securities on behalf of their individual UBH will need to submit a schedule showing the Record Date holding, the Entitlement and the amount of Entitlement and Additional Securities taken up for each UBH.

Each UBH will need to apply for their maximum Entitlement before applying for Additional Securities under the Top-Up Offer. Therefore, the requirement to fulfil a shareholders maximum Entitlement before applying for Additional Securities under the Top-Up Facility won't apply to the registered custodian / nominee holding – the Company intends to process the amount of New Shares as Entitlement Offer acceptance and also the amount of Additional Securities as additional acceptance under the Top-Up Offer (per schedule supplied by the Custodian).

Eligible Retail Shareholders who are nominees, trustees or custodians must comply with the restrictions discussed above. The Retail Entitlement Offer is being made to all Eligible Retail Shareholders. The Company is not required to determine whether or not any Eligible Retail Shareholder is acting as a nominee or the identity or residence of any beneficial owners of Shares.

2.18 Rights and liability attaching to New Shares / New Options / Bonus Options

The New Shares issued under the Offers will be on a fully paid basis and will rank equally in all respects with existing Shares. Full details of the rights and liabilities attaching to Shares are set out in the Company's constitution, a copy of which is available for inspection at the Company's registered office during normal business hours. You may also contact the Company's Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) to request a copy of the Company's constitution.

A summary of the important rights attaching to the New Shares is contained in Section 5.1 of this Prospectus. The Company will be making application for quotation of the New Shares.

The terms and conditions of the New Options and the Bonus Options are described in Annexure A to this Prospectus and are otherwise subject to the ASX Listing Rules. The Company will not be making an application for quotation of the New Options or the Bonus Options.

2.19 **Brokerage and Stamp Duty Costs**

No brokerage or stamp duty is payable by Eligible Retail Shareholders on the issue of New Shares or New Options / Bonus Options under this Prospectus.

2.20 **Risks**

There are a number of risks associated with an investment in New Shares and New Options / Bonus Options in the Company.

A brief overview of some of the key risks is outlined in Section 6. In particular, as the Issue Price is at a material discount to the recent market price for the Company's shares, there may be a material number of New Shares issued under the Offers. Failing to take up an Entitlement in full means that that Eligible Shareholder could therefore be diluted (and significantly, depending upon their holding size) as a result of the issue of the New Shares and New Options / Bonus Options.

An investment in the Company carries certain risks that may impact on the future profitability of the Company and the value of the Company's securities. The Offer Securities should be considered speculative. The Directors recommend that potential investors carefully consider this Prospectus and consult their professional advisors before deciding whether to apply for Offer Securities pursuant to this Prospectus.

Some of the key risk factors affecting an investment in the Company are discussed in Section 6 of this Prospectus.

3. EFFECT OF THE ENTITLEMENT OFFER

3.1 Effect of the Offer on the capital structure of the Company

The total number of Offer Securities that may be issued under the Entitlement Offers (the exact number depends on the level of acceptances), if the Maximum Subscription Amount under the Retail Entitlement Offer and the Institutional Entitlement Offer is achieved, will be up to approximately 898,479,081 New Shares, 898,479,081 New Options and 898,479,081 Bonus Options (if all New Options are exercised before 5.00pm (AEDT) on 15 November 2025).

The tables below set out, for illustrative purposes only, the existing Share capital structure together with the impact of the issue of the New Shares, New Options and Bonus Options under the Offers. It assumes that no existing options or convertible notes are exercised prior to the Record Date.

	Number of Options	Number of Shares
Existing Shares as at date of this Prospectus	-	898,479,081
Existing options as at date of this Prospectus	499,252,457	-
Balance of existing convertible notes* (assuming all existing issued convertible notes are exercised and the Company issues Shares and options to the noteholders in accordance with the terms of the convertible notes)	191,865,000	383,730,000
Maximum number of New Shares that may be issued under the Entitlement Offers (subject to rounding) assuming the Maximum Subscription Amount is raised	-	800,000,000
Maximum number of New Options that may be issued under the Entitlement Offers (subject to rounding) assuming the Maximum Subscription Amount is raised	800,000,000	-
Maximum number of Bonus Options that may be issued under the Entitlement Offers (subject to rounding)	800,000,000	-
Total Shares and Options on issue following completion of the Entitlement Offers (approximate subject to rounding) assuming maximum raising under this Prospectus and including Shares which may be issued under any Shortfall, but excluding any future issues under the convertible notes, the New Options or the Bonus Options	1,491,117,457	2,082,209,081

Note*: The number of existing convertible notes does not include (1) the 900,000 convertible notes subject to ADR shareholder approval or (2) any Shares which may be issued to the convertible note holders in satisfaction of any interest accrued on the existing convertible notes.

	Other convertible securities on issue
Existing stock appreciation rights as at date of this Prospectus (with various vesting and exercise conditions), comprising:	
<ul style="list-style-type: none"> stock appreciation rights which are vested and exercisable to Shares (one to one basis) on or before 20 September 2031 	4,611,204 stock appreciation rights
<ul style="list-style-type: none"> stock appreciation rights, which are vested and exercisable to Shares on or before 17 April 2029 on the basis of (i) 20-day volume weighted average price (VWAP) of Shares prior to exercise minus a base price of \$0.063 (ii) divided by the VWAP price (iii) multiplied by the number of stock appreciation rights being exercised 	1,968,780 stock appreciation rights
<ul style="list-style-type: none"> other stock appreciation rights 	20,899,552 stock appreciation rights
Existing convertible notes on issue as at the date of this Prospectus*	1,918,650 notes

Note*: This does not include the proposed 900,000 convertible notes subject to ADR shareholder approval as announced on the ASX on 19 May 2025.

The effect of the Offers, if the Maximum Subscription Amount to be accepted is achieved (including under both the Retail Entitlement Offer and the Institutional Entitlement Offer), will be to increase the number of Shares on issue in the Company and increase the cash held by the Company (before taking into account the expenses of the Offer) by up to approximately \$4 million.

To the extent any New Options (and/or Bonus Options) are exercised, the Company will receive \$0.005 in relation to the exercise of that relevant New Options (and/or Bonus Options).

Cash expenses of the Entitlement Offers are expected to be approximately \$377,243.

3.2 Potential effect on control of the Company

Eligible Retail Shareholders who take up their Entitlements in full should not have their interest in the Company diluted by the Offers.

The potential effect the Offers (including those New Shares which may be issued to take up a Shortfall) will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand, such as:

- If all Eligible Retail Shareholders take up their Entitlements under the Entitlement Offers, then the Offers will have no significant effect on the control of the Company.
- If some Eligible Retail Shareholders do not take up all of their Entitlements under the Entitlement Offers, then the interests of those Eligible Retail Shareholders will be diluted.
- The proportional interests of Ineligible Foreign Shareholders will be diluted because those Ineligible Foreign Shareholders are not entitled to participate in the Entitlement Offers.
- Shareholders that apply for Additional Securities under the Top-Up Offer may increase their percentage interests beyond their Entitlement. This would result in the dilution of holdings of the Ineligible Foreign Shareholders and those Shareholders who did not accept their Entitlements in full.
- There is no Shareholder who would on the completion of the Offers have an interest which would exceed 19.9% (unless in compliance with the provisions of the Corporations Act).

- f) If any Eligible Retail Shareholders do not take up all of their Entitlements under the Entitlement Offers, the Company has reserved the right to issue the Shortfall to eligible investors within 3 months after the close of the Entitlement Offer. This placement of the Shortfall could result in new investors having interests in the Company. If there is a Shortfall, the Board may decide to issue Additional Securities or Shares under the Shortfall to other investors, depending on the size of any Shortfall, which may potentially result in a new investor having a substantial interest in the Company.

3.3 Pro Forma Balance Sheet

The following pro-forma unaudited consolidated balance sheet illustrates the effect of the Entitlement Offer on the Company. It has been prepared based on the reviewed statement of financial position as at 31 December 2024, adjusted to include the maximum cash proceeds that could be received from the Entitlement Offers. It is not intended to represent the actual financial position of the Company upon completion of the Offers, but rather it is provided as an illustration of the likely effect of the Offers. The actual impact on the Company is dependent on a range of factors, many of which are outside the control of the Company and unknown at this stage.

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

	31 Dec 2024	Impact of equity raise	Pro forma
	A\$	(net costs)	A\$
		A\$	
Cash and cash equivalents	387,209	4,000,000	4,387,209
Other current assets	4,369,318	-	4,369,318
Total current assets	4,756,527	-	8,756,527
Total non-current assets	116,080	-	116,080
Total assets	4,872,607	-	8,872,607
Total current liabilities	3,376,511	-	3,376,511
Total non-current liabilities	82,132	-	82,132
Total liabilities	3,458,643	-	3,458,643
Total equity	1,413,964	4,000,000	5,413,964

The pro forma balance sheet has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The pro forma statement of financial position is based on the reviewed financial position as at 31 December 2024 and is adjusted to reflect the following assumptions:

- (a) the Maximum Subscription Amount of \$4 million (before costs) is raised; and
- (b) the estimated expenses of the Entitlement Offers are recognised in net issued capital.

Other than in the ordinary course of business or as described above, there have been no other material changes to the Company's financial position between 31 December 2024 and the date of this Prospectus.

3.4 Market Price of Shares

The highest and lowest closing market prices of the Shares on ASX during the 3 months of trading up to and including 20 June 2025 and the respective dates of those sales, are:

Highest:	\$0.012 on 28 March 2025
Lowest:	\$0.006 on 17 June 2025

The volume weighted average sale price on ASX of the Shares during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC (**VWAP**) is \$0.0079 (with the Issue Price being a 37% discount to this VWAP price).

The Issue Price represents a discount of:

- 29% to the Company's closing price on 20 June 2025 of \$0.007;
- 27% to the Company's 10 day VWAP of \$0.0068; and
- 33% to the Company's 30 day VWAP of \$0.0074.

Shareholders will note that the Issue Price is a significant discount to the above Share prices. Notwithstanding that the Issue Price is at a discount, it may therefore result in a material dilution to those Eligible Retail Shareholders who do not apply for the New Shares (and accompanying New Options).

3.5 Impact of change in ASX Market price

The market price of the Company's Shares on the ASX may change between the date of this Prospectus and the date of issue of Shares under the Retail Entitlement Offer.

If there is a decrease in that market price, this will result in a corresponding proportionate decrease in the market value of Shares issued to the Applicant. If there is an increase in that market price, this will result in a corresponding proportionate increase in the market value of Shares issued to the Applicant.

However, any increase or decrease in market value will not alter the issue price per New Share, nor the number of New Shares to be issued, under the Retail Entitlement Offer.

4. ACTION REQUIRED BY ELIGIBLE RETAIL SHAREHOLDERS

4.1 Eligible Institutional Shareholders

The number of New Shares (and accompanying New Options / Bonus Options) to which Eligible Institutional Shareholders are entitled (your **Entitlement**) is shown on your Entitlement and Acceptance Form (which can also be accessed online at www.computersharecas.com.au/adroffer).

If you do not take up your Entitlement, then your percentage holding in the Company will be diluted (refer to Section 3.2 above). As an Eligible Institutional Shareholder you may:

- take up all or part of your Entitlement;
- take up all of your Entitlement and apply for Additional Securities under the Top-Up Offer;
or
- do nothing, in which case all of your Entitlements will lapse.

Eligible Institutional Shareholders who take no action in respect of their Entitlement may receive no benefit and their Entitlement will lapse.

4.2 Eligible Retail Shareholders

The number of New Shares to which Eligible Retail Shareholders are entitled (your **Entitlement**) is shown on your Entitlement and Acceptance Form (which can also be accessed online at www.computersharecas.com.au/adroffer).

If you do not take up your Entitlement, then your percentage holding in the Company will be diluted (refer to Section 3.2 above). As an Eligible Retail Shareholder you may:

- take up all or part of your Entitlement;
- take up all of your Entitlement and apply for Additional Securities under the Top-Up Offer;
or
- do nothing, in which case all of your Entitlements will lapse.

Eligible Retail Shareholders who take no action in respect of their Entitlement may receive no benefit and their Entitlement will lapse.

The Company is not required to determine whether or not any registered shareholder is acting as a nominee or the identity or residence of any beneficial owners of securities. Eligible Retail Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how they should proceed.

4.3 Taking up all or part of your Entitlement

You may only take up all or part of your Entitlement by

- i. Making payment by Bpay® (*Australian residents only*) corresponding to the component (part or all) of your Entitlement (plus any Additional Securities, if you have also accepted your Entitlement in full) you wish to accept in accordance with the instructions on your Entitlement & Acceptance Form; or
- ii. making payment by Electronic Funds Transfer (**EFT**) (*New Zealand residents only*), corresponding to the component (part or all) of your Entitlement (plus any Additional Securities, if you have also accepted your Entitlement in full) you wish to accept in accordance with the instructions on your Entitlement & Acceptance Form, or

- iii. by accessing the online Entitlement and Acceptance Form and making a payment (see further details below),

by no later than 5:00pm (AEST) on the Closing Date. The Issue Price for each New Share accepted under your Entitlement is payable on Application.

You cannot accept the Retail Entitlement Offer by any means other than by making payment in accordance with applicable payment method described in paragraphs a), b) or c) below.

a) If paying via Bpay® (**Australian Residents only**):

- (i) Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through Bpay® or EFT by the date and time mentioned above;
- (ii) you must follow the instructions for Bpay® set out in the Entitlement & Acceptance Form;
- (iii) you do not need to return the Entitlement & Acceptance Form but are taken to make each of the statements and representations in the Entitlement & Acceptance Form and as referred to in this Prospectus; and
- (iv) if you subscribe for less than your Entitlement or do not pay for your full Entitlement, you are taken to have accepted part of your Entitlement in respect of such whole number of New Shares and New Options which is covered in full by your Application Monies.

b) If paying via EFT (**New Zealand residents only**):

- (i) payment for an amount equal to the Issue Price multiplied by the number of Shares that you are applying for;
- (ii) in Australian currency (AUD) paid to the bank account specified on the Entitlement & Acceptance Form or Offer Website. Payment cannot be made in New Zealand dollars; and
- (iii) your payment maybe subject to fees and charges that your bank or any intermediary banks may deduct for performing the funds transfer. Advise your bank to 'elect remitter' to bear all charges so that the correct amount received by us, the beneficiary, is the same as the application amount you wish to apply for and your application monies in Australian dollars (AUD).

Note: For New Zealand residents only - all references in this Prospectus to making payment via Bpay® are to be read as including making payment via EFT, as described in (a) above.

c) If accessing the **online** Application Form:

- (i) An electronic copy of your personalised Entitlement and Acceptance Form is accessible (using your Securityholder Reference Number (**SRN**) or Holder Identification Number (**HIN**) from your latest Holding Statement, and postcode) at the same link to access this Prospectus, located at www.computersharecas.com.au/adroffer.
- (ii) Your Application under the Retail Entitlement Offer must be made by making payment in accordance with the payment instructions on your Entitlement and Acceptance Form. Your acceptance of the Retail Entitlement Offer should be made using this electronic service.
- (iii) To access your personalised Entitlement and Acceptance Form online visit the Offer Website (located at www.computersharecas.com.au/adroffer).

- (iv) If you are unable to access the Offer Website you can obtain a hard copy of your Entitlement and Acceptance Form by contacting the Company's Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).
- (v) you do not need to return the Entitlement & Acceptance Form but by making payment for your Application you are taken to make each of the statements and representations on that form referred to in this Prospectus.

4.4 Applying for Additional Securities

As referred to above, Eligible Retail Shareholders may, in addition to taking up their Entitlements in full, apply for Additional Securities in excess of their Entitlements under the Top-Up Offer.

If you wish to subscribe for Additional Securities in addition to your Entitlement, then you must make the combined payment for your full Entitlement and the Additional Securities you are applying for (at the Issue Price of \$0.005 for each New Share).

If your payment exceeds the amount payable for your full Entitlement, you are taken to have accepted your Entitlement in full and to have applied for such number of Additional Securities which is covered in full by your 'excess' of Application Monies paid by Bpay® or EFT (as applicable).

Where the aggregate of New Shares applied for under the Top-Up Offer exceeds the New Shares available from Shareholders who have not taken up, or are ineligible to take up, their Entitlement in full, Eligible Retail Shareholders who apply for Additional Securities may be allocated a lesser number of Additional Securities than applied for, or may be allocated no Additional Securities at all, in which case excess Application Monies will be refunded without interest.

4.5 Entitlements not taken up

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of Shares you currently hold and your rights attaching to those Shares (such as the number of votes) will not be affected should you choose not to accept any part of your Entitlement. If you do not participate in the Entitlement Offers your percentage holding in the Company will be reduced.

4.6 Payment of Application Monies is binding

Payment of Application Monies pursuant to this Prospectus constitutes a binding offer to acquire New Shares and associated New Options on the terms and conditions set out in this Prospectus and, once paid, cannot be withdrawn. The Directors' decision whether to treat an acceptance of any Retail Entitlement Offer as valid is final.

4.7 Representations you will be taken to have made by accepting the Retail Entitlement Offer

By making a payment pursuant to this Prospectus, you will be deemed to have:

- a) fully read and understood this Prospectus and the Entitlement & Acceptance Form in their entirety;
- b) agreed to be bound by the terms of the Retail Entitlement Offer, the provisions of this Prospectus and the Company's Constitution;
- c) declared that you are over 18 years of age and have the legal capacity and power to perform all your rights and obligations under the Retail Entitlement Offer and your Entitlement & Acceptance Form;
- d) authorised the Company to register you as the holder of the New Shares and New Options;
- e) acknowledged that once the Company receives any payment of your Application Monies pursuant to this Prospectus, you may not withdraw your application or funds provided except as allowed by law;
- f) confirmed that you are an Eligible Retail Shareholder as at the Record Date;

- g) confirmed that you were the registered holder at the Record Date of the Shares indicated in the Entitlement & Acceptance Form as being held by you on the Record Date;
- h) agreed to apply for and be issued up to the number of New Shares and New Options for which you have submitted payment of any Application Monies pursuant to this Prospectus, at the Issue Price per New Share;
- i) authorised the Company, the Share Registry and their respective officers, employees or agents to carry out on your behalf all necessary actions for the New Shares and New Options to be issued to you;
- j) understood and acknowledged that the information contained in this Prospectus and your Entitlement & Acceptance Form is not investment advice nor a recommendation that the New Shares or New Options are suitable for you given your investment objectives, financial situation or circumstances;
- k) acknowledged that investment in the Company is subject to the risk factors outlined in Section 6 of this Prospectus;
- l) acknowledged that the Company or its related bodies corporate, affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers do not guarantee the performance of the Company or the Share price, nor do they guarantee the repayment of capital;
- m) authorised the Company to correct any errors in your Entitlement & Acceptance Form or any other document provided to you;
- n) agreed to provide any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and your holding of Shares on the Record Date; and
- o) represented and warranted that:
 - i. you are not in the United States and are not acting for the account or benefit of a person in the United States;
 - ii. the New Shares or New Options have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and accordingly, the New Shares, New Options and the Shares underlying the New Options 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 the US Securities Act and any other applicable securities laws; and
 - iii. you have not sent, and will not send, any materials relating to the Retail Entitlement Offer to any person in the United States.

4.8 **Shortfall Offer**

Investors may only apply for New Shares (and associated New Options) under the Shortfall by completing a Shortfall Application Form (also attached to this Prospectus) and only upon invitation by the Company. All New Shares issued under the Shortfall Offer will be issued at the same Issue Price of \$0.005 per New Share (See Section 2.11 for further details).

4.9 **Privacy Act**

If you make an Application for New Shares (including making payment pursuant to this Prospectus), you will be providing personal information to the Company (directly or by the Company's Share Registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder or investor, facilitate distribution payments and corporate communications to you as a Shareholder or investor and carry out administration.

The information may also be used from time to time and disclosed for purposes related to Shareholders' investments to the Company's agents and service providers, such as:

- a) to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry;
- b) the Share Registry for ongoing administration of the shareholder register;
- c) printers and other companies for the purpose of preparation and distribution of statements and for handling mail; and
- d) legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering and advising on the New Shares, New Options and or Bonus Options and for associated actions.

The Company complies with its legal obligations under the *Privacy Act 1988* (Cth).

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

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

4.10 **Brokerage Commission**

No brokerage is payable by Shareholders who accept an Entitlement Offer. No stamp duty is payable for subscribing under an Entitlement Offer.

4.11 **Queries concerning your Entitlement**

If you have any queries concerning the Offers (including your Entitlement) please contact the Company's Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

5. RIGHTS AND LIABILITIES ATTACHING TO THE NEW SHARES AND NEW OPTIONS

5.1 Rights attaching to the New Shares

The Company is incorporated in Australia and is subject to the Corporations Act. As a company listed on ASX, the Company is also regulated by the Listing Rules.

The rights attaching to ownership of Shares (including New Shares) are described in the Constitution and are regulated by the Corporations Act, Listing Rules and the general law.

The New Shares will rank equally in all respects with, and have the same rights as, existing Shares. Full details of the rights attaching to Shares are set out in the Company's Constitution, a copy of which can be inspected, free of charge, at the Company's registered office during normal business hours. In applying for New Shares, the Applicant agrees that the New Shares and the New Shares to issue upon the exercise of New Options and/or Bonus Options are bound by the terms of the Constitution.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

General Meetings and Notice

Each Shareholder is entitled to receive notice of all general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or the Listing Rules. Shareholders are entitled to be present in person (including by specified permitted electronic means), or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act.

Voting Rights

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

- » each Shareholder entitled to vote may vote in person or by proxy, attorney or representative or if a determination has been made by the Board in accordance with the Constitution, by direct vote;
- » on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder entitled to vote has one vote (even though he or she may represent more than one member);
- » on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder entitled to (or where a direct vote has been lodged) shall, in respect of each fully paid Share held by them, or in respect of which they are appointed a proxy, attorney or representative, have one vote for every fully paid Share, but in respect of partly paid Shares shall have such number of votes being equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable in respect of those Shares (excluding amounts credited), and
- » different voting procedures may apply at a virtual meeting of Shareholders.

Dividend Rights

There is no guarantee of any dividends or distributions by the Company. Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time decide to pay a dividend to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect

of such Shares. The Directors may rescind a decision to pay a dividend if they decide, before the payment date, that the Company's financial position no longer justifies the payment.

Winding Up

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

Transfer of Shares

Shares in the Company are freely transferable, subject to formal requirements, and so long as the registration of the transfer does not result in a contravention of or failure to observe the provisions of a law of Australia and the transfer is not in breach of the Corporations Act or the Listing Rules.

Variation of Rights

The Company may, subject to the Corporations Act and with the sanction of a special resolution passed at a meeting of Shareholders, or with the written consent of the majority of Shareholders in the affected class, vary or abrogate the rights attaching to Shares.

5.2 Terms and Conditions of the New Options / Bonus Options

For each New Share issued under the Entitlement Offer, the Company will also issue one New Option plus where a New Option is exercised (with payment of the exercise price) on or before 5pm AEDT on 15 November 2025 the Company will also issue one Bonus Option.

The terms and conditions of the New Options and the Bonus Options are the same other than expiry dates are described in Annexure A to this Prospectus –

- the expiry date for the New Options is 31 July 2026;
- the expiry date for the Bonus Options is 15 November 2026.

The New Options and the Bonus Options are not quoted and there is no intention to seek quotation of the New Options or the Bonus Options on any stock exchange.

5.3 Underwriting Agreement

Under the Underwriting Agreement, the Company has agreed to pay to the Underwriter an aggregate Offer and Placement management and underwriting fee of 6% (plus GST) of the Offer proceeds in consideration of the Underwriter performing its obligations under the Underwriting Agreement.

(a) Underwriting Agreement

Pursuant to the Underwriting Agreement the Underwriter has agreed to fully underwrite the Entitlement Offers, subject to the terms of the Underwriting Agreement.

The Underwriting Agreement contains customary representations, warranties and undertakings in favour of the Underwriter. The Company has also agreed to indemnify the Underwriter, its related bodies corporate and each of their respective directors, officers, employees, contractors, advisers and representatives against losses incurred in connection with the Offer, the Offer Document other than where the losses are finally determined by a court of competent jurisdiction to have resulted from the fraud, recklessness, wilful misconduct or gross negligence of the indemnified person or in certain other circumstances.

The Underwriter may by notice to the Company and without costs to the Underwriter terminate its obligations to underwrite the Offer under the Underwriting Agreement with the Company in circumstances typically found in agreements of this nature (in certain of these circumstances

including having regard to the materiality of certain events) if the circumstances arise in relation to the Offers, as described below.

The Underwriter may immediately terminate the Underwriting Agreement on the occurrence of various termination events, the material of which include the following:

- (a) the Underwriter forms the view (acting reasonably) that a statement contained in the Offer Document is or becomes misleading or deceptive or likely to mislead or deceive (including by omission) in either case, in any material respect, or a matter required by the Corporations Act is omitted from the Offer Document or the issue of the Offer Documents becomes misleading or deceptive or likely to mislead or deceive in a material respect;
- (b) the Company ceases to be admitted to the official list of ASX or the Shares are suspended from trading on the ASX other than in connection with the Offer
- (c) the ASX makes any official statement to any person that official quotation on ASX of the Shares will not be granted;
- (d) ASIC takes certain action under sections 1324B or 1325 or Part 9.5 of the Corporations Act or gives notice of an intention to prosecute the Company or any of its directors or ASIC commences any investigation or hearing under Part 3 of the Australian Securities and Investments Commission Act 2001;
- (e) certain Certificates required to be provided by the Company under the underwriting agreement are not furnished in accordance with the Underwriting Agreement;
- (f) any material or adverse change occurs in the assets, liabilities, the equity of the Company or any of its subsidiaries (collectively, Company Group and each a Company Group Member), financial position or performance, profits, losses or prospects of the Company or any Group member, from the position previously disclosed;
- (g) there is a material change in the major or controlling shareholdings of the Company or any its subsidiaries or a takeover offer (which has become unconditional) or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced;
- (h) any member of the Group is Insolvent;
- (i) the Company is prevented from issuing the Offer Shares within the time required by the ASX Listing Rules, applicable laws, an order of a court of competent jurisdiction or a Governmental Agency;
- (j) a director of the Company is charged with an indictable offence, engages in any fraudulent conduct, in connection with the Offer or disqualified from managing a corporation under Part 2D.6 of the Corporations Act;
- (k) the Company withdraws all or any part of the Offer;
- (l) a Group Member breaches, or defaults under any provision, undertaking covenant or ratio of a material debt or financing arrangement to which that entity is a party which has or is likely to have a material adverse effect on the Group;
- (m) unconditional approval (or conditional approval, provided such condition would not have a material adverse effect on the success or settlement of the Offer) by ASX for official quotation of the Placement Shares or the Entitlement Offer Shares is refused, is not granted or is withdrawn by certain dates, or ASX makes an official statement to any person or indicates to the Company or the Underwriter that official quotation on ASX will not be granted;
- (n) the S&P/ASX 300 index falls for 2 successive days by 5% or more below the level of the S&P ASX 300 index on the Business Day before signing the Underwriting Agreement;
- (o) any event set out in the Timetable is delayed for more than 1 Business Days without the prior written consent of the Underwriter; and

- (p) any express of belief, expectation or intention, or statement relating to future matters in this Offer Document (or other public information of the Company) is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe.
- (q) a change in the board of directors of the Company is announced (without the prior consent of the Underwriter);
- (r) any information supplied by or on behalf of the Company to the Underwriter is or becomes misleading or deceptive, including by way of omission or is withdrawn or varied;
- (s) litigation, arbitration, administrative or industrial proceedings of any nature are after the date of this agreement commenced against any Group Member or against any director of the Company (in such capacity)
- (t) a contravention by a Group Member of any provision of its constitution, the Corporations Act, the Listing Rules or any other material applicable legislation or any policy or requirement of ASIC or ASX;
- (u) the Company changes its issued capital or capital structure or disposes, attempts or agrees to dispose of a substantial part of the business or property of the Company without the prior written consent of the Underwriter;
- (v) the Company, any Offer Document or any aspect of the Offer, does not or fails to comply with the Constitution, the Corporations Act, the ASX Listing Rules, any ASX Waivers, any other applicable law or regulation;
- (w) there is a force majeure event or occurrence after the date of this agreement, including an official directive or request of any Government Agency which makes it illegal for the Underwriter to satisfy any obligation under this agreement, or to market, promote or settle the Offer, ;
- (x) a representation or warranty made or given by the Company under the underwriting agreement is breached or is untrue or incorrect or misleading or deceptive;
- (y) there is introduced, or there is a public announcement of a proposal to introduce, a new law, or the Reserve Bank of Australia, or any Commonwealth or State, adopts or announces a proposal to adopt a new policy (including policy of the ASX), any of which prohibits or restricts the Offer, capital issues or stock markets or materially adversely affects the Group;
- (z) a default by the Company in the performance of any of its obligations under the underwriting agreement occurs;
- (aa) the occurrence of either:
 - (1) trading in all securities quoted or listed on ASX, the London Stock Exchange, the Hong Kong Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange or the New York Stock Exchange is suspended or limited for more than 1 trading day;
 - (1) a general moratorium on commercial banking activities in Australia, the United States of America, Canada, the United Kingdom, Hong Kong, Singapore or the People's Republic of China is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries;
- (bb) Major hostilities not existing at the date of this agreement commence (whether war has been declared or not) or an escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Russia, Ukraine, Australia, New Zealand, the United States, the United Kingdom, China, Hong Kong, France, Germany, Italy, Spain, Ireland, Slovenia, Norway, Switzerland, Finland, Sweden, Denmark, Netherlands, Luxembourg, Belgium, Slovakia, Austria, Croatia, Portugal, Iceland and Czechia or a national emergency is declared by any of those countries, or a major terrorist act is perpetrated anywhere in the world;

- (cc) the occurrence of any adverse change or disruption to financial, political or economic conditions, or controls or financial markets in Australia, New Zealand, Hong Kong, Singapore, Canada, the United States of America, the United Kingdom, China, or any change or development involving a prospective adverse change in any of those conditions or markets;
- (dd) the due diligence committee report or any other information supplied in writing by or on behalf of the Company to the Underwriter in relation to the Group or the Offer is false or is misleading or deceptive; or
- (ee) any regulatory body commences any enquiry or public action against a Group member or any person is appointed under any legislation in respect of the Company to investigate the affairs of a Group Member.

In addition, the Underwriter (in its absolute and unfettered discretion) may terminate the Underwriting Agreement at any time so that it is relieved of all its obligations under the Underwriting Agreement (including its associated underwriting obligations) if certain conditions precedent are not satisfied by the time specified in the Timetable. These include:

- (a) ASX not having indicated to the Company or the Underwriter that it will not grant permission for the official quotation of the Entitlement Offer Shares on or before the issue date of the New Shares;
- (b) the results of the Entitlement Offer being announced to ASX in a form and substance satisfactory to the Underwriter (acting reasonably); and
- (c) the Underwriter receiving an Entitlement Offer Shortfall Notice; compliance certificates and the new circumstances certificates.

The Underwriter was not involved in the preparation of any part of this Offer Document and did not authorise or cause the issue of this Offer Document. The Underwriter make no express or implied representation or warranty in relation to the Company, this Offer Document or the Offer and does not make any statement in this Offer Document, nor is any statement in it based on any statement made by the Underwriter. To the maximum extent permitted by law, the Underwriter expressly disclaims and takes no responsibility for any material in, or omission from, this Offer Document other than the reference to its name.

5.4 Sub-Underwriting

Trudell Medical Limited (**Trudell**) and Phillip Asset Management Ltd (**PAM**) have agreed (with the Underwriter) to sub-underwrite the Offer as to a total of \$1,000,000 (being \$500,000 each respectively). There will be no fees payable to Trudell and PAM with respect of the sub-underwriting. The sub-underwriting arrangements may be terminated for various standard termination events, including where the Underwriting Agreement is terminated or Trudell or PAM are in breach of their obligations under their respective sub-underwriting arrangements.

6. RISKS

Shareholders should consider the investment in the context of their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Shareholder should consult their own stockbroker, solicitor, accountant or other professional adviser before deciding whether or not to invest in the Offer Securities. This is not an exhaustive list of the relevant risks and the risks set out below are not in order of importance. Many of the risks below are outside the control of the Company and its directors. These risks and other risks not specifically referred to below, may in the future materially adversely affect the value of the Company's Shares and their performance.

An investment in Offer Securities should be regarded as very speculative and involves many risks. The New Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

If any of the following risks actually occurs, our business, prospects, financial condition and results of operations could be materially and adversely affected, the trading price of the Shares could decline and you could lose all or part of your investment.

This section identifies some of the major risks associated with an investment in the Company. There may be other risks which the Directors and/or management of the Company are unaware which may impact upon the Company, its operations and/or the value and performance of the New Shares and the Company generally. Intending Applicants should, before any decision is made to subscribe for shares, read the Company's prior continuous disclosure announcements to the ASX market in order to fully appreciate the risks particular to an investment in a medical technology company such as Adherium Limited and in particular the risks faced by the Company in the continued development and proposed commercialisation of its Hailie® respiratory medication monitoring technology.

6.1 Speculative nature of investment:

Any potential investor should be aware that subscribing for New Shares (including on the exercise of any New Options and / or Bonus Options) involves various risks. The New Shares to be issued carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those shares. An investment in the Company should therefore be considered very speculative.

6.2 Business risks associated with the Company

a) Business risks

Eligible Retail Shareholders should consider the various risks and difficulties frequently encountered by companies early in their commercialisation, particularly companies that develop and sell medical devices. These risks include the Company's ability to: (a) implement and execute its business strategy; (b) expand its sales team and marketing programs; (c) increase awareness of its brand and products, and build adoption by healthcare participants; (d) manage expanding operations; and (e) respond effectively to competitive pressures and developments. As announced to the market on 24 June 2025, the Company has ~1,500 patients on its platform and anticipates onboarding 6,500 patients by December 2025. There is no guarantee that the Company will onboard this number of patients by December 2025.

b) Regulatory risks

The Company's services and products are subject to various laws and regulations including but not limited to product and quality compliance. Although the Company has obtained US FDA and other clearances for a number of its products, there is no guarantee that compliance for future products will be achieved to support the Company's commercialisation plans. Regular reviews by regulatory bodies are also a feature of the medical device industry the Company operates in, and if non-compliance is identified the Company may be subject to warning letters, penalties, restriction or suspension of activities or product recall. Changes in laws and regulations (including interpretation and enforcement) could also adversely affect the Company's ability to market, distribute and sell its products and services. It is not possible to predict the likelihood, nature or extent of changes in government regulation that may arise.

c) Failure to retain existing customers and attract new customers

The Company's success depends on its ability to continue to retain its current customer base, grow the service requirements of those existing customers and attract new customers. This depends to a large extent on adoption of the Company's product offering by patients, physicians, disease management organisations, hospitals and payers. Failure to retain existing customers or attract new customers would materially impact the Company's ability to generate revenue which will have an adverse effect on the Company's operating and financial performance.

d) Reliance on key personnel

The Company employs, or engages as consultants, a small management and development team. The loss of key personnel could cause a material disruption and adversely affect the Company including the achievement of its product and software development and commercialisation.

e) Developing technology and competitive risk

The medical device industry is highly competitive and subject to rapid technology change. The industry includes companies with significantly greater financial, technical, human, research and development, and marketing resources than the Company. Competitors may commercialise products that compete directly or indirectly with the Company's products. If competitors develop products or technologies that are more effective, the Company's current or future products may become obsolete or uncompetitive.

f) Sufficiency of funding

The Company is currently not profitable and does not expect to become profitable until after achieving successful commercialisation of its products to allow sufficient sales revenue to fund on-going company operations. The Company may need to finance its future cash needs through equity offerings, debt financing or corporate collaboration. There is no assurance that additional funding would be available in the future or would be secured on acceptable terms.

g) Product liability risk

As with all medical device products, despite regulatory approvals, there is no assurance that unforeseen adverse events or manufacturing defects will not arise. The Company may be exposed to the risk of product liability claims, which are inherent in the design, manufacturing, marketing, and use of medical devices. While the Company holds a level of product liability insurance, that insurance may not sufficiently cover the claims of a product liability suit. Product liability claims may damage the Company's reputation and may destroy or substantially diminish the Company's business. Defending a suit, regardless of its merits, could be costly and could divert management attention from core business activities.

h) Disruption of business operations

The Company and its customers are exposed to a large range of operational risks relating to both current and future operations. Such operational risks include occupational health & safety and natural disasters. A disruption in the Company's operations or those of its customers may have an adverse impact on the Company's growth prospects, operating results and financial performance.

i) Cyber security and data protection issues

The Company collects a wide range of confidential information. Cyber-attacks may compromise or breach the technology the Company uses to protect confidential information.

Despite its efforts, there is a risk that the Company's security measures may not be sufficient to detect or prevent unauthorised access to, or disclosure of, confidential information held by the Company. Data security breaches could result in the loss of information integrity or breaches of the Company's obligations under applicable laws and agreements. This could lead to increased security costs and a slower take up of the Company's products and services by customers, and may adversely impact the Company's reputation, value and financial performance.

j) Value of the New Options and/or Bonus Options

The New Options (and where applicable, the Bonus Options) that are being issued as part of the Offers are issued for no additional consideration but require the exercise price for each Option to be paid at the time of exercise. If the prevailing trading price of the Company's shares during the Option's exercise period is lower than the exercise price for the New Options (and where applicable, the Bonus Options), then it is likely that the New Options (and where applicable, the Bonus Options) will not be exercised. In this case, for investors, the unexercised New Options (and where applicable, the Bonus Options) will not have a value and will lapse on the respective expiry dates of the New Options (and where applicable, the Bonus Options). If the New Options (and where applicable, the Bonus Options) are not exercised, or only some are exercised, then the Company may not receive the proceeds that would otherwise be generated if option holders pay the option exercise price. This possibility may reduce the amount of capital that the Company would receive if all of the New Options (and where applicable, the Bonus Options) are exercised on or before the respective Option expiry dates.

k) General risks

There are risks associated with any share market investment. These include market fluctuation, liquidity, general economic conditions, and taxation amongst others. Other risks include those normally found in conducting business, including litigation resulting from breach of agreements or in relation to employees or any other cause. These could adversely affect the Company's operations or the value of its shares.

6.3 Concluding Comment

The above list of risk factors ought not to be taken as an exhaustive one 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 New Shares, New Options and Bonus Options offered under this Prospectus.

Investment in the Company must be regarded as highly speculative and neither the Company nor any of its Directors or any other party associated with the preparation of this Prospectus guarantee that any specific objectives of the Company will be achieved or that any particular performance of the Company or of the New Shares, New Options and Bonus Options, including those offered by this Prospectus, will be achieved.

7. ADDITIONAL INFORMATION

7.1 Nature of the Prospectus

This Prospectus is a transaction specific prospectus issued under section 713 of the Corporations Act which allows the issue of a transaction specific prospectus in relation to offers of securities (or options to acquire such securities) where those securities are of a class which have been quoted for 3 months before the date of that prospectus.

7.2 Indemnification of Directors

To the extent permitted by law, the Company indemnifies every person who is or has been a Director or officer of the Company against reasonable legal costs incurred in defending an action for a liability incurred or allegedly incurred by the person as an officer of the Company.

7.3 Taxation

The acquisition of Offer Securities and disposal of Offer Securities by investors or Shareholders will have tax consequences, which will differ depending on the individual financial affairs of each Shareholder or investor. All potential investors in the Company are urged to take independent financial advice about the consequences of acquiring Offer Securities from a taxation viewpoint and generally.

The Directors consider that it is not appropriate to give advice regarding the taxation consequences associated with a purchase or subsequent disposal of any Offer Securities subscribed for under this Prospectus as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Directors recommend that all Eligible Retail Shareholders consult their own professional tax advisers.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability or responsibility with respect to the taxation consequences of subscribing for New Shares under this Prospectus.

7.4 Continuous Disclosure and Documents Available for Inspection

This Prospectus is issued pursuant to section 713 of the Corporations Act.

Section 713 of the Corporations Act enables companies to issue transaction specific prospectuses where those companies are, and have been for a period of 12 months, disclosing entities.

The Company is a "disclosing entity" for the purposes of section 713 of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations which requires it to disclose to ASX any information of which it is, or becomes, aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

Eligible Retail Shareholders or investors intending to participate in the Offers should refer to the announcements made by the Company to the ASX. This information is available from the ASX website, www.asx.com.au (ASX Code: ADR), and the Company's website, www.adheruim.com.

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

Additionally, the Company is also required to prepare and lodge with ASX yearly and half yearly financial statements accompanied by a directors' statement and report and an audit review or report. These reports are released to ASX and published on the Company's and ASX's websites.

The Company will provide a copy of each of the following documents, free of charge, to any person who asks for it prior to the Closing Date:

- the Annual Report for the financial year ended on 30 June 2024, being the annual financial report most recently lodged with ASIC by the Company;
- the financial report for the Half Year ended 31 December 2024; and

- any continuous disclosure notices given by the Company after the lodgement of the Annual Report referred to above and before the lodgement of this Prospectus with ASIC. Such notices are listed below under the heading "ASX Releases" in Section 7.6.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

7.5 Details of Substantial Shareholders

Based on publicly available information the following shareholders are substantial shareholders who have a relevant interest in 5% or more of the Shares on issue as at 23 June 2025.

Name	Shareholding	%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	182,680,000	20.33
Trudell Medical Limited	178,776,885	19.90
Phillip Asset Management Ltd as trustee for the BioScience Managers Translation Fund I	178,770,321	19.90
K ONE W ONE LTD	66,836,248	7.44

7.6 ASX Releases

ASX releases of the Company since the date of lodgement of the Company's latest annual report and prior to the date of lodgement of this Prospectus are listed below:

Date	ASX Announcement title
23/06/2025	Update - Notification regarding unquoted securities - ADR
23/06/2025	Becoming a substantial holder
23/06/2025	Change in substantial holding
23/06/2025	Change in substantial holding
23/06/2025	Notification regarding unquoted securities - ADR
23/06/2025	Application for quotation of securities - ADR
28/05/2025	Notification regarding unquoted securities - ADR
22/05/2025	Change of Director's Interest Notice - G Baran
20/05/2025	Notification regarding unquoted securities - ADR
19/05/2025	Proposed issue of securities - ADR
19/05/2025	\$900K Capital Raise to Accelerate Smart Inhaler in US
15/05/2025	Update - Notification regarding unquoted securities - ADR
08/05/2025	Final Director's Interest Notice - W Hunter
08/05/2025	Initial Director's Interest Notice - K Gessner
08/05/2025	Adherium Expands Leadership Team
30/04/2025	Quarterly Activities/Appendix 4C Cash Flow Report
29/04/2025	Results of Extraordinary General Meeting
07/04/2025	Notification of cessation of securities - ADR
28/03/2025	Notice of Extraordinary General Meeting/Proxy Form
21/03/2025	Board and Executive Leadership Update
19/03/2025	Notification regarding unquoted securities - ADR
18/03/2025	Proposed issue of securities - ADR
18/03/2025	Proposed issue of securities - ADR
18/03/2025	Investor Presentation
18/03/2025	Adherium Secures \$2.6M to Advance Smart Inhaler in US

17/03/2025	Ceasing to be a substantial holder
07/03/2025	Management Change - Update
28/02/2025	Half Yearly Report and Accounts
27/02/2025	Change in substantial holding
31/01/2025	Quarterly Activities/Appendix 4C Cash Flow Report
09/12/2024	Notification regarding unquoted securities - ADR
05/12/2024	Adherium, AMC Health partner for Improved Respiratory Care
04/12/2024	Adherium Secures R&D Loan Facility
04/12/2024	Partnership with Tenovi for Remote Patient Monitoring
15/11/2024	Amended Constitution
15/11/2024	Results of Meeting
31/10/2024	Quarterly Activities/Appendix 4C Cash Flow Report
30/10/2024	Management Change
09/10/2024	Notice of Annual General Meeting/Proxy Form - Replacement
08/10/2024	Notice of Annual General Meeting/Proxy Form

The Company may make further ASX announcements after the date of this Prospectus. Copies of the abovementioned announcements (as well as any further announcements) will be available on the ASX website, www.asx.com.au under the Company's code "ADR". You are advised to refer to the ASX's website and the Company's website for announcements or updates relating to the Company.

7.7 Information excluded from continuous disclosure notices

As at the date of this Prospectus, there is no information that has not been disclosed under the continuous disclosure requirements of the Listing Rules and which the Board considers would reasonably require in order to assess the Company's assets and liabilities, financial position and prospects and the rights and liabilities attaching to New Shares, New Options and Bonus Options in the Company.

7.8 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director has or had within 2 years before the lodgement of this Prospectus with ASIC, any interest in:

- a) the formation or promotion of the Company;
 - b) any property acquired or proposed to be acquired by the Company in connection with its promotion or formation or in connection with the offer of New Shares or New Options; or
 - c) the offer of New Shares or New Options, other than as ordinary Shareholders,
- and no amounts or benefits have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director:
- d) to induce him or her to become, or to qualify him, as a Director; or
 - e) for services rendered by him or her in connection with the promotion or formation of the Company or the offer of New Shares.

The current Directors' and their nominees' current shareholdings and interests in Shares and options (prior to the capital raising the subject of the Offers) are as follows:

	Lou Panaccio ¹	George Baran ²	Jeremy Curnock Cook	Keven Gessner	Bruce McHarrie ³
Current Number of Shares	7,666,668	7,500,000 Shares held directly 134,538,685 Shares held indirectly	179,503	0	370,320
Current percentage holding	0.85%	15.81%	0.02%	0%	0.04%
Current number of convertible securities (including options, stock appreciation rights or convertible notes)	6,333,334 unlisted options (4)	7,500,000 unlisted options (held directly) (4) 61,699,064 unlisted options with various expiry dates (held indirectly) 1,200,000 convertible notes	0	2,000,000 stock appreciation rights	185,160 unlisted options (4)
Entitlement to New Shares	7,666,668	142,038,685	179,503	0	370,320
Maximum number of Shares following the Entitlement Offers (assuming all Directors subscribed for their Entitlement in full)	15,333,336	284,077,370	359,006	0	740,640
Maximum percentage of Shares following the completion of the Entitlement Offers (assuming there is no Shortfall)	0.90%	16.73%	0.02%	0%	0.04%

Notes:

1) Shares and options are held by Vilmos Pty Ltd as trustee for the Panaccio Investment Trust, of which Mr Panaccio is a director of the trustee and beneficiary of the trust

2) Shares and options are held by Trudell Medical Limited, in which Mr Baran has a 33.33% beneficial interest

3) Shares are held by Anticus Pty Ltd as trustee for the Anticus Superannuation Fund, of which Mr McHarrie is a director of the trustee and beneficiary of the trust

4) The unlisted options expire on 30 June 2025

The remuneration currently paid (including superannuation and non-cash share based payments) to Directors or their nominees during the past two financial years preceding the lodgement of this Prospectus with ASIC is set out below:

Director	Financial year ending 30 June 2024 (\$AUD)	Financial year ending 30 June 2025 (\$AUD)
Lou Panaccio - Executive Chairman	\$110,500	\$111,000
George Baran – Non-Executive Director	\$50,000-	\$50,000
Jeremy Curnock Cook – Interim CEO	\$50,000	\$50,000
Keven Gessner - Non-Executive Director*	N/A	\$50,000
Bruce McHarrie - Non-Executive Director	\$55,250	\$55,500

* Note: Keven Gessner's was appointed on 8 May 2025. As announced to the market on 8 May 2025, Mr Gessner receives director's fees of \$50,000 per annum (exclusive of superannuation).

7.9 Related Party Transactions

There are no related party transactions entered into that have not otherwise been disclosed in this Prospectus.

7.10 Restricted securities

The Company as at the date of this Prospectus does not have any of its issued securities classified as 'restricted securities' (as defined in the Listing Rules).

7.11 Estimated Costs of the Offer

If the Entitlement Offers are fully subscribed, the expenses of the Offers (exclusive of GST and before any commissions paid by the Company) are estimated to be approximately as follows:

Expenses	\$
Legal (in the preparation of this Prospectus)	45,000
Printing and postage / Computershare offer site	9,255
Additional ASX listing fees and CHESS issue fees	18,000
Cash commission at the maximum capital raising	240,000
Share registry	46,782
ASIC Lodgement Fees	3,206
Other expenses	15,000
Total	377,243

7.12 Consents and Interests of Parties

Each of the parties referred to in this Section does not make, or purport to make, any statement in this Prospectus other than as specified in this Section and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than the reference to its name or a statement included in this Prospectus with the consent of that party as specified in this Section.

Computershare Investor Services Pty Limited has given and not withdrawn its written consent to be named herein as the Share Registry to the Company in the form and context in which it is so named. Computershare Investor Services Pty Limited does not make, or purport to make, any statement in this Prospectus and is not aware of any statement in this Prospectus which purports to be based on a statement made by it and makes no representation, expressed or implied, regarding and takes no responsibility for, any statements in or omissions from this Prospectus.

PAC Partners Securities Pty Limited has given and not withdrawn its written consent to be named herein as financial advisor to the Company in the form and context in which it is so named. PAC Partners Securities Pty Limited does not make, or purport to make, any statement in this Prospectus and is not aware of any statement in this Prospectus which purports to be based on a statement made by it and makes no representation, expressed or implied, regarding and takes no responsibility for, any statements in or omissions from this Prospectus.

Other than as set out below or elsewhere in this Prospectus, all persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation of or distribution of this Prospectus do not have, and have not had in the 2 years before the date of this Prospectus, any interest in:

- » the formation or promotion of the Company;
- » property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of New Shares and New Options pursuant to this Prospectus; or
- » the offer of New Shares and New Options pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the offer of New Shares and New Options issued pursuant to this Prospectus.

7.13 Electronic Prospectus

A copy of the Prospectus can be downloaded from the website of the Company at www.adherium.com or at www.computersharecas.com.au/adroffer. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Eligible Retail Shareholder. You may obtain a hard copy of this Prospectus free of charge by contacting the Company's Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

7.14 Financial Forecasts

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

7.15 Directors' authorisation

Each Director of the Company has given, and has not withdrawn, their consent to the lodgement of this Prospectus with ASIC.

8. DIRECTORS' STATEMENT

The Directors have made all reasonable enquiries in the preparation of this Prospectus and on that basis have reasonable grounds to believe that:

- any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in this Prospectus by persons other than Directors,

- other persons making the statement or statements in this Prospectus were competent to make such statements and that those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with the ASIC, or to the Directors knowledge, before any issue of New Shares or New Options pursuant to this Prospectus.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to likely investors or their professional advisors.

Each of the Directors of the Company has consented to the lodgement of this Prospectus in accordance with Section 720 of the Corporations Act and has not withdrawn that consent.

A handwritten signature in black ink, appearing to read 'Lou Panaccio', with a long horizontal flourish extending to the right.

Lou Panaccio
Non-executive Chairman
Adherium Limited

9. DEFINITIONS

In this Prospectus the following terms and abbreviations have the following meanings, unless otherwise stated or unless the context otherwise requires:

\$ or AUD means Australian dollar;

Additional Securities means New Shares (together with the New Options and Bonus Options) applied for by an Eligible Shareholder under the Top-Up Facility that are in excess of that Eligible Shareholder's Entitlement;

AFSL Holders means a holder of an Australian Financial Services Licence;

Applicant refers to a person who makes payment (or submits a Shortfall Application Form) pursuant to this Prospectus;

Application refers to the making payment (or submission of a Shortfall Application Form) pursuant to this Prospectus;

Application Monies means monies payable by Applicants in respect of their Applications;

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context may require;

ASX Settlement Operating Rules means ASX Settlement Pty Limited's operating rules;

Board means the board of Directors;

Bonus Option means, subject to the Option Terms, an option to purchase a Share with an exercise price of \$0.005 issued pursuant to this Prospectus;

Business Day has the meaning ascribed to it in the Listing Rules;

CHES means Clearing House Electronic Subregister System;

Closing Date means the closing date of the Retail Entitlement Offer being 5.00 pm (AEST) on 10 July 2025 (subject to the right of the Company to vary the date without notice);

Company means Adherium Limited ACN 605 352 510;

Constitution means the constitution of the Company;

Corporations Act means Corporations Act 2001 (Cth);

Directors means the directors of the Company;

EFT means electronic funds transfer, and if applicable, includes funds transfer using required SWIFT codes;

Eligible Institutional Shareholder means a sophisticated or professional Shareholder on the Record Date, who:

1. if in Australia, in accordance with sections 708(8) and (11) of the Corporations Act, respectively, is a sophisticated or professional Shareholder on the Record Date who has an address in Australia;
2. if in Canada (Ontario province only) is an "accredited investor" as defined in National Instrument 45-106 – *Prospectus Exemptions*;
3. if in New Zealand, (i) is an investment business within the meaning of clause 37 of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand) (the "FMC Act"), (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act, (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act, (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act or (v) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act (and, if an eligible investor, have provided the necessary certification),
4. if in Hong Kong, is a "professional investor" (as defined in the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong); or
5. if in Singapore, is an "institutional investor" or an "accredited investor" (as such terms are defined in the Securities and Futures Act 2001 of Singapore ("SFA"));

Eligible Retail Shareholder means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date whose registered address is in Australia or New Zealand who is not an Eligible Institutional Shareholder;

Eligible Shareholders means collectively the Eligible Institutional Shareholders and Eligible Retail Shareholders;

Entitlement means the entitlement to subscribe for 1 New Share for every Share held by an Eligible Retail Shareholder on the Record Date together with 1 New Option for every New Share issued to the applicant (plus where the New Option is exercised prior to 5pm (AEDT) on 15 November 2025, an additional Bonus Option), together with the Top-Up offer; and **Entitlements** has a corresponding meaning;

Entitlement Offers means collectively the Institutional Entitlement Offer and the Retail Entitlement Offer;

Entitlement & Acceptance Form means the Entitlement & Acceptance Form accompanying this Prospectus;

FMC Act means Financial Markets Conduct Act 2013 (New Zealand);

Ineligible Foreign Shareholder has the meaning as provided in section 2.15 of this Prospectus;

Issue Price means \$0.005 (0.5 cent) per New Share;

Institutional Entitlement Offer means the institutional component of the Entitlement Offer made to Eligible Institutional Shareholders;

Listing Rules means the listing rules of the ASX;

Maximum Subscription Amount means the maximum subscription amount of \$4 million to be accepted under both the Retail Entitlement Offer and the Institutional Entitlement Offer,

New Option means an option, subject to the Option Terms, to purchase a Share with an exercise price of \$0.005 and an Expiry Date of 31 July 2026 issued pursuant to this Prospectus;

New Shares means the Shares proposed to be issued pursuant to the Offers;

Offer Securities means the New Shares together with the New Options (plus where a New Option is subsequently exercised prior to 15 November 2025, the Bonus Options) under this Prospectus;

Offer Website means www.computersharecas.com.au/adroffer;

Offers means collectively the Entitlement Offer, the Top-Up Offer and the Shortfall Offer;

Opening Date means the opening date of the Retail Entitlement Offer being 1 July 2025 (subject to the right of the Company to vary the date without notice);

Option Terms means the terms applicable to the New Options and Bonus Options, a copy of which terms is attached as Annexure A to this Prospectus;

Record Date means 7.00 pm (AEST) on 26 June 2025;

Related Bodies Corporate has the meaning as provided in the Corporations Act 2001;

Relevant Interest has the same meaning as provided in the Corporations Act;

Retail Entitlement Offer means the non-renounceable pro rata offer of New Shares on the basis of 1 New Share for every Share held on the Record Date at the Issue Price, together with 1 New Option for every New Share issued under the Offer made under this Prospectus (plus where a New Option is subsequently exercised prior to 15 November 2025, an additional Bonus Option) and as described in section 2.1;

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

Shareholder means a holder of Shares;

Share Registry means Computershare Investors Services Pty Limited;

Shortfall means the aggregate amount by which all Eligible Retail Shareholders do not apply for their full Entitlement under the Entitlement Offer;

Shortfall Application Form means the application form for some or all of the Shortfall under the Shortfall Offer, which form accompanies this Prospectus;

Shortfall Offer means the offer by the Directors to place any Shortfall at their discretion (other than to Directors and related parties of the Company) within 3 months after the close of the Entitlement Offers at a price not less than the Issue Price of \$0.005 per New Share, as described in section 2.1;

Top-Up Facility means the mechanism by which Eligible Retail Shareholders can apply for Additional Securities;

Top-Up Offer means the offer under the Top-Up Facility to Eligible Retail Shareholders as described in section 2.1;

Underwriter means PAC Partners Securities Pty Limited;

US Securities Act means the US Securities Act of 1933, as amended.

Please note that references in this Prospectus to "Sections" are to sections of this Prospectus.

10. CORPORATE DIRECTORY

Directors

Lou Panaccio	Executive Chair
George Baran	Non-Executive Director
Jeremy Curnock Cook	Interim CEO
Keven Gessner	Non-Executive Director
Bruce McHarrie	Non-Executive Director

Company Secretary

Emily Austin – Company Secretary

Registered office

Collins Square, Tower Four
Level 18, 727 Collins Street
Melbourne VIC 3008
Australia

Share Registry

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street,
Abbotsford, VIC 3067

Telephone: 03 9415 4000
Website: www.computershare.com.au

Annexure A - Option Terms and Conditions

Each option (**Option**) entitles the holder (**Option Holder**) to subscribe for and be issued one fully paid ordinary share (**Share**) in **Adherium Limited** ACN 605 352 510 (**Company**) on the following terms:

1. Subject to clause 2 and any restrictions imposed by the ASX Limited (**ASX**), each Option is exercisable at any time after the date it is issued (**Issue Date**), until and including their expiry date –
 - (a) in the case of the New Options, 5pm (AEST) on 31 July 2026; or
 - (b) in the case of the Bonus Options, 5pm (AEDT) on 15 November 2026,**(Expiry Date)**. Any Options not exercised by the Expiry Date will automatically lapse at 5pm on the Expiry Date.
2. The Options may be exercised for part or all of the Options held at a particular time by the Option Holder paying to the Company at its registered office prior to the Expiry Date the exercise price of A\$0.005 per Option (**Exercise Price**).
3. On receipt by the Company of the payment of the Exercise Price, the Company must, within 4 Business Days and if the Shares are listed on the ASX within the time period prescribed by the Listing Rules of the ASX (**ASX Listing Rules**):
 - (a) allot to the Option Holder one Share in the Company for each Option exercised by the Option Holder;
 - (b) cause to be despatched to the Option Holder the relevant acknowledgement of issue, a holding statement or share certificate (as applicable) as soon as is reasonably practicable detailing the issue of the relevant Share/s; and
 - (c) issue (if applicable) a new holding statement (or option certificate) for the balance of the Options that remain unexercised.
4. Shares allotted on the exercise of Options will rank equally in all respects with the then existing issued ordinary fully paid shares in the capital of the Company (except in respect to any dividends which shall have been declared but not yet distributed before the actual exercise of an Option) and will be subject to the provisions of the Constitution of the Company.
5. The Options are transferable in accordance with the ASX Listing Rules.
6. If any reorganisation (including consolidation, subdivision, reduction, return or cancellation) of the issued capital of the Company occurs before the expiry of any Options, the number of Options to which each Option Holder is entitled or the Exercise Price of his or her Options or both must be reorganised in accordance with the ASX Listing Rules applying to a reorganisation at the time of the reorganisation (which adjustment formula will apply even where the Company is not admitted to the ASX Official List).
7. An Option does not confer the right to participate in new issues of capital offered to holders of Shares (**Rights Entitlement**) during the currency of the Options without exercising the Options. However, the Company will use reasonable endeavours to see that for the purpose of determining Rights Entitlements to any such issue, the Option Holder is to receive at least 2 Business Days written notice from the Company of the pending closing or record date and sufficient time for the Option Holder to exercise the Options prior to that closing or record date in order to qualify for the participation in the Rights Entitlement.
8. In the event of the liquidation of the Company, all unexercised Options will lapse upon the occurrence of that liquidation.
9. The Options do not provide any entitlement to dividends paid to ordinary shareholders.
10. The Options do not entitle the Option Holder to vote at any meeting of shareholders
11. To the extent (if any) that any of these Option Terms and Conditions are inconsistent with or contrary to the ASX Listing Rules, the ASX Listing Rules provisions will prevail and these Option Terms and Conditions are deemed to incorporate the relevant ASX Listing Rules provisions as an amendment to these terms; and
12. These Option Terms and Conditions are governed by the laws of Victoria. The parties submit to the non-exclusive jurisdiction of the courts of Victoria.