

Prospectus

AdNeo Limited ACN 123 129 162

Cleansing Offer

This Prospectus is being issued for the offer of 1,000 Shares at an issue price of \$0.045 (4.5 cents) per Share.

The Cleansing Offer closes at 5.00 pm (AEST) on Wednesday, 20 August 2025 (**Closing Date**). Valid Applications must be received before that time.

Options Offer

For the offers of:

- (a) 41,851,851 Placement Options to Placement Participants, to remain open up to the Closing Date, to apply for 1 Placement Option for nil consideration for every 3 Shares issued under the Placement;
- (b) 14,030,000 Broker Options to Brokers, to remain open up to the Closing Date, to apply for Broker Options for nil consideration;
- (c) 40,000,000 Director Options to Director Option Recipients, to remain open up to the Closing Date, to apply for Director Options for nil consideration; and
- (d) 814,815 Consultant Options to advisors as determined by the Company, to remain open up to the Closing Date, to apply for Placement Options for nil consideration;

Cleansing

This Prospectus is being issued under section 708A(11) of the *Corporations Act 2001* (Cth) to remove any secondary trading restrictions on the on-sale of the Shares issued by the Company as noted in this Prospectus.

Important Information

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

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

This is a transaction specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth).

Not for distribution in the USA or to USA Persons.

Contents

| | |
|--|----|
| Important Information | 1 |
| 1. Corporate directory | 4 |
| 2. Indicative Timetable | 5 |
| 3. Details of the Offers | 6 |
| 4. Effect of the Offers | 14 |
| 5. Rights and liabilities attaching to Securities under the Offers | 18 |
| 6. Risk Factors | 24 |
| 7. Additional Information | 29 |
| 8. Glossary of Terms | 42 |

Important Information

Prospectus

This Prospectus relates to the offer of Shares and Options by AdNeo Limited ACN 123 129 162 ("**AdNeo**" or "**Company**") under the Offers.

This Prospectus is dated 15 August 2025. A copy of the Prospectus was lodged with ASIC on that date. ASIC and ASX take no responsibility for the contents of this Prospectus. No Shares will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

The Company will apply to ASX within 7 days of the date of this Prospectus for Official Quotation by ASX of the Shares offered by this Prospectus. The Company will apply to ASX within 7 days of the date of this Prospectus for Official Quotation by ASX of the Placement Options offered by this Prospectus.

Applications for Securities will only be accepted on an Application Form which is attached to, or provided by the Company with a copy of this Prospectus. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

The Company is a disclosing entity listed on the ASX and this Prospectus is issued under section 713 of the Corporations Act in reliance on information previously disclosed to the ASX by the Company. It does not contain, by itself, all information that would be contained in a prospectus for an initial public offering or all information relevant to a decision to invest in the Company.

Electronic Prospectus

A copy of this Prospectus can be downloaded from our website at <https://adneo.com.au/investors/>. If you access the electronic version of this Prospectus, you should ensure that you download and read the entire Prospectus. The electronic version of this Prospectus is only available to Australian residents.

The Company will also provide copies of other documents on request (see Section 7.2).

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options under this Prospectus pursuant to an Options Offer. 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 (<https://adneo.com.au/investors/>), or otherwise to persons to whom a target market determination is not required. By making an application under an Options Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

No representation other than in this Prospectus

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

Restrictions on Foreign Jurisdictions

No action has been taken to permit the Offer of Securities under this Prospectus in any jurisdiction other than Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

Prospectus does not contain investment advice

This document is important and should be read in its entirety before deciding to participate in the Offers. This does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay. The Securities offered by this Prospectus should be considered speculative.

Information for United Kingdom investors

Neither this document nor any other document relating to Securities has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the Securities.

The Securities may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Securities has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

Information for Hong Kong investors

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Securities have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance). No advertisement, invitation or document relating to the Securities 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 Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Securities may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities. The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offers. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Information for New Zealand Investors

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The Securities are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

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

Risk factors

Potential investors should be aware that subscribing for Securities involves a number of risks. The key risk factors which investors should be aware are set out in Section 6 of this Prospectus. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities.

By returning an Application Form, you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offers detailed in this Prospectus.

Financial information and forward looking statements

Section 4 sets out in detail the financial information referred to in this Prospectus and the basis of preparation of that information.

Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding. This Prospectus contains forward looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'expects', 'intends' and other similar words that involve risks and uncertainties. Any forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Forward looking statements should be read in conjunction with risk factors as set out in Section 6, and other information in this Prospectus.

Defined words and expressions

Definitions of certain terms used in this Prospectus are contained in Section 8. All references to currency are to Australian dollars and all references to time are to AEST, unless otherwise indicated.

Privacy

If you apply for Securities under this Prospectus, you will provide personal information to the Company, its agents, contractors and third party services providers. The Company, its agents, contractors and third party services providers collect, hold and use your personal information in order to assess your application, service your needs as a Shareholder and Option holder, provide facilities and services that you request and carry out appropriate administration.

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

Failure to provide the required personal information may mean that your Application is not able to be processed efficiently, if at all. You may request access to your personal information held by or on behalf of the Company and by the Share Registry. You may also request the correction of your personal information by contacting the Company or the Share Registry using the details in the Corporate Directory in this Prospectus.

1. Corporate directory

Directors

Mr Nicholas Smedley
Chair

Mr Michael Norster
Non-Executive Director

Mr Angus Washington
Chief Executive Officer and Managing Director

Registered Office

Level 4, Office 7
90 William Street
Melbourne 3000

Telephone: 03 8199 0455

Website: <https://adneo.com.au/>

Company Secretary

Mr Justin Mouchacca

ASX Code

AD1

Share Registry

MUFG Corporate Markets (AU) Limited
Liberty Place
Level 41, 161 Castlereagh Street
Sydney NSW 2000

Website:

<https://www.mpms.mufg.com/en/mufg-corporate-markets/au/platforms/investor-centre/>

T: +61 2 8280 5000

2. Indicative Timetable

The indicative timetable for the Offers is as follows:

| Event | Date* |
|---|---------------------------|
| Lodgement of Prospectus with ASIC and ASX | Friday, 15 August 2025 |
| Opening Date of Offers | Friday, 15 August 2025 |
| Issue of Relevant Shares | Friday, 15 August 2025 |
| Issue of Options | Friday, 15 August 2025 |
| Closing Date of Offers | Wednesday, 20 August 2025 |
| Issue of Cleansing Shares pursuant to the Cleansing Offer | Thursday, 21 August 2025 |

*Subject to the Corporations Act and ASX Listing Rules, the Company reserves the right to vary these times and dates (other than in respect of events that have already occurred) in its absolute discretion by sending a revised timetable to ASX. All times are references to time in Melbourne, Victoria.

The Directors, subject to the requirements of the ASX Listing Rules and the Corporations Act, reserve the right to:

- (f) withdraw the Offers without prior notice; or
- (g) vary any of the key dates set out in this Prospectus, including extending or closing the Offers.

3. Details of the Offers

3.1 Background

The Company intends to issue the following Relevant Shares:

(a) **Proposed Acquisition and Placement**

On 12 May 2025, the Company announced that it had entered into a Share Sale and Purchase Agreement (**SPA**) (a summary of the terms is set out in Section 7.4) with the shareholders of Learnt Global Pty Ltd ACN 601 738 872 (**Learnt Global**) to acquire, by way of an all scrip deal priced at \$0.07 (7 cents) per share for a total of 82,500,000 Shares in the Company (**Consideration Shares**) as consideration, the entire issued share capital of Learnt Global and its subsidiaries (**Proposed Acquisition**). Of the Consideration Shares, 11,428,571 Shares will be Holdback Shares (see Section 7.5 for further details), accordingly, the Company will issue 71,071,429 Consideration Shares upfront.

The Company further announced that it had received material commitments from professional and sophisticated investors (**Placement Participants**) as part of an equity placement of fully paid ordinary shares in the Company (**Placement Shares**) which it was undertaking in connection with the Proposed Acquisition (**Placement**) to fund future growth.

On 12 June 2025, the Company announced that it had received firm commitments from Placement Participants for up to \$5.6 million, which is equivalent to approximately 124,444,444 Placement Shares. Of the \$1 million unsecured loans announced on 12 June 2025, the Company drew down \$800,000 the loan amount, which will be offset against subscription monies payable by Mr Nicholas Smedley and the strategic investor under the Placement. The key terms of the relevant loan agreements are set out in Section 7.7.

The Company subsequently received further commitments under the Placement for \$50,000, to bring the total number of Placement Shares to be issued to 125,555,555 Placement Shares.

The issue of Consideration Shares and 124,444,444 Placement Shares were approved at the EGM held on 7 August 2025. The issue of any excess Placement Shares will be pursuant to the Company's placement capacity under ASX Listing Rule 7.1.

PAC Partners acted as the lead manager and bookrunner for the Placement, Taurus Capital acted as the broker to the Company for the Placement and Lazarus will be providing post-Placement advisory services. Each of their terms of engagement are set out in Sections 7.6(b), 7.6(c) and 7.6(d), respectively.

The Company also agreed to issue Shares to consultants in accordance with their agreements set out in Section 7.8.

As announced by the Company on 15 August 2025, the Company completed the Proposed Acquisition on the same date.

(b) **Shares to PAM**

As part of the Proposed Acquisition, the Company agreed to restructure a \$5 million loan facility entered into with Pure Asset Management Pty Ltd (ACN 616 178 771) (**PAM**).

The Company and PAM agreed to restructure the loan facility which included the conversion of \$1.5 million of the loan for Equity Securities, extending the loan period for 24 months and cancelling warrants issued by the Company to PAM (subject to satisfaction of certain conditions, including obtaining relevant Shareholder approvals).

The Company and PAM have agreed to converting \$1.5 million of the loan into 21,428,571 Shares in the Company, at \$0.07 per Share (**PAM Shares**).

The issue of PAM Shares was approved by Shareholders at the EGM.

(c) **Shares to Salter Brothers**

Salter Brothers Emerging Companies Limited (**Salter Brothers**) was engaged as a lead investor in the Placement and in exchange, the Company agreed to issue 4.5 million Shares (equivalent to \$202,500) as consideration for such services. The terms of their engagement is set out in Section 7.6(a).

The issue of the Shares to Salter Brothers was approved by Shareholders at the EGM.

The Company also intends to make the following offers of Options:

(d) **Placement Options Offer**

Under the Placement, Placement Participants are also entitled to receive one free-attaching option (**Placement Option**) for every three Placement Shares successfully subscribed for under the Placement.

By this Prospectus, the Company makes an offer to Placement Participants to apply for up to 41,851,851 Options for nil consideration (**Placement Options Offer**).

The Company intends to seek Official Quotation of the Placement Options on ASX.

Terms of the Placement Options are set out in Section 5.2 and the issue of Placement Options was approved by Shareholders at the EGM.

(e) **Broker Options Offer**

As part of the Placement, the Company had engaged PAC Partners Securities Pty Ltd (**PAC Partners**) and Taurus Funds Management (**Taurus Capital**) to provide brokering services. The Company also engaged Lazarus Securities Pty Ltd, trading as Lazarus Capital Partners (**Lazarus**) to provide post-Placement services (each of PAC Partners, Taurus Capital and Lazarus, the **Brokers**).

As part consideration for such services, the Company agreed to issue up to 14,030,000 unlisted Options for nil consideration (**Broker Options**) to the Brokers. The key terms of each Broker's engagement are set out in Section 7.4.

This Prospectus contains the offer of 14,030,000 Broker Options to the Brokers (**Broker Options Offer**).

Terms of the Broker Options are set out in Section 5.3 and the issue of Broker Options was approved by Shareholders at the EGM.

(f) **Director Options Offer**

Following completion of the Proposed Acquisition, the Company will have two new independent directors appointed to the Board.

The Company has decided to offer unlisted Options with various exercise prices and expiry dates to directors (current and incoming) (**Director Options**) as an incentivisation and to align all of their interests with those of the Company.

Therefore, this Prospectus is also for the offer of up to 40 million Director Options to the directors (current and incoming) for nil consideration (**Director Options Offer**).

Terms of the Director Options are set out in Section 5.4 and the issue of Director Options was approved by Shareholders at the EGM.

(g) **Consultant Options Offer**

The Company has also decided to compensate a consultant in line with the offer structure of the Placement by offering 1 free-attaching Option, with the same terms as the Placement Options (as set out in Section 5.2), for every three Consultant Shares issued (**Consultant Options**). Accordingly, the Company will offer 814,815 Consultant Options to such consultant under this Prospectus (**Consultant Options Offer**) pursuant to its placement capacity under Listing Rule 7.1. The terms of the engagement with the consultant are set out in Section 7.8(b).

3.2 The Cleansing Offer

The Company is offering, pursuant to this Prospectus 1,000 Shares (**Cleansing Shares**) at an issue price of \$0.045 (4.5 cents) per Share (**Cleansing Offer**).

The Cleansing Offer will only be extended to specific parties at the invitation of the Directors. Application Forms will only be provided by the Company to these parties, together with a copy of this Prospectus.

There is no minimum amount sought to be raised by the Cleansing Offer. There is no provision for oversubscriptions.

The Cleansing Offer is not underwritten.

Refer to Section 5.1 for a summary of the rights attaching to the Shares.

3.3 Purpose of this Prospectus

This Prospectus has been issued for the purpose of making the Offers and to remove any trading restrictions that may have attached to the Relevant Shares issued by the Company without disclosure under Chapter 6D of Corporations Act prior to the date of this Prospectus in accordance with section 708A(11) of the Corporations Act. Accordingly, the Company is seeking to raise a nominal amount under the Prospectus and the purpose of the Prospectus is not to raise capital.

Generally, section 707(3) of the Corporations Act requires a prospectus to be issued in order for a person to whom securities were issued without disclosure under Part 6D.2 of the Corporations Act to on-sell those securities within 12 months of the date of their issue. The Corporations Act provides an exception to section 707(3) of the Corporations Act where an entity issues a cleansing notice under section 708A(5) of the Corporation Act.

However, the Company was in voluntary suspension from 5 May 2025 (and extended on 26 May 2025) until 12 June 2025. As the Shares of the Company have been suspended from quotation for more than 5 days, the Company is unable to issue a cleansing notice under section 708A(5) of the Corporations Act.

Section 708A(11) of the Corporations Act provides another exception from the general requirement under section 707(3) to allow for securities issued without disclosure under Chapter 6D of the Corporations Act (including shares) to be sold where:

- (a) the relevant securities are in a class of securities that are quoted on ASX;
- (b) a prospectus is lodged with ASIC either:
 - (i) on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) before the day on which the relevant securities are issued and offers of securities under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

Accordingly, this Prospectus has been issued to comply with section 708A(11)(b) of the Corporations Act and to facilitate secondary trading of the Relevant Shares as they will have been issued without disclosure to investors under Part 6D.2 of the Corporations Act prior to the Closing Date.

The Company is not issuing the Relevant Shares with the purpose of the persons to whom they are being issued selling or transferring their Shares, or granting, issuing or transferring interests in those Shares within 12 months of the issue but this Prospectus provides them the ability to do so should they wish.

Furthermore, *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 (ASIC Instrument 2016/80)* provides on-sale relief for securities that were:

- (d) issued by reason of the exercise of options or the conversion of convertible or converting notes or convertible or converting preference shares;
- (e) those options or convertible or converting securities were issued under a disclosure document under Part 6D.2 of the Corporations Act or with a product disclosure statement for the options being prepared; and
- (f) the exercise of the option, or the conversion, did not involve any further offer.

Accordingly, the purpose of this Prospectus is to:

- (a) make the Cleansing Offer;
- (b) make the Options Offers; and
- (c) ensure that the on-sale of the Relevant Shares (and any Shares issued on exercise of the Options offered under this Prospectus) do not breach section 707(3) of the Corporations Act by relying on the exemption to the secondary trading provisions in section 708A(11) of the Corporations Act and ASIC Instrument 2016/80.

3.4 Opening and Closing Dates

The Company will accept Application Forms until 5.00pm AEST on the Closing Date, being Wednesday, 20 August 2025, or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules.

3.5 Application for Securities

If you wish to subscribe for Securities pursuant to the Offers, you should complete and return the Application Form, which will be provided with a copy of this Prospectus by the Company at the Board's discretion, in accordance with the instructions in the Application Form. Completed Application Forms and Application Monies must be received by the Company prior to 5.00pm AEST on the Closing Date.

Pay by BPAY®

Make payment by BPAY® as shown on the enclosed Application Form. To apply via BPAY you must have an Australian bank account.

For persons that are unable to pay by BPAY®, please contact Justin Mouchacca, Company Secretary, at justin@jmc corp.com.au, at any time from 9.00am to 5.00pm (AEST) Monday to Friday during the offer period for alternative electronic funds transfer payment arrangements.

To allow sufficient time for your Application to be processed before the Offer is closed, please ensure that:

- (a) you have adequate funds in your bank account to pay for the Securities that you have applied for in your Application Form. Otherwise, you may be taken to have applied for such lower number of Securities as your cleared Application Money will pay for, or your Application may be rejected, at the discretion of the Board; and
- (b) your Application Form (including Application Money) is received by the Company as soon as practicable after the Offers open, but in any case, by no later than 5.00 pm (AEST) on the Closing Date, unless varied by the Company at the discretion of the Board.

Please be aware that your financial institution may implement earlier cut-off times with regard to electronic payment than the time at which the Offer closes. You should take this into consideration when making payment. The Company takes no responsibility for any failure to receive Application Money before the Offer closes arising as a result of, among other things, delays in the processing of payments by financial institutions or acts and omissions of your broker in submitting your Application.

If you are in doubt as to the course of action, you should consult your professional advisor.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Securities accepted by the Company. The Application Form does not need to be signed to be a binding Application for Securities.

If the Application Form is not completed correctly, it may still be treated as valid. The Directors' decision as to whether to treat the Application as valid and how to construe, amend or complete the Application Form is final.

3.6 Application Monies

All Application Monies received for the Securities will be held in trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Securities are issued. All Application Monies will be returned (without interest) if the Securities are not issued.

Please contact the Company for details of the trust account.

3.7 Issue of Securities

The Company may issue the Securities progressively as Applications are received and, in any event, will issue all Securities as soon as possible after the Closing Date.

Shareholder statements will be dispatched as soon as possible after the issue of the Securities.

It is the responsibility of Applicants to determine their allocation prior to trading in the Securities. Applicants who sell Securities before they receive their holding statements will do so at their own risk.

3.8 ASX quotation

(a) Cleansing Shares

Application will be made to ASX no later than 7 days after the date of this Prospectus for the Official Quotation of the Cleansing Shares offered under the Cleansing Offer. If permission is not granted by ASX for the Official Quotation of the Cleansing Shares offered by this Prospectus within 3 months after the date of this Prospectus (or such period as ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received for the Cleansing Shares pursuant to this Prospectus.

(b) Placement Options and Consultant Options

Application will be made to ASX no later than 7 days after the date of this Prospectus for the Official Quotation of the Placement Options and Consultant Options offered under the Placement Options Offer and the Consultant Options Offer, respectively. In the event that the Placement Options or Consultant Options cannot be quoted, the Placement Options or Consultant Options will still be issued but as unquoted Options.

(c) Broker Options and Director Options

The Company does not intend to apply for Official Quotation of the Broker Options and the Director Options.

3.9 CHESS

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASTC, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities. If you are broker sponsored, ASTC will send you a CHESS statement.

The CHESS statement will set out the number of Securities issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Securities.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by MUFG Corporate Markets (AU) Limited and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

3.10 Residents outside Australia

This Prospectus, and the accompanying Application Form, do not, and are not intended to, constitute an offer of Securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Securities. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek

advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

3.11 Risk factors

An investment in Securities should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are set out in Section 6.

3.12 Taxation implications

Eligible participants should be aware that there may be taxation implications associated with applying for Securities.

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for Securities under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with subscribing for Securities under this Prospectus.

3.13 Major activities and financial information

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2024 is in the Annual Report that was lodged with ASX on 30 August 2024 and is available on the Company's ASX announcements page at <https://adneo.com.au/investors/>.

The Company's Half Year Financial Report for the half year ended 31 December 2024 that was lodged with ASX on 28 February 2025 is also available on the Company's website.

The Company's continuous disclosure notices (i.e. ASX announcements) since the date of lodgement of the Company's latest full year statutory accounts and before lodgement of this Prospectus with ASIC are listed in Section 7.2.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that Shareholders review these and all other announcements prior to deciding whether or not to participate in the Offers.

3.14 Enquiries concerning Prospectus

Enquiries relating to this Prospectus should be directed to the Company on 03 8199 0455 from 9.00am to 5.00pm (AEST), Monday to Friday.

3.15 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application. An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain

exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

4. Effect of the Offers

4.1 Effect on capital structure

The table below sets out the effect on the Securities capital structure of the Company upon issue of the Relevant Shares and completion of the Offers, assuming all Securities are successfully subscribed for and issued.

| Shares | Shares | Quoted Options | Unquoted Options |
|---|-------------------------|-------------------|---------------------------------|
| Balance as at the date of Prospectus | 146,406,946 | - | 8,333,333 warrants 2,400,000 |
| Shares to be issued under the Cleansing Offer | 1,000 | - | - |
| Consideration Shares | 71,071,429 ¹ | - | - |
| Placement Shares | 125,555,555 | - | - |
| Consultant Shares | 2,444,444 | - | - |
| PAM Shares | 21,428,571 | - | - |
| Shares to Salter Brothers | 4,500,000 | - | - |
| Placement Options | - | 41,851,851 | - |
| Consultant Options | - | 814,815 | - |
| Broker Options | - | - | 14,030,000 |
| Director Options | - | - | 40,000,000 |
| Balance after the Offers | 371,407,946 | 42,666,666 | 56,430,000² |

Notes:

1. This only reflects the number of Consideration Shares being issued upfront. The total Consideration Shares is 82.5 million Shares but 11,428,571 Shares are Holdback Shares.
2. Assuming the relevant conditions for the restructure of the loan with PAM are satisfied, the 8,333,333 warrants will be cancelled for consideration.

4.2 Use of funds

The Placement raised up to approximately \$5.65 million (before costs) which the Company intends to use in accordance with the table below.

| Uses | |
|--------------------------|-------------|
| Reduction of debt to PAM | \$1,500,000 |

| Uses | |
|--|--------------------|
| Learnt restructuring, redundancy and operational costs | \$500,000 |
| Transaction related costs (including legal, M&A and advisory) ¹ | \$750,000 |
| Working capital | \$2,900,000 |
| Total | \$5,650,000 |

Note:

1. *This includes amounts payable to More Investment (please refer to Section 4.4 for further details). This also includes expenses incurred in relation to the Offers and Placement under this Prospectus.*

4.3 Effect on substantial holders

Please refer to Section 7.12 for details of the Company's top 5 Shareholders.

4.4 Financial effect of the Offers

The Offers and Placement will have an effect on the Company's financial position, being receipts of funds of \$5.65 million (from the Placement), less costs of the Offers and of preparing the Prospectus of approximately \$326,000 (excluding GST). In addition to the costs associated with the Offers and Placement, the Company has also incurred transaction costs in connection with the Proposed Acquisition of approximately \$424,000 (excluding GST).

Set out below is the audited balance sheet for the Company as at 31 December 2024, as per the half year report prepared for the half year ended 31 December 2024, and the unaudited and unreviewed pro-forma balance sheet shown below, has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared on the basis of the following key assumptions (as if they had occurred as at the balance date of 31 December 2024):

- (a) an amount of \$5.65 million (before costs) is raised under the Placement;
- (b) an amount of \$45 (before costs) is raised under the Cleansing Offer;
- (c) no existing Options are exercised prior to the Closing Date;
- (d) the Company incurs the costs of the Offers and Placement referred to in Section 7.16; and
- (e) the Company completes the Proposed Acquisition and incurs the costs related to the transaction.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. 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.

| | AUDITED 31 Dec 2024 | Learnt Group (Unaudited) | Notes | PRO-FORMA 31 Dec 2024 |
|--------------------------------------|------------------------|-----------------------------|-------|--------------------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | 101,873 | 596,231 | (a) | 3,691,103 |
| Trade and other receivables | 1,228,486 | 547,008 | | 1,775,494 |
| Other current assets | - | 310,066 | | 310,066 |
| TOTAL CURRENT ASSETS | 1,330,359 | 1,453,306 | | 5,776,664 |
| Non-Current Assets | | | | |
| Property, plant and equipment | 102,624 | 1,040,542 | | 1,143,166 |
| Other assets | 6,681 | - | | 6,681 |
| Intangible assets | 6,825,978 | 5,040,123 | (b) | 12,124,897 |
| TOTAL NON-CURRENT ASSETS | 6,935,283 | 6,080,666 | | 13,274,744 |
| TOTAL ASSETS | 8,265,642 | 7,533,972 | | 19,051,408 |
| LIABILITIES | | | | |
| Current Liabilities | | | | |
| Trade and other payables | 2,462,843 | 129,743 | (c) | 2,180,578 |
| Borrowings | 3,309,906 | - | (d) | 1,976,573 |
| Current tax liabilities | 1,054,396 | 28,876 | | 1,083,272 |
| Employee benefit obligations | 208,008 | 1,069,709 | | 1,277,717 |
| Contract liabilities | 1,047,185 | 192,968 | | 1,240,153 |
| Other liabilities | 525,000 | 14,370 | | 539,370 |
| TOTAL CURRENT LIABILITIES | 8,607,338 | 1,435,667 | | 8,297,664 |
| Non-Current Liabilities | | | | |
| Borrowings | 100,262 | 160,531 | | 260,793 |
| Lease liability | - | 859,790 | | 859,790 |
| Employee benefit obligations | 29,991 | 61,780 | | 91,771 |
| TOTAL NON-CURRENT LIABILITIES | 130,253 | 1,082,101 | | 1,212,354 |
| TOTAL LIABILITIES | 8,737,591 | 2,517,768 | | 9,510,018 |
| NET ASSETS / (LIABILITIES) | (471,949) | 5,016,204 | | 9,541,390 |
| EQUITY | | | | |
| Issued capital | 36,829,686 | 11,550,217 | (e) | 49,009,693 |

| | AUDITED 31 Dec 2024 | Learnt Group (Unaudited) | Notes | PRO-FORMA 31 Dec 2024 |
|--------------------------------------|--------------------------------|-------------------------------------|--------------|----------------------------------|
| Option reserve | 3,465,072 | | (f) | 1,798,405 |
| Foreign currency translation reserve | (91,934) | | | (91,934) |
| Retained earnings | (40,674,773) | (6,534,012) | (g) | (41,174,773) |
| TOTAL EQUITY | (471,949) | 5,016,204 | | 9,541,391 |

Notes:

- (a) \$5,650,000 raised under the Placement and \$500,000 equity raised by Learnt Global, less amounts including \$1.5 million to PAM for debt repayment, \$750,000 for transaction-related fees (including costs of the Placement, Broker fees, legal fees and ASIC/ASX fees of approximately \$326,000 (ex GST). For further details, please refer to Section 7.16) and the remaining amounts to fees and amounts owing to Directors (including (i) fees payable to More Investments, an associate of Mr Nicholas Smedley, of approximately \$220,000 (ex GST) for transaction fees related to the Proposed Acquisition and approximately \$142,200 (ex GST) fees in relation to the Placement, (ii) repayment of \$130,000 salary and payment of \$100,000 cash bonus payable to Mr Angus Washington, and (iii) repayment of \$30,000 of salary and \$50,000 loan amount owing to Mr Michael Norster).
- (b) Adjustment of \$258,796 for implied goodwill elimination.
- (c) Reduction for fees and amounts owed to Directors of \$412,008.
- (d) Includes repayment of \$1.5 million owed to PAM; cancellation of \$1,666,667 of warrants and conversion of \$1.5 million debt owed to PAM into equity.
- (e) Includes adjustment for \$5.65 million raised under the Placement, \$500,000 equity raised by Learnt Global, and \$5.775 million investment from Learnt Global, conversion of \$1.5 million of PAM's debt into equity, less approximately \$750,000 transaction-related costs.
- (f) Cancellation of \$1,666,667 of warrants.
- (g) Adjustment for retained earnings of Learnt Global group, less advances on funds for working capital and for the Proposed Acquisition restructure.

5. Rights and liabilities attaching to Securities under the Offers

5.1 Rights and liabilities attaching to Shares

A summary of the key rights attaching to the Shares is set out below. The provisions of the Constitution relating to the rights attaching to the Shares must be read subject to the Corporations Act, the ASX Listing Rules and ASX Settlement Operating Rules. This summary is not intended to be exhaustive and does not constitute a definitive statement of the rights, liabilities and restrictions attaching to the Shares.

(a) General meetings

Each Shareholder has the right to receive notice of and to attend all general meetings of the Company whether or not entitled to vote.

(b) Voting rights

At a general meeting, each Shareholder in person or by proxy, attorney or representative is entitled to one vote on a show of hands.

On a poll, every member present will, in respect of each fully paid Share held by them, have one vote for each Share.

(c) Dividend rights and dividend policy

Subject to the Corporations Act, the Company's constitution and the terms of issue of shares, the Directors may pay any dividend it thinks appropriate and fix the time for payment.

(d) Rights on winding-up

In winding up, the liquidator may, with the sanction of a special resolution divide the assets of the Company among the Shareholders and decide how the division may be carried out between Shareholders and different classes of Shareholders.

(e) Offer of shares

Subject to the Corporations Act, the ASX Listing Rules and the Company's constitution, the Directors may issue, grant options over or otherwise dispose of unissued shares, to any person on the terms, with the rights, and at the times that the Board decides.

(f) Variation of rights

If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (subject to the Corporations Act, the terms of issue of shares and the rights attached to a class of shares are not treated as varied by the issue of further shares of that class) may be varied or cancelled by an ordinary resolution passed at a meeting of the holders of the shares of the class.

(g) **Constitution**

A summary of the key provisions of the Constitution is set out below.

(i) **Transfer of Shares**

Subject to the Constitution, a Shareholder may transfer any of the Shareholder's Shares by way of:

- (A) a written transfer instrument in any usual or common form; or
- (B) any other form approved by the Directors.

The Company may participate in any computerised or electronic system for market settlement, securities transfer and registration conducted in accordance with the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules, or corresponding laws or financial market rules in any other country.

(ii) **Quorum at general meetings**

A quorum at a general meeting consists of five Shareholders present, unless there are less than three Shareholders, in which event a quorum is those Shareholders.

(iii) **Chairman – meeting of members**

The chairperson has a casting vote (in addition to the chairperson's votes as a Shareholder, proxy, attorney or Representative) on a show of hands or on a poll.

(iv) **Directors – appointment and removal**

Subject to the Constitution, and the number of Directors fixed under the Constitution not being exceeded, the Company may appoint Directors by a resolution passed at a general meeting.

(v) **Remuneration of Directors**

Subject to any contract with the Company and to the ASX Listing Rules, the Board may fix the remuneration paid to each executive Director. Directors, other than executive Directors, are entitled to be paid out of the funds of the Company an amount that does not any year exceed in aggregate the amount determined from time to time by the Company in general meeting.

(vi) **Dividends**

The Directors may by resolution declare and fix the amount, the time for and method of payment of dividends to be distributed to Shareholders according to their special rights.

5.2 Rights and liabilities attaching to Placement Options (including Consultant Options)

The Placement Options (including Consultant Options) entitle the holder to subscribe for Shares on the terms and conditions set out below:

(a) **Entitlement**

Each Option gives the Option holder the right to subscribe for one (1) Share by paying the Exercise Price before the Expiry Date in accordance with terms and

conditions set out in this Section 5.2.

(b) **Exercise Price**

The amount payable upon exercise of each Option is \$0.07 (7 cents) (**Exercise Price**).

(c) **Expiry Date**

The Options will expire 24 months from the date of issue (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time from the issue date up to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

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

Where a Option holder determines to exercise some, but not all, of their held Options, the total aggregate amount payable to exercise the Options must be a minimum of \$1,000.

(f) **Shares issued on exercise**

Shares issued on the exercise of the Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by ASX.

(g) **Quotation**

- (i) The Company intends to apply to ASX for Official Quotation of the Options.
- (ii) Application for Official Quotation of the Options offered pursuant to this Prospectus will be made within seven (7) days of the date of this Prospectus.
- (iii) Quotation of the Options will be subject to the Company satisfying the requirements of the Listing Rules, including Listing Rule 2.5 (Requirements for quotation of additional securities). A decision by ASX to grant Official Quotation of the Options is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the Options offered for subscription.
- (iv) In the event that the Company is unable to satisfy the ASX requirements, the Options will still be issued but will be unquoted Options.
- (v) The Company will apply to ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any Options within 10 Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

(h) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders

during the currency of the Options without exercising the Options.

(i) **Participation in a Reorganisation of Capital**

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

5.3 Rights and liabilities attaching to Broker Options

(a) **Entitlement**

Each Broker Option gives the Broker Option holder the right to subscribe for one (1) Share by paying the relevant Exercise Price before the applicable Expiry Date in accordance with terms and conditions set out in this Section 5.3.

(b) **Exercise Price**

The applicable amount payable upon exercise of a Broker Option (each a **Broker Exercise Price**) is as set out below:

- (i) an exercise price of \$0.07 (7 cents) (**T1 Broker Options**);
- (ii) an exercise price of \$0.07 (7 cents) (**T2 Broker Options**);
- (iii) an exercise price of \$0.07 (7 cents) (**T3 Broker Options**); and
- (iv) an exercise price of \$0.09 (9 cents) (**T4 Broker Options**).

(c) **Expiry Date**

The Broker Options will expire (each a **Broker Expiry Date**) as outlined below:

- (i) in relation to T1 Broker Options, 48 months from the issue date;
- (ii) in relation to T2 Broker Options, 24 months from the issue date;
- (iii) in relation to T3 Broker Options, 36 months from the issue date; and
- (iv) in relation to T4 Broker Options, 36 months from the issue date.

(d) **Exercise Period**

The Broker Options are exercisable at any time from the issue date up to the Broker Expiry Date (**Broker Exercise Period**).

(e) **Notice of Exercise**

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

Where a Broker Option holder determines to exercise some, but not all, of their held Broker Options, the total aggregate amount payable to exercise the Broker Options must be a minimum of \$1,000.

(f) **Shares issued on exercise**

Shares issued on the exercise of the Broker Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by ASX.

(g) **Quotation**

The Company will not seek to apply to ASX for Official Quotation of the Broker Options.

(h) **Participation in new issues**

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

(i) **Participation in a Reorganisation of Capital**

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

5.4 Rights and liabilities attaching to Director Options

(a) **Entitlement**

Each Director Option gives the Director Option holder the right to subscribe for one (1) Share by paying the relevant Exercise Price before the applicable Expiry Date in accordance with terms and conditions set out in this Section 5.4.

(b) **Exercise Price**

The applicable amount payable upon exercise of a Director Option (each a **Director Exercise Price**) is as set out below:

- (i) an exercise price of \$0.07 (7 cents) (**T1 Director Options**);
- (ii) an exercise price of \$0.09 (9 cents) (**T2 Director Options**);
- (iii) an exercise price of \$0.07 (7 cents) (**T3 Director Options**);
- (iv) an exercise price of \$0.07 (7 cents) (**T4 Director Options**); and
- (v) an exercise price of \$0.09 (9 cents) (**T5 Director Options**).

(c) **Vesting**

T1, T2 and T3 Director Options will vest on the date that is the issue date.

T4 and T5 Director Options will vest on the date that is 2 years from the date of issue, subject to such Director Option holders remaining a director of the Company on the vesting date.

(d) **Expiry Date**

The Director Options will expire (each a **Director Expiry Date**) as outlined below:

- (i) T1 and T2 Director Options may be exercised up to 48 months from the issue date;
- (ii) T3 Director Options may be exercised up to 24 months from the issue date; and
- (iii) T4 and T5 Director Options may be exercised up to 24 months from the vesting date.

(e) **Exercise Period**

The Director Options are exercisable at any time from the issue date up to the Director Expiry Date (**Director Exercise Period**).

Director Options which have not become exercisable or have not been exercised prior to the exercise date will automatically lapse upon the Director Option holder ceasing to be a director of the Company.

(f) **Notice of Exercise**

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

Where a Director Option holder determines to exercise some, but not all, of their held Director Options, the total aggregate amount payable to exercise the Director Options must be a minimum of \$1,000.

(g) **Shares issued on exercise**

Shares issued on the exercise of the Director Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by ASX.

(h) **Quotation**

The Company will not seek to apply to ASX for Official Quotation of the Director Options.

(i) **Participation in new issues**

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

(j) **Participation in a Reorganisation of Capital**

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

6. Risk Factors

The business activities of the Company are subject to risks and there are many risks which may impact on the Company's future performance. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but many are outside of the control of the Company and cannot be mitigated. There are also general risks associated with any investment. Investors should consider all of these risks before they make a decision whether or not to acquire Securities offered under this Prospectus.

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

The principal risk factors include, but are not limited to, the following.

6.1 Company-specific risks

Specific risks that may impact significantly on the Company, its performance and the price of its Securities include:

(a) **Future capital needs and ability to continue as a going concern**

AdNeo recorded a net loss for the half year ended 31 December 2024 and has since executed significant cost cuts. As at 31 December 2024, AdNeo had approximately \$101,000 in cash and cash equivalents on hand, receivables of \$1.3 million and current liabilities of \$8.6 million.

Whilst AdNeo believes that the Placement will provide sufficient working capital for AdNeo to pay outstanding creditors and implement its longer term growth strategy focusing on SaaS and Innovative services for the workforce transformation in the AI-era with a deep specialisation in learning and development, various factors (including cash collections and costs) may cause actual performance to vary significantly from expected results and mean AdNeo may require additional funding. AdNeo is pursuing an organic and inorganic growth strategy, and the company is actively seeking M&A opportunities. Raising additional capital or executing M&A activities may be dilutive to existing Shareholders.

AdNeo's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to AdNeo will vary according to a number of factors, including operational results and then prevailing market conditions.

(b) **M&A Execution**

AdNeo's ability to successfully execute and complete M&A transactions and post-merger integration strategies relies on many factors, including access to talent, working capital, market conditions, and legal risks. The Company takes all possible precautions through the due diligence process to mitigate such risks, however, it is not always possible to identify or fully mitigate some risks arising from transactions which may not be reasonably foreseeable nor within the Company's control.

On 29 July 2024 the Company announced the acquisition of Oliver Grace Pty Ltd ACN 638 080 476 (**Oliver Grace**) from the shareholders of Oliver Grace. The Company is required to make a payment of \$525,000 of deferred cash and Shares (**Deferred Consideration**) on the first anniversary of completion of that acquisition. The Company expects to satisfy the Deferred Consideration following completion of

the Placement and the Offers in this Prospectus. However, if the Company is unable to do so, there may be risks and costs associated with resolving such matter.

(c) Competition in the industries which AdNeo operates

AdNeo competes with a number of specialist software vendors in software markets. These markets are subject to competition based on factors including price, service, quality, performance standards, information security, innovation and the ability to provide customers with an appropriate range of reliable and tailored services in a timely manner.

Any increase in the foregoing competitive factors, or others, may impact AdNeo's ability to retain existing clients and attract new clients. As such, there is a risk that:

- (i) competitors offer more cost efficient products than those of AdNeo, which may, in particular, result in AdNeo being required to introduce price reductions to retain existing clients or attract new clients, resulting in reduced profitability; and
- (ii) competitors develop software with functionality that AdNeo's products do not have, requiring AdNeo to incur capital expenditure to develop products which can effectively compete with those offered by its competitors.

If AdNeo is unable to adapt its products, it may lose existing clients and/or be unable to attract new clients and/or existing or potential competitors may have significantly greater resources than those of AdNeo, which may enable them to develop superior products or adapt more quickly to new technologies, evolving industry trends or changing client or regulatory requirements.

These factors could in turn have an adverse impact on AdNeo's future financial performance and business activities.

(d) Failure to realise benefits from product research and development

Developing and marketing software and technology is expensive and often involves an extended period of time to achieve a return on investment. An important aspect of AdNeo's business is to continue to invest in innovation and related product development opportunities, and to market those products effectively. AdNeo believes that it must continue to dedicate resources to its innovation efforts to develop AdNeo's software and technology product offering and maintain AdNeo's competitive position.

AdNeo may not however, receive benefits from these investments for several years or at all. AdNeo makes assumptions about the expected future benefits generated by investment in product research and development and the expected timeframe in which the benefits will be realised. These assumptions involve both known and unknown risks that are beyond the control of AdNeo and are thus subject to change. Any change to the assumptions may have an adverse impact on AdNeo's ability to realise benefits from innovation and product development related costs.

(e) AdNeo may not be able to attract or retain key personnel

AdNeo's success depends to some extent on its ability to retain key personnel. AdNeo's senior management team have extensive experience in, and knowledge of, the HR industries in which AdNeo operates. The loss of key personnel may adversely affect AdNeo's ability to develop its products or implement its business strategies and may adversely affect its future financial performance.

(f) **Protection of, and exposure to, intellectual property**

AdNeo relies on laws relating to intellectual property including copyright and trademarks to assist in protecting the proprietary rights in its products. There is a risk that unauthorised use or copying of AdNeo's intellectual property (including its data or software) may occur. There is also a risk that AdNeo will be unable to register intellectual property or otherwise protect or stop competitors using new intellectual property it develops in the future. In addition, there is a risk that the validity, ownership or authorised use of intellectual property relevant to AdNeo's business may be successfully challenged by third parties. A successful challenge could lead to the granting of a court injunction which could materially affect AdNeo's business operations and performance.

These above risks may result in the inability of AdNeo to protect and/or use the intellectual property in question, which may materially adversely impact AdNeo's business activities, revenue, legal expenses and profitability.

(g) **Cyber security, computer crime and privacy breaches**

Increased cyber security threats and computer crime also pose a potential risk to the security of AdNeo's information technology systems, including those of contracted third-party service providers, as well as the confidentiality, integrity and availability of the data stored on those systems. Any breach in information technology security systems could result in the disclosure or misuse of confidential or proprietary information, including sensitive employer, employee or investor information maintained in the ordinary course of business. Any such event could cause damage to reputation, loss of valuable information or loss of revenue and could result in large expenditures to investigate or remediate, to recover data, to repair or replace networks or information systems, or to protect against similar future events.

- (i) AdNeo may fail to execute its strategy
- (ii) AdNeo's strategy outlined in this Offer Booklet is focussed on:
- (iii) winning new and higher value customers;
- (iv) greater spend per customer;
- (v) partnerships and strategic alliances; and
- (vi) buy and build.

AdNeo may not be successful in identifying opportunities, assessing the value, strengths and weaknesses of these opportunities and finalising acquisitions or implementation of other opportunities on acceptable terms or, if completed, realise expected synergies and other benefits. In addition, AdNeo may compete for certain opportunities/acquisition targets with companies having greater financial resources than it does.

In respect of acquisitions, there is a risk that the integration of any acquisition may take longer or cost more than expected by AdNeo, or lead to technical difficulties or disruption of service, which would impact on the profitability of AdNeo. There is no guarantee the acquired businesses will operate as profitably after integration as they did prior to their acquisition by AdNeo. To the extent AdNeo is not able to execute its strategy, its business and growth prospects may be adversely impacted.

6.2 General Risks

(a) Economic

Factors such as inflation, currency fluctuation, interest rates and supply and demand have an impact on operating costs, and stock market prices. AdNeo's future revenues and prices of its securities may be affected by these factors, which are beyond AdNeo's control.

(b) Changes in legislation and government regulation

Government legislation in Australia or any other relevant jurisdiction, including changes to the taxation system, may affect future earnings and relative attractiveness of investing in AdNeo. Changes in government policy or statutory changes may affect AdNeo and the attractiveness of an investment in it.

(c) Global credit investment market

Global credit, commodity and investment markets have recently experienced a high degree of uncertainty and volatility. The factors which have led to this situation have been outside the control of AdNeo and may continue for some time resulting in continued volatility and uncertainty in world stock markets (including the ASX). This may impact the price at which AdNeo's securities trade regardless of operating performance and affect AdNeo's ability to raise additional equity and/or debt to achieve its objectives, if required.

(d) Exchange rate risk

If the Australian dollar falls in relation to the exchange rate where the product or service is sourced from, then since AdNeo's financial statements are prepared in Australian dollars, this may impact its performance and position.

(e) Unforeseen risk

There may be other risks which the Directors are unaware of at the time of issuing this Prospectus which may impact on AdNeo, its operations and/or the valuation and performance of the Company's securities.

(f) Combination of risk

AdNeo may not be subject to a single risk. A combination of risks, including any of the risks outlined in this Section 6 could affect the performance valuation, financial performance and prospects of AdNeo.

(g) Unforeseen expenditure risk

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although AdNeo is not aware of any additional expenditure requirements other than those announced on the ASX and disclosed in this Prospectus, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of AdNeo.

(h) Market conditions

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

- (i) general economic outlook;

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

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

(i) **Additional requirements for capital**

AdNeo's capital requirements depend on numerous factors. Depending on AdNeo's ability to generate income from its operations, AdNeo may require further financing in addition to amounts raised under the Offers. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If AdNeo is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and may be prevented from progressing the commercialisation of its products. There is however no guarantee that AdNeo will be able to secure any additional funding or be able to secure funding on terms favourable to AdNeo.

(j) **Speculative investment**

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

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

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

7. Additional Information

7.1 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the ASX Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the ASX Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report.

Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, the offices of ASIC (see Section 7.2 below).

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

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

7.2 Copies of documents

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with ASIC, being the financial report for the year ending 30 June 2024;
 - (ii) any half-year financial report lodged by the Company with ASIC after the lodgement of the Annual Report referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX after the lodgement of the annual financial report referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC.

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

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's annual financial report lodged on 30 August 2024 and before the lodgement of this Prospectus with ASIC are set out in the table below.

| Date | Description of announcement |
|------------------|---|
| 12 August 2025 | Acquisition and Placement Update |
| 7 August 2025 | Results of Extraordinary General Meeting |
| 30 July 2025 | Quarterly Activities/Appendix 4C Cash Flow Report |
| 9 July 2025 | \$1.5m of cost synergies completed ahead proposed acquisition |
| 8 July 2025 | 2025 EGM - Letter to Shareholders & Proxy Form |
| 8 July 2025 | Notice of General Meeting/Proxy Form |
| 7 July 2025 | Notification regarding unquoted securities - AD1 |
| 18 June 2025 | Change of Director's Interest Notice |
| 12 June 2025 | Reinstatement to official quotation |
| 12 June 2025 | Proposed issue of securities - AD1 |
| 12 June 2025 | Proposed issue of securities - AD1 |
| 12 June 2025 | AdNeo Completes \$5.5 Million Placement to Support Growth |
| 26 May 2025 | Continuation of Suspension |
| 19 May 2025 | Change of Director's Interest Notices x3 |
| 12 May 2025 | Proposed issue of securities - AD1 |
| 12 May 2025 | Proposed issue of securities - AD1 |
| 12 May 2025 | Notification of cessation of securities - AD1 |
| 12 May 2025 | Learnt Group Acquisition Investor Presentation |
| 12 May 2025 | Acquisition of Learnt Global Group & Capital Raising |
| 12 May 2025 | Voluntary suspension |
| 1 May 2025 | Trading halt |
| 30 April 2025 | Quarterly Activities/Appendix 4C Cash Flow Report |
| 14 April 2025 | Change of Registry Address Notification |
| 31 March 2025 | Notification of cessation of securities - AD1 |
| 28 February 2025 | AD1 Appendix 4D & December 2024 Half Yearly Report |
| 6 February 2025 | Change of Company Auditor |
| 31 January 2025 | Quarterly Activities/Appendix 4C Cash Flow Report |
| 31 January 2025 | Appointment of Company Secretary |

| Date | Description of announcement |
|------------------|---|
| 2 January 2025 | Section 708A Cleansing Notice |
| 2 January 2025 | Application for quotation of securities - AD1 |
| 13 December 2024 | Becoming a substantial holder |
| 11 December 2024 | Change of Director's Interest Notices |
| 6 December 2024 | AD1 Holdings to be renamed AdNeo |
| 4 December 2024 | SECTION 708A CLEANSING NOTICE |
| 4 December 2024 | Notification regarding unquoted securities - AD1 |
| 4 December 2024 | Application for quotation of securities - AD1 |
| 4 December 2024 | Application for quotation of securities - AD1 |
| 29 November 2024 | Results of Annual General Meeting |
| 29 November 2024 | AGM Presentation - AdNeo - Strategy 2025 |
| 21 November 2024 | Appendix 3Y - Smedley |
| 21 November 2024 | Appendix 3Y - Norster |
| 20 November 2024 | Notice of Annual General Meeting & Addendum |
| 14 November 2024 | Completion of Share Consolidation |
| 12 November 2024 | AD1 CEO Appointment & Growth Strategy |
| 4 November 2024 | Results of Extraordinary General Meeting |
| 1 November 2024 | Consolidation/Split - AD1 |
| 1 November 2024 | Cancel - Consolidation/Split - AD1 |
| 31 October 2024 | 2024 AGM - Letter to Shareholders & Proxy Form |
| 31 October 2024 | Notice of Annual General Meeting/Proxy Form |
| 31 October 2024 | Consolidation/Split - AD1 |
| 31 October 2024 | Quarterly Activities/Appendix 4C Cash Flow Report |
| 14 October 2024 | Annual General Meeting Date |
| 3 October 2024 | Notice of Extraordinary General Meeting and Proxy Form |
| 3 October 2024 | 2024 Notice of Extraordinary General Meeting and Proxy Form |
| 30 August 2024 | Appendix 4G & Corporate Governance |
| 30 August 2024 | Appendix 4E & Annual Report 2024 |

The announcements are also available through the Company's website <https://adneo.com.au/investors/>.

The following documents are available for inspection throughout the application period of this Prospectus during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) Constitution; and
- (c) the consents provided by the Directors to the issue of this Prospectus.

7.3 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules, and which is required to be set out in this Prospectus.

7.4 Summary of the SPA

Key terms of the SPA are summarised below.

- (a) **Consideration:** Under the terms of the Proposed Acquisition, the Company has agreed to acquire 100% of the shares in Learnt Global in consideration for:
 - (i) issue to the sellers collectively 82,500,000 ordinary shares in the Company at an issue price of \$0.07 per share on completion of the Proposed Acquisition representing a value of A\$5.775 million; and
 - (ii) upon achieving financial revenue and EBIT targets for FY27, the Company has agreed to issue Earn Out Shares up to a maximum of 113,437,500 ordinary shares in the Company at an issue price of \$0.07 per share or a cash equivalent (at the discretion of the Board), noting that no shares or cash will be issued if the relevant targets are not met. Specifically, the Earn Out Shares are subject to Learnt Global achieving at least \$8 million revenue and \$1.15 million EBIT for the FY27.
- (b) **Conditions Precedent:** Completion of the acquisition of the Learnt Global shares is subject to and conditional upon the satisfaction or waiver of conditions precedent, including the following:
 - (i) the Company conducting a capital raise to raise at least \$2 million;
 - (ii) no material adverse change in respect of the Company or Learnt Global having occurred prior to completion;
 - (iii) the Company and Learnt Global obtaining all regulatory approvals required in order to complete under the SPA;
 - (iv) the reduction of \$1.5 million debt owed to PAM;
 - (v) the Company obtaining Shareholder approval for the issue of the Consideration Shares at the EGM;
 - (vi) each seller entering into a voluntary escrow deed with the Company in respect of their respective Consideration Shares;
 - (vii) certain key employees of Learnt Global entering into employment agreements with the Company; and
 - (viii) Learnt Global undertaking a capital raise of at least \$500,000 prior to completion of the SPA.
- (c) **Board appointment:** Upon completion of the Proposed Acquisition, Kevin Lynch

will be appointed to the Board.

7.5 Variation to SPA

On 14 August 2025, the following sellers:

- (a) Kevin Lynch;
- (b) Gerard Manion; and
- (c) Aequus Pty Limited ACN 103 599 391 as trustee for the Manion Family Trust ABN 34 349 896 871,

(**Relevant Sellers**), agreed to reduce the number of Shares that would be issued to them on completion by an aggregate amount of 11,428,571 (**Holdback Shares**). The Relevant Sellers have agreed to the Company holding back the Holdback Shares in connection with an ongoing dispute between, among others, Learnt Global and Global Animal Academy Pty Ltd ACN 673 453 464 (**AA Dispute**). The Relevant Sellers have agreed to allow the Company not to issue the Holdback Shares until the AA Dispute is resolved. Upon the resolution of the AA Dispute, the Holdback Shares will be issued to the Relevant Sellers less the value of any liability incurred by Learnt Global or a Learnt Global subsidiary and/or the sellers.

7.6 Broker Engagement

The Company entered into separate engagements with each of Salter Brothers, PAC Partners and Taurus Capital to provide services in relation to the Placement and with Lazarus for post-Placement services.

Below is a summary of the key terms of the engagements with each of Salter Brothers, PAC Partners, Taurus Capital and Lazarus.

(a) Engagement with Salter Brothers

(i) Services

Salter Brothers has agreed be the lead investor and to subscribe for \$1.5 million of the Placement, in accordance with the terms of the Placement.

(ii) Fees

In exchange for the services provided by Salter Brothers, the Company agreed to issue 4.5 million Shares (equivalent to \$202,500) to Salter Brothers.

(iii) Term

Salter Brothers is engaged for the term of the Placement.

(b) Engagement with PAC Partners

(i) Services

PAC Partners was engaged to act as lead manager and bookrunner on the Placement.

(ii) **Fees**

- (A) Selling fee: 5% of gross proceeds raised (excluding amounts from Director contribution, Chairman's list and Salter Brothers).
- (B) Equity raising management fee: 1% of gross proceeds from Placement (excluding amounts from Director contribution, Chairman's list and Salter Brothers).
- (C) Advisor options: 1 option (exercisable at 7 cents and expiring 4 years from issue date) for 10 shares issued under the Placement (excluding amounts from Director contribution, Chairman's list and Salter Brothers), equivalent to a total of 1,530,000 options (of which, 68,850 options were approved for issue at the EGM and the remainder will be issued under the Company's ASX Listing Rule 7.1 placement capacity).
- (D) Retainer fee post-Placement: \$7,000 per month for 4 months.

(iii) **Term**

PAC Partners will continue to be retained by the Company 4 months after completion of the Placement, and thereafter on a rolling quarterly basis subject to mutual agreement by the parties.

(c) **Agreement with Taurus Capital**

(i) **Services**

Providing brokering services and assisting with responsibilities of the lead manager in the Placement, including managing the offer process and timetable and advising on the structure and pricing of the offer.

(ii) **Fees**

- (A) Selling fee: 6% of gross proceeds raised by Taurus Capital (deducted from raise amount).
- (B) Advisor options: 10 million options at 7 cents and 9 cents, with a 3 year expiry date (subject to successful completion of the Placement).
- (C) Retainer fee post-Placement: \$10,000 per month for 12 months.

(iii) **Term**

Taurus Capital will continue to be retained by the Company 12 months after completion of the Placement.

(d) **Engagement with Lazarus**

(i) **Services**

Lazarus has been engaged to provide post-capital raise services including advising on post-raise investor communications and market updates, advising on regulatory disclosure requirements, and strategic advice on capital management and use of funds.

(ii) **Fees**

Advisory fee: \$12,500 (exclusive of GST) and 2.5 million options exercisable at 7 cents and with a 2 year expiry date.

(iii) **Term**

Lazarus has been engaged for the period commencing on 14 June 2025 and ending on 14 July 2025.

Either party may terminate the engagement by written notice.

7.7 Unsecured loan agreement

The key terms of the unsecured loan agreement entered into by each of Mr Nicholas Smedley and the strategic investor with the Company are as follows:

- (a) **Repayment date:** Completion of the Placement.
- (b) **Interest rate:** 0% per annum.
- (c) **Security:** The loan amounts are unsecured.
- (d) **Voluntary repayment:** The Company may prepay the loan at any time.

The loan amounts would be set-off against the subscription monies payable by Mr Nicholas Smedley and the strategic investor under the Placement, as noted in Section 3.1(a) above.

7.8 Engagement with consultants

(a) **Corporate consultant agreement with More Investment Group Pty Ltd**

The key terms of the engagement agreement dated 4 September 2020 entered into with More Investment Group Pty Ltd (**More Investment**), an associated entity of Mr Nicholas Smedley, are as follows:

(i) **Services**

Under the agreement, More Investment will provide merger and acquisition services including:

- (A) advising on acquisition strategies and identification of suitable acquisition targets;
- (B) approaching owners and key stakeholders of targets and negotiation of term sheets and relevant ancillary documents; and
- (C) assistance with due diligence, formal transaction documents and completion matters.

(ii) **Fees**

In exchange for services provided, the Company has agreed to pay a success fee proportionate to the value of each completed corporate transaction, which is as follows:

- (A) for transactions with a value of up to or equal to \$20 million, a maximum fee of \$600,000; and

- (B) for transactions with a value of more than \$20 million and up to or equal to \$50 million, a maximum fee of \$1 million.

The Company has agreed to pay More Investment the aggregate sum of approximately \$397,000 in connection with the Offer and the Proposed Acquisition pursuant to this agreement.

(iii) **Term**

The agreement continues until the earlier of:

- (A) the date on which More Investment ceases to be a Shareholder of the Company;
- (B) the date on which the agreement is mutually terminated by the parties; and
- (C) 20 business days from the date the Company provides written notice of termination.

(b) **Engagement with corporate advisor**

Antonluigi Gozzi, a consultant to the Company, will receive 2,444,444 fully paid ordinary shares (equivalent to \$110,000 (including GST)) as remuneration for facilitating the Proposed Acquisition, including in relation to the strategy, due diligence and post-merger integration (**Consultant Shares**). The issue of the Consultant Shares will be issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1. The Company has also agreed to issue Consultant Options to Mr Gozzi under the Consultant Option Offer as noted in Section 3.1(g).

7.9 Market price of Shares

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

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

| | Share Price | Date |
|---------|-------------|----------------|
| Highest | \$0.054 | 24 July 2025 |
| Lowest | \$0.045 | 27 June 2025 |
| Last | \$0.048 | 14 August 2025 |

7.10 Dividend policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

7.11 Litigation and contingent liabilities

Other than as disclosed in this Prospectus, as at the date of this Prospectus, the Company is not involved in any legal proceedings, and the Directors are not aware of any other legal

proceedings (pending or threatened against the Company) or any other commitments or contingent liabilities.

7.12 Substantial Shareholders

As at the date of this Prospectus (immediately before the issue of Shares as noted under this Prospectus), those persons who (together with their associates) have the top 5 holdings of relevant interest in the Shares on issue are set out below. The table also shows the changes to the holdings immediately following completion of the Offers and issue of the Relevant Shares:

| Shareholder | Shares | % | Shares (Immediately post-issue of Relevant Shares) ¹ | % (Immediately post-issue of Relevant Shares) ¹ |
|-------------------------------|------------|--------|---|--|
| POTENTATE INVESTMENTS PTY LTD | 21,668,135 | 14.80% | 22,334,803 ² | 6.01% ² |
| MORE CAPITAL HOLDINGS PTY LTD | 16,875,036 | 11.53% | 50,208,369 ³ | 13.52% ³ |
| J P MORGAN NOMINEES AUSTRALIA | 13,468,750 | 9.20% | 13,468,750 | 3.63% |
| JACK YETIV | 8,000,000 | 5.46% | 8,000,000 | 2.15% |
| BNP PARIBAS NOMINEES PTY LTD | 5,420,864 | 3.70% | 5,420,864 | 1.46% |

Note:

1. Assuming no Options or other convertible securities are exercised for, or converted into, Shares.
2. Includes 666,668 Shares issued to Potentate Investments Pty Ltd, Mr Michael Norster's associated entity, under the Placement.
3. Includes 33,333,333 Shares issued to More Capital Holdings Pty Ltd, Mr Nicholas Smedley's associated entity, under the Placement.

7.13 Directors' interests

(a) Interests

Except as disclosed in this Prospectus, no Director, and no firm in which a Director has an interest:

- (i) has any interest, nor has had any interest in the last two years prior to the date of this Prospectus, in the formation or promotion of the Company, the Offers or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (ii) has been paid or given, or will be paid or given, any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for

services rendered by him or her in connection with the formation or promotion of the Company or the Offer.

(b) **Directors' Holdings**

Set out in the table below are details of Directors' relevant interests in the securities of the Company at the date of this Prospectus (immediately before the issue of any Securities as noted under this Prospectus):

| Director | Shares | % of Total Shares | Options |
|---------------------|-------------------------|-------------------|---------|
| Mr Michael Norster | 25,935,408 ¹ | 17.71% | Nil |
| Mr Nicholas Smedley | 22,163,712 ² | 15.14% | Nil |
| Mr Angus Washington | 1,550,552 ³ | 1.06% | Nil |

Notes:

1. Held directly and indirectly.
2. Held directly and indirectly.
3. Held directly and indirectly.

(c) **Remuneration of Directors**

Please refer to the Remuneration Report, which is contained on pages 5 to 12 of the Company's Annual Report for the financial year ended 30 June 2024, for full details of the remuneration of the Company's executive and independent directors.

The Annual Report for the financial year ended 30 June 2024 was lodged with ASX on 30 August 2024, and is available on the Company's ASX announcements page at <https://adneo.com.au/investors/>.

A hard copy of the Annual Report for the financial year ended 30 June 2024 is also available free of charge until the Closing Date by contacting the Company at its registered address using the details in Section 1 of this Prospectus.

7.14 Interests of Named Persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Offers or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Offers.

Salter Brothers acted as a lead investor in the Placement and will be paid 4.5 million Shares as consideration for such services.

PAC Partners has acted as the lead manager to the Placement and will be paid:

- (c) a selling fee of 5% of gross proceeds raised (excluding amounts from Director contribution, Chairman's list and Salter Brothers);
- (d) an equity raising management fee of 1% of gross proceeds from Placement (excluding amounts from Director contribution, Chairman's list and Salter Brothers);
- (e) 1,530,000 T1 Broker Options; and
- (f) after the Placement, a retainer fee of \$7,000 per month for 4 months.

Lazarus will be providing post-Placement corporate advisory services to the Company and will be paid:

- (g) an advisory fee of \$12,500 (exclusive of GST); and
- (h) 2.5 million T2 Broker Options.

Taurus Capital has acted as a broker to the Placement and will be paid:

- (i) a selling fee of 6% of gross proceeds raised (deducted from raise amount);
- (j) 5 million T3 Broker Options and 5 million T4 Broker Options; and
- (k) after the Placement, a retainer fee of \$10,000 per month for 12 months.

Gadens has acted as the Australian legal advisor to the Company in relation to the Offers. The Company has paid or agreed to pay approximately \$50,000 (excluding GST and disbursements) for these services in connection with the Offers up to the date of the Prospectus. Further amounts may be payable to Gadens in accordance with its time-based charge out rates.

7.15 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus.

Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section 7.15:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section 7.15;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section 7.15; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Each of the following has consented to being named in the Prospectus in the capacity as noted below and have not withdrawn such consent prior to the lodgement of this Prospectus with ASIC:

- (d) Salter Brothers, as the lead investor in the Placement;
- (e) PAC Partners, as the lead manager and bookrunner to the Placement;
- (f) Lazarus, as a post-Placement advisor;
- (g) Taurus Capital, as the broker to the Placement; and
- (h) Gadens, as Australian legal advisor to the Company.

MUFG Corporate Markets (AU) Limited has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registry to the Company. MUFG Corporate Markets (AU) Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

There are a number of persons referred to elsewhere in this Prospectus who are not experts and who have not made statements included in this Prospectus nor are there any statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in the Prospectus and did not authorise or cause the issue of the Prospectus.

7.16 Expenses of the Offers and Placement

The estimated expenses of the Offers and Placement are approximately \$326,000 (excluding GST) comprising ASIC fees and administrative expenses as set out in the table below.

| | \$ |
|---|------------------|
| ASIC fees | \$3,206 |
| ASX fees | \$28,382 |
| Legal fees | \$50,000 |
| Broker fees and advisor fees ¹ | \$244,000 |
| Total | \$325,588 |

Note:

1. Includes approximately \$142,200 (ex GST) fees to More Investment, an associate of Mr Nicholas Smedley, for completion of the Placement.

7.17 Electronic Prospectus

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

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

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

7.18 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Securities under this Prospectus.

7.19 Governing law

This Prospectus, the Offers and the contracts formed on acceptance of Applications under the Offers are governed by the laws applicable in Victoria, Australia. Each Applicant for Securities submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

7.20 Director's authorisation

This Prospectus is authorised by each Director, who has given and not withdrawn their consent to the issue of this Prospectus and to its lodgement with ASIC.

Signed on the date of this Prospectus on behalf of AdNeo Limited by:

A handwritten signature in black ink, appearing to be 'AW', is written over a light yellow rectangular background.

15 August 2025

Mr Angus Washington

Chief Executive Officer and Managing Director

AdNeo Limited

8. Glossary of Terms

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

\$ means the lawful currency of the Commonwealth of Australia.

AEST means Australian Eastern Standard Time, being the time in Melbourne, Victoria.

Annual Report means the financial report lodged by the Company with ASIC in respect to the financial year ended 30 June 2024.

Applicant means a person who submits an Application Form.

Application means a valid application for Securities made pursuant to this Prospectus on an Application Form.

Application Form or Form means the application form sent with this Prospectus. Application Monies means application monies for Securities received by the Company.

Application Money means money received from an Applicant in respect of its application for Securities under the Offers and **Application Monies** has the corresponding meaning.

ASIC means Australian Securities and Investments Commission.

ASTC means ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532.

ASX means ASX Limited ACN 008 129 164 and where the context permits the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the Directors meeting as a board.

Broker has the meaning in Section 3.1(e).

Broker Exercise Period has the meaning in Section 5.3(d).

Broker Exercise Price has the meaning in Section 5.3(a).

Broker Expiry Date has the meaning in Section 5.3(c).

Broker Notice of Exercise has the meaning in Section 5.3(e).

Broker Options has the meaning in Section 3.1(e).

Broker Options Offer has the meaning in Section 3.1(e).

Business Day means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

CHES means ASX Clearing House Electronic Subregister System.

Cleansing Offer has the meaning in Section 3.2.

Cleansing Shares has the meaning in Section 3.2.

Closing Date means 20 August 2025 or such later date as the Directors may determine.

Company means AdNeo Limited ACN 123 129 162.

Company Secretary means Justin Mouchacca.

Consideration Shares has the meaning in Section 3.1(a).

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

Consultant Option has the meaning in Section 3.1(g).

Consultant Options Offer has the meaning in Section 3.1(g).

Consultant Share has the meaning in Section 7.8(b).

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

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

Director Exercise Period has the meaning in 5.4(e).

Director Exercise Price has the meaning in 5.4(a).

Director Expiry Date has the meaning in 5.4(d).

Director Notice of Exercise has the meaning in 5.4(f).

Director Options has the meaning in Section 3.1(f).

Director Options Offer has the meaning in Section 3.1(f).

EGM means the extraordinary general meeting held on 7 August 2025.

Half Year Financial Report mean the Company's financial statements for the half year ended 31 December 2024 lodged with ASX on 28 February 2025.

Holdback Share has the meaning in Section 7.5.

Issuer Sponsored means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

Lazarus has the meaning in Section 3.1(e).

Learnt Global has the meaning in Section 3.1(a).

More Investment has the meaning in Section 7.8(a).

Offers means the Cleansing Offer, the Placement Options Offer, the Broker Options Offer, the Director Options Offer and the Consultant Options Offer, collectively or individually as the context requires.

Official List means the official list of ASX.

Official Quotation means quotation of Securities on the Official List.

Option means an option to acquire one Share.

Options Offer means the Placement Options Offer, the Broker Options Offer, the Director Options Offer and the Consultant Options Offer, collectively or individually as the context otherwise requires.

PAC Partners has the meaning in Section 3.1(e).

PAM has the meaning in Section 3.1(b).

PAM Shares has the meaning in Section 3.1(b).

Placement has the meaning in Section 3.1(a).

Placement Options has the meaning in Section 3.1(d).

Placement Options Offer has the meaning in Section 3.1(d).

Placement Participants has the meaning in Section 3.1(a).

Placement Shares has the meaning in Section 3.1(a).

Proposed Acquisition has the meaning in Section 3.1(a).

Prospectus means this prospectus dated 15 August 2025.

Relevant Shares means the Consideration Shares, the Placement Shares, the Consultant Shares and the PAM Shares, collectively or individually as the context requires.

Salter Brothers has the meaning in Section 3.1(c).

Section means a section of this Prospectus.

Securities means Shares and Options (as applicable).

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

Shareholder means a holder of Shares.

SPA has the meaning given in Section 3.1(a).

T1 Broker Options has the meaning in Section 5.3(b)(i).

T2 Broker Options has meaning in Section 5.3(b)(ii)

T3 Broker Options has the meaning in Section 5.3(b)(iii).

T4 Broker Options has the meaning in Section 5.3(b)(iv).

T1 Director Options has the meaning in Section 5.4(b)(i).

T2 Director Options has the meaning in Section 5.4(b)(ii).

T3 Director Options has the meaning in Section 5.4(b)(iii).

T4 Director Options has the meaning in Section 5.4(b)(iv).

T5 Director Options has the meaning in Section 5.4(b)(v).

Taurus Capital has the meaning in Section 3.1(e).