



INNOVATIVE SCIENCE • REAL VALUE

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ASX code: SDV

## SCIDEV LTD NON-RENOUNCEABLE ENTITLEMENTS ISSUE OFFER LETTER



A Non-Renounceable 2:7 Entitlements Issue at \$0.06 per Share to Raise \$1.25 Million.

Underwritten by Taylor Collison Limited

Dear Fellow SciDev Shareholder

I refer to the Company's announcement to the ASX on 13 February 2019 in which details were advised of the Company's proposed 2:7 non-renounceable entitlements issue (the **Entitlements Issue**) and am pleased to now provide to you the formal Entitlements Issue offer documentation and acceptance form.

In addition, I refer you to the Company's announcement to ASX on 11 February 2019, which announced the securing of exclusive distribution and marketing rights from the Nuoer Group and an associated investment by Nuoer Group nominees. Below is a summary of the Nuoer Group transaction:

- The Nuoer Group is based in China and is the world's second largest producer of water-soluble polymers. The Nuoer Group's products are used in a wide variety of industrial applications in a market valued at >\$8 billion annually;
- The Company has issued 1,666,667 shares at a price of \$0.06 per share to acquire the distribution and marketing rights for Nuoer Group products in Australia and other Oceanic countries;
- The Nuoer Group transaction aligns the Company's business development strategy, which is using its OptiFlox® technology to execute aggressive growth plans with a global leader in the manufacture of water-soluble polymers; and
- As part of the Nuoer Group transaction, Nuoer Group nominees subscribed for 5,000,000 shares at an issue price of \$0.06 per share to raise \$300,000 of working capital for the Company.

Further information in relation to both the Nuoer Group transaction and an associated \$1.25 million placement being conducted in tandem with the Entitlements Issue are available in the ASX announcements referred to earlier.

#### Proposed Use of Funds

The Company expects to raise approximately \$ 1.25 million under the Entitlements Issue. In conjunction with the Entitlements Issue the Company is carrying out a placement to raise \$1.25 million and the combined \$2.5 million (less costs) will be used to support the Company's aggressive growth plans expanding both its domestic and international activities.

#### Details of the Offer

Under the Entitlements Issue you may subscribe for 2 new SciDev shares for every 7 SciDev shares held by you as at 18 February 2019 (the **Record Date**), at an issue price of \$0.06 (6 cents) per share (the **Issue Price**). For example, if you hold 1,000 SciDev shares as at the Record date you will be entitled to subscribe for a maximum of 286 new SciDev shares at the Issue Price.

A personalised Entitlements Issue acceptance form is attached herewith. Please follow the instructions on that form and contact Boardroom Pty Limited on the number provided in the event of any question.

In the event any fractions of shares occur as a result of the subscription under the Entitlements Issue, your eventual shareholding will be rounded up to the nearest whole number. You may subscribe for some or all of your entitlement under the Entitlements Issue.

Taylor Collison Limited have agreed to act as Lead Manager and Underwriter to the Entitlements Issue. Allocation of any shortfall under the Entitlements Issue is at the discretion of the Company's directors in consultation with Taylor Collison Limited, provided that if any shareholder who takes up shares in addition to their pro-rata entitlement would as a result hold greater than 19.9% of the shares in the Company following completion of the Entitlements Issue then the number of additional shares that they would be issued would be scaled back so that they do not hold greater than 19.9%.

The maximum number of shares to be issued under the Entitlements Issue is 20,947,264 assuming none of the 3,950,000 options on issue are exercised. If all the 3,950,000 options are exercised, then a further 1,128,572 ordinary shares may be issued under the Entitlements Offer. The Company does not expect any of the options to be exercised. The Shares offered under the Entitlements Issue are in the same class of Shares held by you and the Company will seek their quotation on the ASX. A pro-forma capital structure of the Company assuming completion of the Entitlements Issue and completion of the share placements referred to earlier herein is provided below.

	Number of Shares	Percentage Undiluted	Number of Shares Fully Diluted*	Percentage Fully Diluted*
Current Shareholders	73,315,421	68.35	77,265,421	68.78
Balance of Placement	13,000,000	12.12	13,000,000	11.57
Rights Issue	20,947,264	19.53	22,075,835	19.65
Totals	107,262,685	100.00	112,341,256	100.00

- Assumes 100% of options are exercised

The Company released its 2018 Annual Report on 26 October 2018 for the year ended 30 June 2018. Full details of that report can be found on the Company's website at <http://www.scidev.com.au>. Additional disclosures since that date are listed below and SciDev shareholders are encouraged to review these documents.

26 October 2018	SciDev 2018 Corporate Governance Statement
26 October 2018	SciDev Ltd Appendix 4C
29 October 2019	Appointment of New Directors and Appendix 3X Notices
30 October 2018	Notice of Annual General Meeting/Proxy Form
31 October 2018	Quarterly Activities Report and Appendix 4C
12 November 2018	SciDev November 2018 Investor Presentation
23 November 2018	Corporate Update
27 November 2018	Consolidation/Split- SDV
28 November 2018	Change in Directors Interests
29 November 2018	Results of Meeting
30 November 2018	Directors Resignation
2 January 2019	Final Directors Interest Notice
30 January 2019	Purchase order Received for Peabody Energy
31 January 2019	Quarterly Activities Report and Appendix 4C

4 February 2019	Pause in Trading
4 February 2019	Trading Halt
6 February 2019	Suspension from Official Quotation
11 February 2019	SciDev Signs Exclusive Nuoe Products Rights and Placement
11 February 2019	SciDev Requests Continued Voluntary Suspension
13 February 2019	SciDev \$2.5 Million Fund Raising to Accelerate Growth
13 February 2019	Reinstatement to Official Quotation
14 February 2019	SciDev Letter to Eligible and Ineligible Shareholders

### Timetable

The Closing Date under the Entitlements Issue is 5.00pm AEST on 8 March 2019. A timetable for the Offer is below.

Event	Date*
Cleansing Notice S708AA with ASX	12 February 2019
Announcement of Offer	12 February 2019
Lodgement of Appendix 3B with ASX	12 February 2019
Letters to Shareholders, Option holders and Ineligible Shareholders.	14 February 2019
"Ex" Date (date Shares are quoted ex-rights)	15 February 2019
Record Date to determine Entitlements	7.00pm (AEDT) 18 February 2019
Offer Documents (together with Entitlement and Acceptance Form) despatched to Shareholders and announce despatch	21 February 2019
Latest date to extend offer (at least 3 days prior to Closing date)	5 March 2019
Closing date (this is earliest possible date)	5pm (AEDT) 8 March 2019
Shares quoted on a deferred settlement basis	11 March 2019
Notification to ASX of under subscriptions	13 March 2019
Issue date	15 March 2019
Normal trading of Shares issued under the Offer commences**	18 March 2019

\* These dates are indicative only. The Directors (in consultation with the Underwriter) reserve the right to vary the key dates without prior notice, subject to the Listing Rules.

\*\* The Directors (in consultation with the Underwriter) may extend the Closing Date by giving at least three Business Days' notice to ASX prior to the Closing Date. As such, the date the Shares are expected to commence trading on ASX may vary.

No disclosure document accompanies the Entitlements Issue. Investment in equities is at your own risk and the Board recommends that you seek professional advice before deciding whether or not to take up the offer to you.

**By Order of the Board**  
**SciDev Ltd**

A handwritten signature in brown ink, appearing to read 'H Roberts', is written over a horizontal line.

**Heath Roberts**  
Company Secretary

# RIGHTS ISSUE ENTITLEMENT AND ACCEPTANCE FORM

Entitlement No.

Subregister

SRN/HIN.

Number of Shares held at 7pm  
on 18 February 2019

**Offer Closes: 8 March 2019 at 5:00pm  
(AEDT)**

NON-RENOUNCEABLE ISSUE OF UP TO 20,947,264 NEW SHARES AT AN ISSUE PRICE OF 6 CENTS EACH ON THE BASIS OF 2 NEW SHARES FOR EVERY 7 ORDINARY SHARES HELD, PAYABLE IN FULL UPON ACCEPTANCE OF THIS OFFER.

## A Rights Acceptance

If you wish to accept your **FULL ENTITLEMENT** please complete and return this form **WITH YOUR PAYMENT FOR THE AMOUNT SHOWN BELOW**. The return of this form by the close date with payment will constitute acceptance of the Offer. Your signature is only required when an alteration to your address is indicated by you over the page.

Entitlement to New Shares on the basis of 2 New Shares for every 7 Ordinary Shares held	Price Per Share	Amount Payable for Full Acceptance, at \$0.06 per New Share
	<b>\$0.06 per Share =</b>	

If you wish to accept **PART ONLY OF YOUR ENTITLEMENT** please complete this form showing in the box below the **NUMBER OF NEW SHARES BEING ACCEPTED** and the appropriate amount payable.

Number of New Shares accepted	Price Per Share	Amount Enclosed
	<b>\$0.06 per Share =</b>	<b>\$</b>

## B Payment

Payment may only be made by BPAY or cheque. Cash will not be accepted via the mail or at the SciDev Ltd Share Registry. Payments cannot be made at any bank.

### Payment Option 1 - BPAY



**Biller Code:**

**Ref:**

#### Telephone & Internet Banking - BPAY®

Contact your bank, credit union or building society to make this payment from your cheque or savings account.

More info: [www.bpay.com.au](http://www.bpay.com.au)

© Registered to BPAY Ltd ABN 69 079 137 518

- To pay via BPAY please contact your participating financial institution
- If paying by BPAY you do not need to return the Application Form**
- If paying by BPAY the amount of your payment received in the account divided by the issue price will be deemed to be the total number of shares you are applying for.

### Payment Option 2 – Cheque (Record cheque details below)

DRAWER	CHEQUE NO.	BSB NO.	ACCOUNT NO.	AMOUNT \$AUD
				<b>\$</b>

- Only cheques or bank drafts in Australian dollars and drawn on a bank or financial institution in Australia will be accepted.
- Your cheque or bank draft must be made payable to SciDev Ltd and crossed Not Negotiable.
- Please ensure that you submit the correct amount. Incorrect payments may result in your application being rejected.

## C Contact Details

CONTACT NAME	TELEPHONE WORK	TELEPHONE HOME	EMAIL ADDRESS
	( )	( )	

**THIS FORM CONTINUES OVERLEAF**

By submitting this Application Form or by using the BPAY facility to accept the Offer, I/We represent and warrant that I/we have read and understood the Offer Document to which this Application Form relates and declare that this Application is completed and lodged according to the Offer Document and the instructions on the reverse of the Application form and declare that all details and statements made by me/us are complete and accurate. I/We agree to be bound by the constitution of SciDev Ltd and agree to the terms and conditions of the Offer under this Offer Document. I/We represent and warrant that I/we have not relied on any other information provided by the Company other as set out in this Offer Document when making my/our decision to invest.

## LODGEMENT INSTRUCTIONS TO APPLICANTS

Please read these instructions carefully

### ACCEPTANCE OF YOUR ENTITLEMENT IN FULL OR PART

Multiply the number of New shares for which you are accepting by \$0.06 then fill in the acceptance details, where necessary, in the space provided on the front of this form. Complete your cheque details on the front of this form and send your cheque/draft and completed form to:

Boardroom Pty Limited  
GPO Box 3993  
SYDNEY NSW 2001

Telephone No. 02 9290 9600  
Facsimile No. 02 9279 0664

**If you do not deal with your entitlement it will lapse at 5.00 pm AEDT on 8 March 2019.**

### PAYMENT

#### Cheque or Draft

All cheques or drafts (expressed in Australian currency) are to be made payable to "**SciDev Ltd** and crossed "Not Negotiable".

#### BPAY

If you make payment using BPAY you must contact your Australian bank, credit union or building society to make this payment from your cheque or savings account. For more information: [www.bpay.com.au](http://www.bpay.com.au). Refer to the front of this form for the Biller Code and Customer Reference Number. Payments must be received by BPAY before 5.00 pm EST on 8 March 2019.

### PAYMENT - OVERSEAS RESIDENTS

Overseas shareholders who are permitted to apply for shares must obtain a draft in Australian currency payable on a bank in Australia, or where the shareholder has an account with a bank in Australia, by a cheque drawn on that bank within Australia.

The Australian currency draft should be attached to your completed form and the document mailed to:

Boardroom Pty Limited  
GPO Box 3993  
SYDNEY NSW 2001

OVERSEAS SHAREHOLDERS ARE ADVISED TO ENSURE THEIR DOCUMENTS ARE POSTED TO AUSTRALIA BY AIRMAIL.

Personal cheques drawn on overseas banks in Australian or any foreign currency will not be accepted. These will be returned and the acceptance deemed to be invalid.

### INTERPRETATION

Terms used in this Entitlement and Acceptance Form have the same meaning as defined in the Offer Document.

### CHANGES OF ADDRESS SUPPORTED BY YOUR SIGNATURE(S)

If your address is not exactly as shown, please provide details below. This is only relevant for Issuer Sponsored registered holdings. CHESS holders must notify your sponsoring broker for amendments to holdings on the CHESS Subregister.

CHANGE OF ADDRESS DETAILS – ISSUER SPONSORED ONLY		
SIGN HERE FOR ADDRESS AMENDMENTS:		

Shareholder 1 (Individual) /  
Sole Director & Sole Company  
Secretary

Joint Shareholder 2 (Individual) /  
Director

Joint Shareholder 3 (Individual) /  
Director/Company Secretary  
(Delete one)

#### Privacy Statement:

Boardroom Pty Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your share holding and if some or all of the information is not collected then it might not be possible to administer your share holding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form.

Our privacy policy is available on our website (<https://www.boardroomlimited.com.au/corp/privacy-policy>).