



**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

21 July 2021

Dear Shareholder,

**NON-RENOUCEABLE ENTITLEMENT OFFER – NOTICE TO INELIGIBLE SHAREHOLDERS**

Total Brain Limited ACN 094 069 682 (**Company** or **Total Brain**) announced today that it is undertaking:

- (a) an institutional placement of new fully paid ordinary shares (**New Shares**) at \$0.26 per New Share, plus one free attaching option for every two New Shares (**New Options**) with an exercise price of \$0.36 per New Option, to raise approximately \$2.5 million before costs, excluding any funds raised from the exercise of New Options (**Placement**); and
- (b) a non-renounceable fully underwritten pro rata entitlement offer of one New Share for every seven shares held on the Record Date (as defined below), at an issue price of \$0.26 per New Share plus one free attaching New Option for every two New Shares, to raise approximately \$4 million before costs, excluding any funds raised from the exercise of New Options (**Entitlement Offer**).

The Entitlement Offer is underwritten by Bell Potter Securities Limited.

**Details of the Entitlement Offer**

The Entitlement Offer is being made under a transaction-specific prospectus in accordance with section 713 of the Corporations Act 2001 (Cth) (**Corporations Act**).

Shareholders that are entitled to participate in the Entitlement Offer may subscribe for one New Share for every seven Existing Shares held on the Record Date, at an issue price of \$0.26 per New Share. For every two New Shares, Eligible Shareholders also receive one free attaching New Option with an exercise price of \$0.36 and an expiry date of 12 months from the date of issue.

This is a letter to inform you that, according to our records, you do not satisfy the eligibility criteria to participate in the Entitlement Offer.

**Why am I not eligible to participate in the Entitlement Offer?**

Shareholders who are eligible to participate in the Entitlement Offer are those persons who:

- are registered as a holder of fully paid ordinary shares in Total Brain as at 7:00 pm (AEST) on 26 July 2021 (**Record Date**);
- have a registered address on Total Brain's share register that is in Australia, New Zealand or Hong Kong;
- are not in the United States and are not (including as nominee or custodian) acting for the account or benefit of a person in the United States with respect to their shares in Total Brain (to the extent such person holds Total Brain shares for the account or benefit of such person in the United States), unless such person is otherwise determined by Total Brain to be eligible; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered,

(**Eligible Shareholder**).



Total Brain has determined, pursuant to section 9A(3) of the Corporations Act and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers to shareholders in countries outside of Australia, New Zealand and Hong Kong in connection with the Entitlement Offer. This is due to the legal and regulatory requirements in countries other than Australia, New Zealand and Hong Kong and the potential costs to Total Brain of complying with these requirements, compared with the relatively small number of shareholders in those countries, the relatively small number of existing Total Brain ordinary shares they hold and the relatively low value of New Shares and New Options to which those shareholders would otherwise be entitled to subscribe for.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Shareholder stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3)(b) of the Corporations Act, this letter is to inform you that Total Brain has determined that you are not an Eligible Shareholder and, therefore, are ineligible to exercise your entitlement to be issued New Shares and New Options under the Entitlement Offer.

The Entitlement Offer is non-renounceable and therefore the entitlements that you would have been entitled to, or the underlying shares that you may have subscribed for, will not be offered for sale and no amount will be payable to you. This is not an offer of New Shares or New Options to you, nor an invitation for you to apply for New Shares or New Options.

**You are not required to do anything in response to this letter.**

#### **Further information**

For further information regarding the Entitlement Offer, please contact Total Brain's share registry on 1300 737 760 (within Australia) or +61 (02) 9290 9600 (outside Australia) between 8.30am to 5.00pm (AEST) Monday to Friday during the offer period. Alternatively, contact your stockbroker, solicitor, accountant or other professional adviser.

On behalf of the Directors, I regret to inform you that you are not eligible to participate in the Entitlement Offer and thank you for your ongoing support of Total Brain.

Yours sincerely,

**Dr Evian Gordon, PhD**  
**Executive Chairman**

#### **Important information**

This letter is issued by Total Brain. This letter is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any entitlements or securities in Total Brain in any jurisdiction. This letter does not constitute financial product advice and does not and will not form any part of any contract for the acquisition of entitlements or Total Brain securities.

This letter may not be released or distributed in the United States. This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any person in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares or New Options in any jurisdiction. In particular, the New Shares and New Options have not been, and will not be, registered under the United States Securities Act of 1933 (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements, the New Shares and the New Options may not be issued to, purchased or traded by, or taken up or exercised by, any person in the United States or any person acting for the account or benefit of a person in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable United States state securities laws. The entitlements, New Shares and New Options to be offered in the Entitlement Offer will only be offered outside the United States in "offshore transactions" (as defined in Rule 902(h) of the Securities Act) in reliance on Regulation S under the U.S. Securities Act.