

Prospectus

Lumos Diagnostics Holdings Limited

ACN 630 476 970

Prospectus for a fully underwritten pro rata accelerated non-renounceable entitlement offer of 1 New Share for every 2.55 Existing Shares held by Eligible Shareholders at the Offer Price of \$0.19 per New Share to raise \$11.2 million, together with 1 New Option for every 1 New Share issued, with an exercise price of \$0.30.

The last date for acceptance and payment under the Retail Entitlement Offer will be 5.00pm (Sydney time) on Thursday, 23 June 2022 (unless the Retail Entitlement Offer is extended).

If you have any questions in relation to the Entitlement Offer you can contact Lumos Shareholder Information Line from 8.30am to 5.00pm, Monday to Friday on 03 9087 1598 (within Australia) or +61 3 9087 1598 (outside Australia).

IMPORTANT NOTICE

This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the Corporations Act. Accordingly, this Prospectus does not of itself contain the same level of disclosure as an initial public offering prospectus. This Prospectus requires your immediate attention. It is an important document which is accompanied by a personalised Application Form and both documents should be read in their entirety. Please consult your stockbroker, accountant or other professional adviser if you have any questions.

This Prospectus is not for release to US wire services nor distribution in the United States.

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IMPORTANT INFORMATION

GENERAL

This Prospectus relates to an offer of New Shares and attaching New Options in Lumos Diagnostics Holdings Limited ACN 630 476 970 (**Lumos or Company**).

This Prospectus is dated 6 June 2022 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The expiry date of the Prospectus is 5.00pm (Sydney time) on the date that is 13 months after the date of this Prospectus (**Expiry Date**). No securities will be issued on the basis of this Prospectus after the Expiry Date.

The Company has applied or will apply within 7 days after the date of this Prospectus for quotation of the New Shares and New Options and on Australian Securities Exchange (**ASX**). The New Options will be quoted on ASX subject to satisfaction of the ASX Listing Rules criteria. Neither ASIC nor ASX takes any responsibility for the contents of this Prospectus nor for the merits of the investment to which this Prospectus relates.

PURPOSE OF THIS PROSPECTUS

This Prospectus is a 'transaction-specific' prospectus to which the special content rules under section 713 of the Corporations Act 2001 (**Corporations Act**) apply. Section 713 allows the issue of a more concise prospectus in relation to an offer of securities, or options to acquire securities, in a class which has been continuously quoted by the ASX in the three months prior to the date of the prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus does not include all information that would be included in a prospectus for an initial public offering.

This Prospectus is important and requires your immediate attention. You should read the entire Prospectus carefully before deciding whether to invest Securities under the Entitlement Offer. In particular you should consider the risk factors that could affect the performance of Lumos or the value of an investment in Lumos, some of which are outlined in Section 5.

The information provided in this Prospectus is not investment advice or financial product advice and

has been prepared without taking into account your individual investment objectives, financial situation,

tax position or particular needs. Before deciding whether to apply for Securities under the Entitlement Offer, you should consider whether they are a suitable investment for you in light of your own investment objectives, financial situation, tax position and particular needs and having regard to the merits and risks involved. If, after reading this Prospectus, you have any questions about the Entitlement Offer, you should contact your stockbroker, solicitor, accountant and/or other professional financial adviser. The Company is not licensed to provide financial product advice in relation to the Securities or any other financial products.

ON SALE RESTRICTIONS

This Prospectus has been prepared, in part, to ensure that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 (**Instrument 2016/80**) is available in respect of the New Options. Instrument 2016/80 provides relief from the on-sale provisions of section 707 of the Corporations Act and will relieve the need for any further disclosure to be made prior to the on-sale of Shares issued following the exercise of options, within 12 months of their date of issue. Shares issued on exercise of the options will be able to be immediately traded on ASX (subject to the grant of quotation).

EXPOSURE PERIOD AND COOLING OFF RIGHTS

No exposure period applies to this Prospectus by operation of ASIC Corporations (Exposure Period) Instrument 2016/74.

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

NON-RENOUNCEABLE OFFER

The right to participate in the Entitlement Offer is not transferable. Please carefully read and follow the instructions in this Prospectus and on the accompanying Application Form when subscribing for Securities.

OBTAINING A PROSPECTUS AND AN APPLICATION FORM

Applications for Securities offered pursuant to this Prospectus in respect of the Entitlement Offer can be submitted via BPAY and an Application Form (if applicable). Eligible Retail Shareholders will be able to access a copy of this Prospectus and a personalised Application Form from the Offer Website at <https://LumosANREO.thereachagency.com>.

Paper copies of this Prospectus and an Application Form can be obtained free of charge during the Offer Period by calling Lumos Shareholder Information Line during the Offer Period on 03 9087 1598 (within Australia) or +61 3 9087 1598 (outside Australia).

ELECTRONIC PROSPECTUS

This Prospectus is available electronically on the Offer Website. The Application Form accompanying the electronic version of this Prospectus must only be used within Australia and New Zealand. An Application Form cannot be downloaded without also downloading this Prospectus. Electronic versions of this Prospectus should be downloaded and read in its entirety.

STATEMENTS OF PAST PERFORMANCE

This Prospectus may include information regarding the past performance of Lumos. Investors should be aware that past performance of the Company, the price of the Company's Existing Shares or other securities provides no guidance or indication as to how the price of the Securities will perform in the future.

FUTURE PERFORMANCE AND FORWARD-LOOKING STATEMENTS

The pro forma financial information provided in this Prospectus is for illustrative purposes only and does not represent a forecast or expectation by the Company as to its future financial condition and/or performance. In particular, certain pro forma financial information and certain other qualitative assessments by Lumos in this Prospectus assume that proceeds of the Entitlement Offer were received by the Company on the relevant settlement dates under the Entitlement Offer.

This Prospectus contains certain "forward looking statements" and comments about future matters.

Forward looking statements can generally be identified by the use of forward looking words such as "expect", "anticipate", "likely", "intend", "propose", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance", and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the outcome and effects of the Entitlement Offer and the use of proceeds. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this Prospectus speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward looking statements contained in this Prospectus are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Lumos, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the key risks outlined in Section 5 of this Prospectus for a non-exhaustive summary of certain general and specific risk factors that may affect Lumos. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the key risk factors outlined in Section 5 of this Prospectus. Investors should consider the forward looking statements contained in this Prospectus in light of those risks and disclosures.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward looking statements. The Company has no intention of updating or revising forward looking statements, or publishing prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law. To the maximum extent permitted by law, the Company and its officers, employees, agents, associates and advisers do not make any representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of

such forward looking statements, or likelihood of fulfilment of any forward looking statement, and disclaim all responsibility and liability for these forward looking statements (including, without limitation, liability for negligence).

The forward looking statements are based on information available to the Company as at the date of this Prospectus. Except as required by law or regulation (including the ASX Listing Rules), the Company has no obligation to supplement, revise or update any forward looking statements, regardless of whether new information, future events or results or other factors affect the information contained in this Prospectus.

RISK FACTORS

Before deciding to invest in the Company, potential investors should read the entire Prospectus. In considering the prospects for the Company, potential investors should consider the assumptions underlying the prospective financial information and the risk factors that could affect the performance of the Company. Potential investors should carefully consider these factors in light of personal circumstances (including financial and taxation issues) and seek professional advice from a stockbroker, accountant or other independent financial adviser before deciding to invest. No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital by the Company or the payment of a return on the Shares.

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 issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination as set out on the Company's website at <https://lumosdiagnostics.com/asx-announcements/>.

SELLING RESTRICTIONS

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Securities or to otherwise permit a public offering of Securities, in any jurisdiction outside Australia or New Zealand. The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on

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

By returning a completed Application Form (if applicable) or making a payment by BPAY®, you will be taken to have given the representations and warranties set out in Section 2.13 and represented and warranted that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

This Prospectus may not be distributed to, or relied upon by, any person in the United States. In particular, none of the Securities have been and will not be, registered under the US Securities Act of 1933 (US Securities Act) or the securities laws of any state of the United States and may not be offered or sold in the United States unless the New Shares are registered under the US Securities Act, or are offered or sold in a transaction exempt from, or not subject to the registration requirements of the US Securities Act and applicable US state securities laws.

PUBLICLY AVAILABLE INFORMATION

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website www.asx.com.au). This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to publicly available information in relation to the Company before making a decision whether or not to invest in Securities or the Company.

No person is authorised to give any information or to make any representation in relation to the Entitlement Offer which is not contained in this Prospectus and any such information may not be relied on as having been authorised by the Directors.

PRIVACY

If you apply for Securities under the Entitlement Offer you will provide personal information to the Company and the Share Registry. The Company and the Share Registry collect, hold and use your personal information in order to assess your Application, service your needs as a holder of Securities, provide facilities and services that you request and carry out appropriate administration. Company and tax laws require some of the information to be collected. If you do not provide the information requested, your Application may not be able to be processed efficiently, or at all.

Each of the Company and the Share Registry may disclose your personal information for purposes related to your holding of Securities to each other and to their respective agents and services providers including those listed below or as otherwise authorised under the Privacy Act 1988 (Cth) (Privacy Act):

- in the case of the Company, to the Share Registry for ongoing administration of the Share and Option registers; and
- in the case of the Company and the Share Registry, to printers and mailing houses for the purposes of preparation and distribution of security holder information and for handling of mail.

Under the Privacy Act, you may request access to your personal information held by (or on behalf of) the Company or the Share Registry. You can request access to your personal information by emailing or writing to the Company through the Share Registry:

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street Abbotsford, VIC,
Australia, 3067
privacy@computershare.com.au

ENQUIRIES

Phone Lumos Shareholder Information Line on +61 3 9087 1598 between 8.30am and 5.00pm (Sydney time)
Monday to Friday during the Offer Period.

If you have questions about the Entitlement Offer, please contact your solicitor, stockbroker, accountant and/or other professional financial adviser.

INTERPRETATION

A number of terms and abbreviations used in this Prospectus have defined meanings which are set out in Section 8.

All references in this Prospectus to **\$**, **AUD** or **dollars** are references to Australian currency, unless otherwise stated.

Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

Unless otherwise stated, all references to time in this Prospectus relate to the time in Sydney, Australia.

KEY DATES

Event	Date*
Announcement of Entitlement Offer	Monday 6 June 2022
Institutional Entitlement Offer opens	Monday 6 June 2022
Institutional Entitlement Offer closes	Tuesday 7 June 2022
Announcement of completion of Institutional Entitlement Offer, trading halt lifted and existing LDX shares re-commence trading on an ex-entitlement basis	Wednesday 8 June 2022
Record date for the Retail Entitlement Offer (7:00 pm Sydney time)	Wednesday 8 June 2022
Retail Entitlement Offer opens	Friday 10 June 2022
Prospectus and Application Form made available	Friday 10 June 2022
Allotment of New Shares under the Institutional Entitlement Offer	Tuesday 14 June 2022
Commencement of trading of New Shares issued under the Institutional Entitlement Offer	Wednesday 15 June 2022
Retail Entitlement Offer closes (5:00 pm Sydney time)	Thursday 23 June 2022
Allotment of New Shares under the Retail Entitlement Offer	Thursday 30 June 2022
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Friday 1 July 2022
Dispatch of holding statements for New Shares issued under the Retail Entitlement Offer	Monday 4 July 2022

* The timetable is indicative only and subject to change. The Company retains the discretion, subject to the ASX Listing Rules and the Corporations Act, to alter any or all of these key dates at its discretion (generally or in particular cases), without prior notice, including extending the Closing Date or to withdraw any the Entitlement Offer without prior notice. Applicants are encouraged to submit their payments for the New Shares as soon as possible.

KEY DETAILS OF THE CAPITAL RAISING

Entitlement Offer ratio	1 New Share for every 2.55 Existing Shares held by Eligible Shareholders together with 1 New Option for every 1 New Share subscribed for under the Entitlement Offer
Offer Price	\$0.19 per New Share
Shares on issue as at the Prospectus Date	150,776,978
Number of New Shares offered under the Entitlement Offer	59,128,227
Shares on issue on completion of the Entitlement Offer (assuming full subscription)	209,905,205
Unquoted Options on issue as at the Prospectus Date and on completion of the Entitlement Offer ¹	13,951,876
Number of New Options offered under the Entitlement Offer	59,128,227
Quoted Options on issue on completion of the Entitlement Offer (assuming full subscription) ¹	59,128,227
Proceeds of the Entitlement Offer (assuming full subscription and before costs and excluding funds from the exercise of Options, if any)	\$11,234,363

Notes:

1. Assumes that the New Options are admitted to quotation on ASX. If the New Options are not admitted to quotation, they will still be issued but will be unquoted options and therefore the number of unquoted Options at the end of the Entitlement Offer will be 73,080,103 and there will be no quoted Options.

Chair's Letter

6 June 2022

Dear Shareholder,

On behalf of the Directors of Lumos Diagnostics, it is my pleasure to invite you to participate in the Entitlement Offer.

Company Update

Lumos is a fully integrated developer and manufacturer of point-of-care (POC) diagnostic tests, with corporate headquarters in Melbourne Australia, and manufacturing facilities in California and Florida in the United States. We develop and manufacture proprietary POC diagnostic tests such as FebriDx, whilst developing and manufacturing rapid diagnostic tests for clients under fee-based commercial contracts.

Lumos listed on the ASX at the start of FY22 to provide funding and financial flexibility to support our growth strategy whilst broadening Lumos' shareholder base and providing a liquid market for our shares. Whilst we have been pleased to have made the transition to a publicly listed company and have progressed a number of company initiatives during this time, we believe there is scope for the Company to improve both its operational and commercial performance. Consequently, the recent focus has been on optimising the organisational structure and cost base of the Company as we prepare to launch three of our own POC diagnostic products that are nearing the conclusion of their regulatory review processes in a number of key markets. We are also excited to announce the appointment of Doug Ward to the role of President and CEO. Doug has had an extensive and successful career in diagnostics and life sciences and has a demonstrated track-record in building real commercial success from the launch of novel diagnostic tests globally. We believe that these organisational changes and dedication to the achievement of our near-term regulatory milestones will be transformational for the company.

On behalf of the Board, I thank you for considering the Entitlement Offer and we look forward delivering on our goals and in turn, creating significant value for our shareholders.

Overview of Capital Raising

Lumos is undertaking an equity raising to raise \$11.2m¹ under a pro rata accelerated non-renounceable Entitlement Offer of 1 New Share for every 2.55 Existing Shares held by Eligible Shareholders at 7:00pm on Wednesday 8 June 2022 (Record Date), together with 1 New Option for every 1 New Share subscribed for under the Entitlement Offer, with an exercise price of \$0.30. The Offer Price is \$0.19 per New Share, representing:

1. a 17.2% discount to TERP²; and
2. a 22.4% discount to the last close of \$0.245 on 1 June 2022.

The Entitlement Offer is being jointly lead-managed by Bell Potter Securities and Wilsons Advisory (Joint Lead Managers). The Entitlement Offer has been fully unwritten by the Joint Lead Managers and the sub-underwriters, including Planet Innovation and a number of other institutions.

Use of Proceeds from Capital Raising

Lumos intends to use the proceeds from the Capital Raise to progress the following key initiatives:

- progress the current applications for regulatory clearances of FebriDx, ViraDx and CoviDx;
- initiate the commercial launch of these products in the relevant jurisdictions, if applications for regulatory clearances are successful; and

¹ Estimated proceeds of the offer of New Shares before costs and subject to rounding.

² The Theoretical Ex rights Price (TERP) is calculated by reference to Lumos' share price on Wednesday, 1 June 2022 of A\$0.245 per share, being the last trading date prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Lumos' shares trade immediately after the ex date of the Entitlement Offer will depend on many factors and may not approximate TERP.

- support the development of Lumos' contract development and manufacturing business.

Should business conditions change, Lumos may need to raise further capital in the near future or seek other funding in order to fund its key initiatives and/or adjust its plans and priorities to suit the capital available for investment.

Top Up Facility

The Retail Entitlement Offer incorporates a top up facility under which Eligible Retail Shareholders that have taken up their full Entitlement under the Entitlement Offer, can apply to take up additional New Shares and New Options in excess of their Entitlement which have not been taken up by other Shareholders pursuant to their Entitlements. Further details on the Top Up Facility are provided in Section 2.7.

Actions You Should Take

The Retail Entitlement Offer is currently scheduled to close at 5:00pm (Sydney time) on Thursday, 23 June 2022. If you wish to subscribe for New Shares under the Retail Entitlement Offer, you must ensure that your payment and Application Form (if applicable) are received by this time in accordance with the instructions set out in Section 2.9.

Prospectus

This Prospectus contains important information regarding the Entitlement Offer, and I encourage you to read it carefully before making any investment decision, having particular regard to the 'Risk Factors' outlined in Section 5. If you have any questions, you should consult your financial or other professional adviser.

On behalf of the Directors, we thank you for being an investor in Lumos, invite you to consider participating in the Entitlement Offer and look forward to your support as we continue to build a successful and impactful global diagnostics business.

Yours sincerely,



Mr Samuel Lanyon
Executive Chair
Lumos Diagnostics Holdings Limited

1. INVESTMENT OVERVIEW

The information below is a selective overview of the Entitlement Offer. Participants should read this Prospectus in full before deciding to invest in Securities.

TOPIC	SUMMARY
What is the Entitlement Offer?	The Entitlement Offer provides Eligible Shareholders with the opportunity to subscribe for 1 New Share for every 2.55 Existing Shares held on the Record Date, together with 1 New Option for every 1 New Share issued, with an exercise price of \$0.30. The Offer price is \$0.19 per New Share. The Entitlement Offer consists of: - an accelerated offer to Eligible Institutional Shareholders (Institutional Entitlement Offer); and - an offer to Eligible Retail Shareholders (Retail Entitlement Offer). The Entitlement Offer is non-renounceable. This means that Eligible Retail Shareholders who do not take up their Entitlements by 5.00pm (Sydney time) on 23 June 2022, will not receive any payment or value for those Entitlements, and their proportionate equity interest in the Company will be diluted. If you take up all of your Entitlement, you may also apply for Additional New Shares under the Top Up Facility (see Section 2.7 for instructions on how to apply for Additional New Shares). The Company reserves the right to modify or terminate the Entitlement Offer at any time including closing the Entitlement Offer early. The Company will notify the ASX of any modification to, or termination of, the Entitlement Offer.
What is the Offer Price?	The New Shares will be offered at a price of \$0.19 per New Share.
Am I eligible to participate in the Entitlement Offer?	Only Eligible Shareholders are entitled to participate in the Entitlement Offer. Refer to Section 2.6 for eligibility criteria for Retail and Institutional Investors. Custodians holding Existing Shares on behalf of one or more beneficial holders should refer to Section 2.15.
Is the Entitlement Offer conditional?	No. The issue of New Shares under the Entitlement Offer is not conditional on Shareholder approval. Further, the issue of New Shares will not count towards the Company's placement capacity under ASX Listing Rule 7.1 or 7.1A as it falls under an exemption in ASX Listing Rule 7.2.
Is the Entitlement Offer underwritten?	The Entitlement Offer will be fully underwritten by the Joint Lead Managers and sub-underwriters, including Planet Innovation. Refer to Sections 6.10 and 6.11.
Do I have to participate in the Entitlement Offer?	No. Participation in the Entitlement Offer is optional.

TOPIC	SUMMARY
Can I transfer my Entitlement to participate in the Entitlement Offer?	No. You cannot transfer your right to acquire New Shares or New Options under the Entitlement Offer to anyone else.
How many New Shares will I receive if I participate in the Entitlement Offer?	Under the Entitlement Offer, Eligible Shareholders may subscribe for 1 New Share for every 2.55 Existing Shares held with no minimum subscription. The Retail Entitlement Offer also incorporates a Top Up Facility under which Eligible Retail Shareholders who have subscribed for their full Entitlement can apply for Additional New Shares (in excess of their Entitlement). The issue of Additional New Shares will depend on there being a shortfall in the take up of Entitlements under the Retail Entitlement Offer.
How many New Options will I receive if I participate in the Entitlement Offer?	You will receive 1 New Option for every 1 New Share issued to you under the Entitlement Offer.
What are the terms of the New Options?	Each New Option is offered for free and is exercisable at \$0.30. The exercise period for the New Options expires at 5.00pm (Sydney time) on 30 November 2022. Any New Options not exercised before this date will lapse. The Company will apply for quotation of the New Options on ASX, subject to satisfaction of the ASX Listing Rules criteria, as set out in Section 2.16. The full terms of the New Options are set out in Section 6.5.
What is the use of the funds raised under the Entitlement Offer?	The Entitlement Offer is being undertaken to raise \$11.2 million (excluding any funds from the exercise of the New Options). The proposed use of the funds is set out in Section 3.2.
Do I have to pay brokerage on the New Shares and New Options?	No brokerage, commission or other participation costs are payable by you in respect of the acquisition of New Shares and New Options under the Entitlement Offer.
What are the risks of subscribing for New Shares and New Options under the Entitlement Offer?	New Shares and New Options offered under this Prospectus should be considered speculative and an investment in the Company is subject to a range of risks, including (but not limited to): • Regulatory approvals and responsibilities • Reliance on distributors • Reliance on clients • Reliance on suppliers • Sufficiency of funding • Production / manufacturing risks • Inventory / material risks

TOPIC	SUMMARY
	• Timing of orders and services • Loss making • Business execution • Intellectual property • Reimbursement and coverage • Retention of key personnel • Product acceptance • Reduction in demand post COVID-19 • Competition • New product pipeline • Product liability • Early termination of contracts • Currency movements • Privacy • Execution of strategy • Workplace health and safety • Country specific risks Further details on the risks associated with an investment in the Company are set out in Section 5.
What do I do if I receive more than one Application Form?	Eligible Shareholders who receive more than one Application Form under the Entitlement Offer or who are able to participate in the Entitlement Offer as an underlying beneficial owner of a custodian (e.g. where an Eligible Shareholder holds Shares in more than one capacity), may apply on different Application Forms for New Shares and New Options.
How do I Participate in the Entitlement Offer?	Refer to Sections 2.9 and 2.10 for details of how to apply for New Shares and New Options under the Entitlement Offer.
When will I receive my New Shares and New Options?	New Shares offered under the Institutional Entitlement Offer are expected to be issued on 14 June 2022. New Shares offered under the Retail Entitlement Offer are expected to be issued on 30 June 2022. New Options offered under the Entitlement Offer are expected to be issued on 30 June 2022.
When can I trade my New Shares and Options issued under the Entitlement Offer?	It is expected that New Shares issued under the Institutional Entitlement Offer will commence trading on ASX on 15 June 2022. It is expected that New Shares issued under the Retail Entitlement Offer will commence trading on ASX on 1 July 2022. You should confirm your shareholding before trading any New Shares you believe you have acquired under the Entitlement Offer. Subject to satisfaction of the ASX Listing Rules criteria, as set out in Section 2.16, New Options will commence trading on 1 July 2022.

TOPIC	SUMMARY
What are the rights and liabilities attaching to the New Shares issued under the Entitlement Offer?	New Shares issued under the Entitlement Offer will rank equally in all respects with Existing Shares. The rights and liabilities attaching to New Shares are set out in Section 6.4.
What are the rights and liabilities attaching to the New Options issued under the Entitlement Offer?	The rights and liabilities attaching to New Options are set out in Section 6.5. Shares issued on exercise of a New Option will rank equally in all respects with Existing Shares.
How can Eligible Shareholders obtain further information?	If you would like further information you can: • phone the Lumos Shareholder Information Line +61 3 9087 1598 between 8.30am and 5.00pm (Sydney time) Monday to Friday during the Offer Period; • contact your stockbroker, accountant, solicitor and/or other professional adviser; and/or • visit the Company's website at https://lumosdiagnostics.com/

2. DETAILS OF THE ENTITLEMENT OFFER

2.1 The Entitlement Offer

Under this Prospectus, the Company invites each Eligible Shareholder to subscribe for 1 New Share for every 2.55 Existing Shares held on the Record Date at the Offer Price of \$0.19 per New Share, and 1 New Option for every 1 New Share issued. Any fractional Entitlements will be rounded up to the nearest whole number of New Shares or New Options (as applicable). Any fractions of a New Share or a New Option will be rounded down to the nearest whole number of New Shares or New Options respectively.

The Entitlement Offer will be made under this Prospectus and consists of:

- (a) an offer to Eligible Institutional Shareholders (Institutional Entitlement Offer) - see Section 2.2; and
- (b) an offer to Eligible Retail Shareholders (Retail Entitlement Offer) - see Section 2.3.

The Entitlement Offer is non-renounceable. This means that Eligible Retail Shareholders who do not take up their Entitlements by 5.00pm (Sydney time) on 23 June 2022 will not receive any payment or value for those Entitlements, and their proportionate equity interest in the Company will be diluted.

Eligible Retail Shareholders are also invited to apply for Additional New Shares beyond their Entitlement under the Top Up Facility (described in Section 2.7 below).

Under the Entitlement Offer, the Company is seeking to raise \$11.2 million through the issuance of 59,128,227 New Shares to Eligible Shareholders. The purpose of the Entitlement Offer and the intended use of funds raised pursuant to the Entitlement Offer are set out in Sections 3.1 and 3.2.

The issue of New Shares and New Options under the Entitlement Offer is not conditional on Shareholder approval and will not count towards the Company's placement capacity under ASX Listing Rule 7.1 or 7.1A as it falls under an exemption in ASX Listing Rule 7.2. All of the New Shares offered under this Prospectus will rank equally with the Existing Shares on issue as at their date of issue. The material rights and liabilities attaching to the New Shares and New Options are set out in Sections 6.4 and 6.5 respectively.

2.2 Institutional Entitlement Offer

Under the Institutional Entitlement Offer, Eligible Institutional Shareholders:

- (a) are invited to take up all or part of their Entitlement; and
- (b) together with certain Institutional Investors, participate in a bookbuild process to acquire New Shares (with their attaching New Options) not taken up by Eligible Institutional Shareholders as well as New Shares (with attaching New Options) in respect of Entitlements of Ineligible Institutional Shareholders.

The Company will provide Eligible Institutional Shareholders with details of their Entitlements and how to apply under the Institutional Entitlement Offer.

The Institutional Entitlement Offer is fully underwritten by the Joint Lead Managers and sub-underwriters on the terms and conditions of the Underwriting Agreement and sub-underwriting agreements, the key terms of which are summarised in Section 6.10 and 6.11.

The Institutional Entitlement Offer is expected to open on 6 June 2022 and close on 7 June 2022, or such later date as determined by the Company in its absolute discretion, subject to compliance with the ASX Listing Rules. The results of the Institutional Entitlement Offer will be announced before market open on 7 June 2022. The New Shares subscribed for under the Institutional Entitlement Offer are expected to be issued on 14 June 2022 and commence trading on 15 June 2022.

New Options subscribed for under Institutional Entitlement Offer are expected to be issued on 30 June 2022 and, subject to satisfaction of the Quotation Condition as set out in Section 2.16, are expected to commence trading on 1 July 2022.

2.3 Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders are invited to:

- (a) take up all or part of their Entitlement; and
- (b) if eligible, subscribe for Additional New Shares as described in Section 2.7,

at the same Offer Price as the Institutional Entitlement Offer.

If you are an Eligible Retail Shareholder, a personalised Application Form setting out your Entitlement will be provided to you via the Offer Website or you may request that a paper Application Form be mailed to you.

The Retail Entitlement Offer is expected to open on 10 June 2022 and close at 5:00pm on 23 June 2022, or such later date as determined by the Company in its absolute discretion, subject to compliance with the ASX Listing Rules. The New Shares subscribed for under the Retail Entitlement Offer are expected to be issued on 30 June 2022 and commence trading on 1 July 2022.

New Options subscribed for under the Retail Entitlement Offer are expected to be issued on 30 June 2022 and, subject to satisfaction of the Quotation Condition as set out in Section 2.16, are expected to commence trading on 1 July 2022.

2.4 Offer Price

New Shares

The Offer Price for the New Shares is \$0.19 per New Share. The Offer Price represents a discount of:

- 19.7% discount to TERP³; and
- 22.4% to the closing Share price (as quoted on ASX) of \$0.245 on 1 June 2022.

The Offer Price of New Shares under the Entitlement Offer is fixed, regardless of any changes in the market price of Shares during the Offer Period.

New Options

Participants in the Entitlement Offer will receive their New Options for nil consideration. The exercise price per New Option is \$0.30.

2.5 Offer Period

The Institutional Entitlement Offer is expected to open on 6 June 2022 and close on 7 June 2022. The Retail Entitlement Offer is expected to open on 10 June 2022 and is scheduled to close at 5.00pm (Sydney time) on 23 June 2022.

The Company reserves the right to:

- extend the Institutional Entitlement Offer or Retail Entitlement Offer;
- close the Institutional Entitlement Offer or Retail Entitlement Offer early; or
- withdraw the Entitlement Offer,

³ The Theoretical Ex rights Price (TERP) is calculated by reference to Lumos' share price on Wednesday 1 June 2022 of A\$0.245 per share, being the last trading date prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Lumos' shares trade immediately after the ex date of the Entitlement Offer will depend on many factors and may not approximate TERP.

at any time. The Company will announce to ASX any such extension, early closure or withdrawal. Eligible Shareholders who wish to apply for New Shares and New Options under the Entitlement Offer are encouraged to make their Application as soon as possible.

2.6 Participation in the Entitlement Offer

Participation in the Entitlement Offer is optional, subject to the eligibility criteria set out below and the terms and conditions of this Prospectus. The Entitlement Offer is only open to Eligible Shareholders.

(a) Eligible Institutional Shareholders

An Eligible Institutional Shareholder under this Prospectus is any Shareholder who is an Institutional Investor and who the Company and the Joint Lead Manager determine may receive an offer under the Institutional Entitlement Offer. An Institutional Investor who does not satisfy the criteria to be an Eligible Institutional Shareholder is an **'Ineligible Institutional Shareholder'**.

The Company reserves the right to determine whether a Shareholder is an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder.

(b) Eligible Retail Shareholders

An Eligible Retail Shareholder is a person who:

- (i) was registered as the holder of Shares as at 7.00pm (Sydney time) on the 8 June 2022 (Record Date);
- (ii) has a registered address in Australia or New Zealand;
- (iii) is not in the United States nor acting for the account or benefit of a person in the United States or elsewhere outside Australia and New Zealand; and
- (iv) does not hold Shares on behalf of another person who resides outside Australia or New Zealand (unless they hold Shares in another eligible capacity).

Any Retail Shareholders who are not Eligible Retail Shareholders are **'Ineligible Retail Shareholders'**. The Company reserves the right to determine whether a Shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

Joint holders of Shares will be taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Retail Shareholder.

The Company has determined that it is either unlawful or impracticable for holders of Shares with registered addresses in jurisdictions outside Australia (and its external territories) and New Zealand to participate in the Retail Entitlement Offer.

The Company reserves the right to reject any Application for New Shares and New Options under this Prospectus to the extent it considers that the Application (whether alone or in conjunction with other Applications) does not comply with these requirements. If you are in any doubt about the Entitlement Offer, whether you should participate in the Entitlement Offer or how such participation will affect you, you should seek independent financial and taxation advice before making a decision as to whether or not to take up any New Shares and New Options under the Entitlement Offer.

2.7 Top Up Facility

Any New Shares not taken up by the Closing Date and any Entitlements of Ineligible Retail Shareholders may be made available to those Eligible Retail Shareholders who took up their full Entitlement and applied for Additional New Shares under the Top Up Facility.

There is no guarantee that those Shareholders will receive the number of Additional New Shares applied for under the Top Up Facility, or any. The number of Additional New Shares available under the Top Up Facility will not exceed the shortfall from the Retail Entitlement Offer. The Directors, after consultation

with the Joint Lead Managers, reserve the right to allot and issue Additional New Shares under the Top Up Facility at their discretion having regard to the pro rata entitlement offer of Eligible Retail Shareholders who apply for Additional New Shares.

The Company may allocate all, or a lesser number, of Additional New Shares for which an application has been made under the Top Up Facility. If applications are scaled back, there may be a different application of the scale-back policy to each Applicant, having regard to the pro rata entitlement offer of the Applicant. Eligible Shareholders who apply for Additional New Shares under the Top Up Facility will be bound to accept any lesser number of Additional New Shares allocated to them.

Applying for Additional New Shares

Eligible Shareholders who wish to apply for Additional New Shares under the Top Up Facility can do so by paying the Application Monies for an amount equal to the Offer Price multiplied by the number of New Shares and Additional New Shares that you are applying for. If you do not receive all of the Additional New Shares you applied for, any excess Application Monies will be returned to you without interest.

Takeover law requirements

It is the responsibility of each Eligible Shareholder to ensure that it will not breach the takeovers provisions under the Corporations Act by applying for Additional New Shares under the Top Up Facility. These provisions are set out in section 606 of the Corporations Act. No Eligible Shareholder will be permitted to acquire Additional New Shares under the Top Up Facility to the extent the Directors consider (acting reasonably) that doing so would result in a contravention of the takeovers limits in section 606 of the Corporations Act (in circumstances where an exception in section 611 of the Corporations Act does not apply).

2.8 Shortfall Facility

A shortfall may arise if Applications received for New Shares under the Entitlement Offer and Additional New Shares under the Top Up Facility (if any) are less than the number of New Shares offered.

The Directors reserve the right, subject to the requirements of the ASX Listing Rules and the Corporations Act, to place Shortfall Shares within three months after the Closing Date to either existing or new Shareholders at their discretion. If issued, Shortfall Shares will be issued at a price not less than the Offer Price of New Shares under the Entitlement Offer.

Shareholders will not receive any payment or value for the Entitlements not taken up under the Entitlement Offer that are subsequently taken up as Shortfall Shares.

2.9 Applications

(a) Institutional Entitlement Offer

The Company will provide Eligible Institutional Shareholders with details of their Entitlements and how to apply under the Institutional Entitlement Offer at the commencement of the Institutional Entitlement Offer.

(b) Retail Entitlement Offer

If you are an Eligible Retail Shareholder you may:

- (i) take up all of your Entitlement and, if you wish, also apply for Additional New Shares under the Top Up Facility;
- (ii) take up part of your Entitlement and allow the balance to lapse; or
- (iii) decline to exercise your Entitlement, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

If you are an Eligible Retail Shareholder and wish to take up all or part of your Entitlement, or you wish to also apply for Additional New Shares, you should:

- (iv) read this Prospectus in full;
- (v) consider the risks associated with the Entitlement Offer, as summarised in Section 5 of this Prospectus, in light of your personal circumstances;
- (vi) decide whether to participate in the Entitlement Offer; and
- (vii) make payment and apply for New Shares in accordance with Section 2.10.

Any fractional Entitlements will be rounded up to the nearest whole number of New Shares or New Options (as applicable). Any or fractions of a New Share or a New Option will be rounded down to the nearest whole number of New Shares or New Options respectively.

Any Application Monies received for more than an Applicant's final allocation of New Shares, and where applicable Additional New Shares, (and only where the amount is \$1.00 or greater) will be refunded, without interest.

The Retail Entitlement Offer is non-renounceable, which means that Retail Shareholders may not transfer their rights to any New Shares or New Options offered under the Retail Entitlement Offer. You cannot withdraw or revoke your Application once you have paid via BPAY®.

If an Eligible Retail Shareholder holds Shares as a custodian the Retail Entitlement Offer is also being made to the custodian and, subject to certain conditions, the custodian has the discretion to extend the Entitlement Offer to the relevant Beneficiaries. Please refer to Section 2.15 for further details.

2.10 Payment of Application Monies

For payment by BPAY®, please follow the instructions on the Application Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that if you pay by BPAY® you do not need to submit the Application Form but are taken to have made the declarations in that Application Form.

If you wish to take up all of your Entitlement and apply for Additional New Shares under the Top Up Facility, you must include in your payment an amount equal to the number of Additional New Shares you wish to apply for.

New Zealand holders will not be able to make a payment using BPAY® and should contact Lumos Shareholder Information Line on +61 3 9087 1598 to obtain payment details.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Sydney time) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. No interest will be paid on any application monies received or refunded.

2.11 Declining all or part of your Entitlement

If you decide not to take up all or part of your Entitlement, the Entitlement which is unexercised will lapse and may be taken up by Eligible Retail Shareholders under the Top Up Facility. Your Entitlement to participate in the Entitlement Offer is non-renounceable and cannot be traded on the ASX nor any other financial markets, nor can it be privately transferred.

If you decide not to participate in the Entitlement Offer, you do not need to fill out or return the accompanying Application Form. By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any value for your Entitlement. Your proportionate interest in Lumos will also be diluted to

the extent that New Shares are issued under the Entitlement Offer and further diluted on the exercise of any New Options.

2.12 Ineligible Shareholders

If you are an Ineligible Institutional Shareholder an Ineligible Retail Shareholder, you may not take up any of, or do anything in relation to, your Entitlement under the Entitlement Offer.

2.13 Effect of making an Application

If you apply for New Shares and New Options under the Entitlement Offer or make a payment by BPAY®, you:

- will be deemed to have represented and warranted that you are an Eligible Shareholder, that you have read and understood the terms and conditions of participating in the Entitlement Offer as set out in this Prospectus, that you subscribe for Securities in accordance with those terms and conditions and that you agree to be bound by the Constitution as in force from time to time;
- declare that all details and statements in your Application Form are true, complete and not misleading;
- acknowledge that you have not been provided with investment advice or financial product advice by the Company or its Directors and have made your own enquiries before making an investment decision;
- agree that your Application is made on the terms and conditions of the Entitlement Offer set out in this Prospectus, the Application Form and the Constitution;
- accept that you will not be able to withdraw or revoke your Application or BPAY® payment once you have sent it in (or paid it, as the case may be);
- acknowledge that the Company may at any time determine that your Application is valid, in accordance with the terms and conditions set out in this Prospectus, even if the Application is incomplete, contains errors or is otherwise defective;
- accept the risk associated with any refund that may be sent to you by direct credit or cheque to your address shown on the Company's register of members;
- acknowledge that the Company is not liable for any exercise of its discretions referred to in this Prospectus;
- are in compliance with all relevant laws and regulations (including, without limitation, section 1043A of the Corporations Act and laws and regulations designed to restrict terrorism financing and/or money laundering);
- acknowledge that the market price of the Securities may rise or fall between the date the Entitlement Offer opens and the date of issue of the Securities to you under the Entitlement Offer and that the price you pay per Security under the Entitlement Offer may exceed the market price of the Securities at the time the Securities are issued to you under the Entitlement Offer;
- acknowledge that the Securities have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States and accordingly, the Securities may not be offered or sold except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable US state securities laws;
- acknowledge, represent and warrant that:
 - o you are not in the United States and are not a U.S. Person and are not acting for the account or benefit of, a U.S. Person;

- o you are not otherwise a person to whom it would be illegal to make an offer or issue New Shares; and
 - o you will not submit any acceptance form for the Entitlement Offer or an Application Form or otherwise purchase New Shares under the Entitlement Offer on behalf of any such person;
- acknowledge that, if you are acting as a nominee or custodian:
 - o each beneficial holder on whose behalf you are submitting an Application Form is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such person holds Shares and is acting for the account or benefit of a person in the United States), and is not otherwise a person to whom it would be illegal to make an offer or issue New Shares or New Options
 - o you have not and will not submit an Application Form on behalf of, any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- acknowledge that you have not and will not send this Prospectus or any other document relating to the Entitlement Offer to any person in the United States or elsewhere outside Australia and New Zealand;
- authorise the Company to register you as the holder(s) of New Shares (including any Additional New Shares) allotted to you;
- declare that you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under your Application Form (if you are a natural person);
- acknowledge that after the Company receives your payment of Application Monies through BPAY®, you may not withdraw your Application or funds provided except as allowed by law;
- authorise the Company, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares (including any Additional New Shares) to be issued to you, including to act on instructions of the Share Registry on using the contact details set out in your Application Form;
- acknowledge that neither the Company nor their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the Company, nor do they guarantee the repayment of capital;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Shares on the Record Date; and
- acknowledge and agree that determination of eligibility of investors for the purposes of the Entitlement Offer was made by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company, and the Company and their respective related bodies corporate and affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise of that discretion to the maximum extent permitted by law.

2.14 Underwriting

The Entitlement Offer will be fully underwritten by the Joint Lead Managers and sub-underwriters, including, Planet Innovation. Please refer to Sections 6.10 and 6.11 for a summary of the key terms of the Underwriting Agreement and sub-underwriting arrangements.

2.15 Custodians, trustees and nominees

Nominees and custodians who hold Existing Shares as nominees or custodians will have received, or will shortly receive, a letter from the Company. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Entitlement Offer is not available to beneficiaries, on whose behalf they hold Existing Shares, who would not satisfy the criteria for an Eligible Shareholder.

By submitting an Application on behalf of a Beneficiary, you certify that you are the custodian for the Beneficiary and the information contained in the Application Form is true and correct as at the date of the Application and given the relevant acknowledgements set out in Section 2.13.

Nominees and custodians holding Existing Shares on behalf of residents outside Australia and New Zealand may not send this Prospectus to persons, or apply for New Shares and New Options on behalf of beneficial shareholders, resident outside Australia and New Zealand. Payment by BPAY® or such other means will be taken to constitute a representation and warranty that there has been no breach of this restriction or applicable laws.

2.16 ASX listing

Application for official quotation of the New Shares and New Options offered under this Prospectus has been made prior to, or will be made within seven days of, the date of this Prospectus.

However official quotation of the New Options is dependent on the satisfaction of among other things, ASX Listing Rule 2.5, condition 6, which requires that there are at least 100,000 Options, on issue and 50 holders of Options with a marketable parcel (excluding restricted securities) (Quotation Condition). As at the Prospectus Date, the Company cannot guarantee that the Quotation Condition will be satisfied. If the Quotation Condition is not satisfied, the New Options will continue to be issued but will not be quoted on the ASX.

If the New Shares are not admitted to official quotation by ASX before the expiration of three months after the date of this Prospectus, or such period as varied by ASIC, the Company will not issue any New Shares and will repay all Application Monies for the New Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the Securities is not to be taken in any way as an indication of the merits of the Company or the Securities offered for subscription.

2.17 Issue of New Shares and New Options

The issue of Securities under the Entitlement Offer will take place as soon as practicable after the Closing Date of each component of the Entitlement Offer.

The Company expects that the New Shares offered under the Institutional Entitlement Offer will be issued on 14 June 2022 and will commence trading on ASX on 15 June 2022. The Company expects that the New Shares offered under the Retail Entitlement Offer and New Options offered under the Entitlement Offer will be issued on 30 June 2022 and will commence trading on ASX on 1 July 2022. These dates are subject to change at the absolute discretion of the Company.

Pending the issue of the Securities or payment of refunds under this Prospectus, all Application Monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

2.18 Defects in Applications

If an Application is not completed correctly or if the accompanying payment is for the wrong amount, the Company may, in its absolute discretion, still treat the Application to be valid. The Company's decision to treat an Application as valid, or how to construe, amend or complete it, will be final.

2.19 Refunds

Refunds under the Entitlement Offer may be paid under various circumstances. If a refund is made, payment will be by cheque mailed to your address as shown on the Company's share register or by deposit into your previously nominated bank account. You will not receive any interest on funds refunded to you.

2.20 Costs of participation

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the Application for, and allotment of, Securities under the Entitlement Offer.

2.21 Applicants outside Australia

The distribution of this Prospectus outside of Australia and New Zealand may be restricted by law. This Entitlement Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of the New Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. The Company is issuing the New Options to existing shareholders of the Company for no consideration.

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Jurisdictions outside Australia and New Zealand

It is not practicable for the Company to comply with the securities laws of all overseas jurisdictions in which Shareholders reside, having regard to the number of overseas Shareholders, the number and value of those Shares which the overseas Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Retail Entitlement Offer is not being extended, and the Securities will not be issued, to any Retail Shareholder with a registered address that is outside of Australia or New Zealand.

Refer to Section 6.13 for a summary of the selling restrictions applicable to the Entitlement Offer.

2.22 Modification and termination of the Entitlement Offer

The Company may modify or terminate the Entitlement Offer at any time including closing the Entitlement Offer early. The Company will notify the ASX of any modification to, or termination of, the Entitlement Offer. An omission to give notice of any modification to, or termination of, the Entitlement Offer or failure of ASX to receive such notice will not invalidate the modification or termination.

The Company may settle in any manner it thinks fit any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of the Entitlement Offer, whether generally or in relation to any participant or application, and the decision of the Company will be conclusive and binding on all participants and other persons to whom the determination relates.

The Company reserves the right to waive strict compliance with any provision of the terms and conditions of this Prospectus. The powers of the Company under this Prospectus may be exercised by the Directors or any delegate of the Directors.

2.23 Rights and liabilities attaching to New Shares

The New Shares to be issued pursuant to the Entitlement Offer are of the same class and will rank equally in all respects with the Existing Shares. The rights and liabilities attaching to the New Shares are further described in Section 6.4.

2.24 Rights and liabilities attaching to New Options

Shares issued on exercise of the New Options will rank equally in all respects with the Existing Shares on issue. The rights and liabilities attaching to the New Options are further described in Section 6.5.

2.25 CHESS and issuer sponsorship

The Company operates an electronic CHESS sub-register and an electronic issue sponsored sub-register. These two sub-registers will make up the Company's register of Securities.

The Company will not issue a share certificate to a security holder. Rather, a holding statement (similar to a bank statement) will be dispatched to security holders as soon as practicable after issue of the New Shares and New Options the subject of the Entitlement Offer. The holding statement will be sent either by CHESS (if the security holder elects to hold the Securities on the CHESS sub-register) or by the Company's Share Registry (if the security holder elects to hold the New Shares and New Options on the issuer sponsored sub-register).

The statement will set out details of the Securities issued under this Prospectus and the Holder Identification Number (if the security holder elects to hold the New Shares and New Options on the CHESS sub register) or Shareholder Reference Number (if the security holder elects to hold the Securities on the issuer sponsored sub-register). Updated holding statements will also be sent to each security holder following the month in which the balance of their security holding changes, and also as required by the ASX Listing Rules and the Corporations Act.

2.26 Taxation

It is the responsibility of all investors to satisfy themselves of the particular taxation treatment that applies to them in relation to the Entitlement Offer, by consulting their own professional tax advisors. The Company and the Directors do not accept any liability or responsibility in respect of the taxation consequences of the matters referred to in this Prospectus.

2.27 Enquiries

This Prospectus is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, solicitor, accountant or other professional advisor.

3. PURPOSE AND EFFECT OF THE ENTITLEMENT OFFER

3.1 Purpose of the Entitlement Offer

The Entitlement Offer is expected to raise gross proceeds of \$11.2 million before costs (excluding any funds raised on exercise of New Options). The funds raised will be applied as described in the table below. Any funds raised through the exercise of Options issued under this Prospectus will be directed to working capital.

3.2 Use of funds

The Company intends to use the proceeds of the Entitlement Offer (excluding any funds raised on exercise of Options), together with its existing cash reserves as of 30 April 2022, as follows (assuming full subscription).

All amounts in the table below are in the Company's presentation currency, which is USD.

SOURCES OF FUNDS	AMOUNT (USD) ¹	USE OF FUNDS	AMOUNT (USD) ¹
Cash at bank (30 April 2022)	\$5.0m	Infrastructure and Capacity Expansion	\$0.1m
Institutional Entitlement Offer proceeds	\$5.5m	Sales and Marketing	\$3.1m
Retail Entitlement Offer proceeds	\$2.4m	Regulatory, Clinical and Quality	\$2.3m
		Development of Test Pipeline	\$1.0m
		Technology Platform Development	\$0.5m
		General Working Capital & other Operating Costs	\$5.5m
		Offer Costs	\$0.4m
Total	\$12.9m	Total	\$12.9m

Notes:

1. Assumes an FX rate of AUD 1: USD 0.70.

The above represents a statement of the Company's current intentions as at the Prospectus Date. Investors should note that this may change depending on a number of factors, including the changes in the competitive environment, business performance, strategic and operational considerations, regulatory developments, and market and general economic conditions. In addition, as the proceeds of the Entitlement Offer will be received in Australian dollars and, as the expenditure will predominantly be in US dollars, the actual amount of the proceeds used for each of the items above will depend on the AUD:USD exchange rate at the time that the funds are converted to US dollars. The Board reserves the right to alter the way funds are applied on this basis.

Please refer to Section 6.8 for further details relating to the estimated expenses of the Entitlement Offer.

3.3 Effect of the Entitlement Offer

If the Entitlement Offer is fully subscribed, the Company expects that it will issue approximately 59,128,227 New Shares for total consideration of approximately \$11.2 million.

If all New Options issued under the Entitlement Offer are exercised, an additional 59,128,227 New Shares will be issued for total consideration of approximately \$17.7 million.

Accordingly, up to 118,256,454 New Shares may be issued under, or in connection with, the Entitlement Offer (being 59,128,227 New Shares and 59,128,227 shares issued on exercise of New Options).

Lumos notes that no consideration will be received by the Company on the issue of the New Options. There is no certainty that all or some of the New Options will be exercised and New Shares issued as a result and consequently, there is no certainty that the Company will receive proceeds from the exercise of New Options.

3.4 Effect of the Entitlement Offer on capital structure

The table below illustrates the capital structure of the Company as at the Prospectus Date and on completion of the Entitlement Offer (assuming no options are exercised in the intervening period).

SHARES	NUMBER^{1,2}
Shares on issue as at the Prospectus Date	150,776,978
New Shares offered under the Entitlement Offer	59,128,227
Total Shares on issue after completion of the Entitlement Offer³	209,905,205
OPTIONS	
Unquoted Options on issue at the Prospectus Date	13,951,876
New Options offered under the Entitlement Offer	59,128,227
Total unquoted and quoted Options after completion of the Entitlement Offer³	73,080,103

Note:

1. Ignores impact of rounding.
2. These numbers are indicative only. The capital structure of the Company may differ on completion of the Entitlement Offer to what is shown in the above table depending on the number of Applications received.
3. Assuming no existing options are exercised between the Prospectus Date and completion of the Entitlement Offer.

3.5 Effect on Shareholdings

The Entitlement Offer will have the effect of diluting the percentage Shareholdings of Shareholders who do not participate in the Entitlement Offer (including under the Top Up Facility). In particular:

- (a) Shareholders who do not take up their full Entitlement under the Entitlement Offer will have their percentage Shareholding in the Company diluted following the issue of New Shares under the Entitlement Offer and further diluted on the exercise of any New Options;
- (b) Eligible Shareholders who take up their full Entitlement under the Entitlement Offer will maintain their percentage Shareholding under the Entitlement Offer (which will be further increased on the exercise of any New Options by those Shareholders);
- (c) Eligible Retail Shareholders who take up their full Entitlement under the Entitlement Offer and receive Additional New Shares under the Top Up Facility will increase their percentage Shareholding in the Company under the Entitlement Offer to the extent they receive Additional New Shares under the Top Up Facility (which will be further increased on the exercise of any New Options by them);
- (d) Eligible Institutional Shareholders who take up their full Entitlement under the Entitlement Offer and acquire additional New Shares under the bookbuild will increase their percentage Shareholding in the Company under the Entitlement Offer (which will be further increased on the exercise of any New Options by them);
- (e) the proportional Shareholdings of Ineligible Institutional Shareholders or Ineligible Retail Shareholders will be diluted by the Entitlement Offer, and further diluted on the exercise of any New Options.

Examples on how the dilution may impact Shareholders is set out in the table below. The table assumes that the Eligible Retail Shareholders do not participate the Top Up Facility and that no options are exercised after the Prospectus Date and before completion of the Entitlement Offer.

Holder	Record Date holding	% holding at Record Date	% holding on completion of the Entitlement Offer	
			If apply for full Entitlement under the Entitlement Offer	If no New Shares subscribed for under the Entitlement Offer
1	10,000,000	6.63%	6.63%	4.76%
2	5,000,000	3.32%	3.32%	2.38%
3	1,000,000	0.66%	0.66%	0.48%
4	250,000	0.17%	0.17%	0.12%

3.6 Dilutive effect of the issue of New Options under this Prospectus

Assuming all of the New Shares are issued under Entitlement Offer and that no options are exercised after the Prospectus Date and before completion of the Entitlement Offer, the Company will have on issue 209,905,205 Shares on 1 July 2022. In the event that all of the New Options are exercised (and no other Shares are issued between completion of the Entitlement offer and the Expiry Date), there would be a total of 269,033,432 Shares on issue on or before 30 November 2022.

3.7 Effect of the Entitlement Offer on control of the Company

The Company has managed the Entitlement Offer such that it does not anticipate that the acquisition of New Shares by any Shareholder will result in any Shareholder obtaining a relevant interest in 20% or more of the Company's Shares (see Section 3.8 in relation to the impact of the Entitlement Offer on Planet Innovation's shareholding). Accordingly, the Entitlement Offer is not expected to have a material effect on control of the Company.

3.8 Details of substantial holders

Based on publicly available information as at the Prospectus Date, there are currently 5 Shareholders who (together with their associates) have a relevant interest in 5% or more of the Shares on issue (see table below).

Shareholder	Number of shares held at Prospectus Date	Shares as a % of total issued capital as at Prospectus Date
Lumos Diagnostics Holdings Limited and each of its subsidiaries listed in Section 10.2.2 of the IPO Prospectus (including: Planet Innovation Holdings Limited and RPS Diagnostics Inc). This represents the Shares that are currently escrowed (refer to Section 6.5 of the IPO Prospectus).	47,948,509	31.80%

Planet Innovation Holdings Limited	40,124,915	26.61%
Perennial Value Management Limited (PVM)	19,060,257	12.64%
RPS Diagnostics, Inc	15,647,189	10.38%
Acorn Capital Limited	8,973,877	5.98%

3.9 Planet Innovation's Voting Power

Planet Innovation holds 40,124,915 Existing Shares at the Prospectus Date, representing voting power of 26.61%. Planet Innovation has committed to taking up its full Entitlement under the Entitlement Offer. In addition, Planet Innovation has agreed to sub-underwrite a portion of the Entitlement Offer, up to the value of \$3 million (refer to Section 6.11).

On the basis that Planet Innovation takes up its full Entitlement and subscribes for its full sub-underwriting commitment, Planet Innovation's voting power could increase from ~27% to ~34%.

4. FINANCIAL INFORMATION

4.1 Historical and pro forma balance sheet

This Section 4 contains a summary of the historical financial information for Lumos as of 30 April 2022 (**Historical Financial Information**) and a pro forma historical statement of the financial position assuming the pro forma adjustments occurred as of 30 April 2022 (**Pro Forma Historical Financial Information**) (collectively, **Financial Information**). The Financial Information has been prepared to illustrate the effect of the pro forma adjustments described in Section 4.3 below.

All amounts in the table below are in the Company's presentation currency, which is USD.

	USD \$m	USD \$m	USD \$m
	Pre-Raise – 30 April 2022	Impact	Pro-Forma
ASSETS			
Current Assets			
Cash	\$5.0	\$7.4	\$12.4
Trade and Other Receivables	\$3.7	-	\$3.7
Inventory	\$7.2	-	\$7.2
Prepayments & Other Assets	\$2.7	-	\$2.7
Total Current Assets	\$18.6	\$7.4	\$26.0
Non-Current Assets			
Property, Plant, & Equipment	\$7.5	-	\$7.5
Investments	\$0.2	-	\$0.2
ROU Assets	\$8.4	-	\$8.4
Intangibles	\$26.3	-	\$26.3
Total Non-Current Assets	\$42.4	\$0.0	\$42.4
Total ASSETS	\$61.0	\$7.4	\$68.4
LIABILITIES			
Current Liabilities			
Trade and Other Payables	\$3.7	-	\$3.7
Lease Liability	\$1.0	-	\$1.0
Employee Benefits	\$1.1	-	\$1.1
Contract Liabilities	\$8.3	-	\$8.3
Total Current Liabilities	\$14.1	\$0.0	\$14.1
Non-Current Liabilities			
Lease Liability	\$7.0	-	\$7.0
Total Non-Current Liabilities	\$7.0	\$0.0	\$7.0
Total LIABILITIES	\$21.1	\$0.0	\$21.1
NET ASSETS	\$39.9	\$7.4	\$47.3
EQUITY			
Equity	\$85.1	\$7.4	\$92.5
Accumulated Losses	(\$47.7)	-	(\$47.7)
Reserves	\$2.5	-	\$2.5
TOTAL EQUITY	\$39.9	\$7.4	\$47.3

4.2 Basis of preparation for the Financial Information

The basis of preparation for the Historical Financial Information is in accordance with the company's accounting policies, as described in its financial reports, and the recognition and measurement principles of the Australian Accounting Standards.

The Historical Financial Information is based on the unaudited balance sheet as of 30 April 2022. The Financial Information is therefore based on the previously released audited financial statements for the half year ended 31 December 2021, plus the unaudited results for the four months to 30 April 2022.

The stated basis of preparation for the Pro Forma Historical Financial Information is in a manner consistent with the recognition and measurement principles of the Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in Section 4.3, as if those events or transactions had occurred as of 30 April 2022.

4.3 Pro forma adjustments

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information and has been prepared on the basis of the following pro forma adjustments:

- (a) that 59.1m New Shares and up to 59.1m New Options are issued under the Entitlement Offer (on a fully subscribed basis);
- (b) that the Entitlement Offer occurred as of 30 April 2022 and raised gross proceeds of A\$11.2m (on a fully subscribed basis);
- (c) that the expenses of the Entitlement Offer are deducted; and
- (d) Assumes an FX rate of AUD 1: USD 0.70.

The Pro Forma Historical Financial Information has not been prepared on a fully diluted basis meaning that it assumes none of the New Options to be issued as part of the Entitlement Offer have been exercised.

The Pro Forma Historical Financial Information 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. The Financial Information is presented in abbreviated form, insofar as it does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

5. RISK FACTORS

As with any share investment, there are risks associated with an investment in the Company. The numerous risk factors are both of a specific and general nature. Some can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated.

This Section 5 identifies and highlights some of the risks that potential investors should consider prior to entering into the investment opportunity referred to in this Prospectus. However, the following is not, and does not purport to be, a comprehensive statement of all relevant risks and is not listed in order of importance. Potential investors should seek their own financial or other professional advice in relation to the risks and must make their own assessment regarding an investment in the Company.

5.1 Specific risks

(a) Regulatory Approvals and Responsibilities

For each country in which Lumos wishes to distribute its products, Lumos will be required to obtain product clearances or approvals prior to marketing the product and is required to maintain an up-to-date product registration with appropriate governmental authorities and regulatory bodies. Lumos' manufacturing facilities are also required to hold certification and compliance with regulatory and notified bodies (including, for example, registration of manufacturing facilities under the FDCA) in order to produce Lumos' products, and commercial services client products. Lumos' manufacturing facilities are MDSAP certified and ISO13485 compliant. Products may also need to comply with registration and product listings, and regulations governing product labelling and manufacturing quality systems, as is required, for example, by the FDA. A loss of these approvals, accreditations, registrations or listings (or a failure to obtain additional required clearances of this nature) would likely materially impact Lumos' ability to fulfil its contracts and produce or distribute its own products, which would have a negative impact on Lumos' financial performance, position and prospects. Approvals or clearances could be revoked (and products recalled) for example if a product or its associated marketing failed to comply or function in accordance with that certification or applicable laws and regulations or where those approvals or clearances were temporary in nature (for example in the case of special or emergency access schemes).

Lumos cannot accurately predict product clearance or approval timelines, cost or other requirements that may be imposed by regulators (e.g. clinical trials or other requirements proving effectiveness of its new products). Any delay in the receipt of regulatory approval or clearance (including for example in obtaining FDA clearance for FebriDx®) may result in a delay to the intended launch date of certain new products. Delays may also affect Lumos' ability to achieve its growth objectives by geographic expansion of sales into new markets. There is also no guarantee that Lumos will receive all necessary regulatory approvals and the success of earlier clearance or approvals may not necessarily be predictive of the success of subsequent product clearance or approval applications. All of these outcomes could materially affect Lumos' revenue growth objectives. Regulatory authorities may also change their clearance and approval policies, adopt additional regulations or revise existing regulations, or take other actions which may prevent or delay approval or clearance of Lumos' future products under development. New laws and regulations or changes to existing laws and regulations may also impose additional obligations on Lumos in order to maintain existing clearances or approvals, require Lumos to comply with "trail off periods" in respect of existing clearances or approvals or obtain new clearances or approvals, or prohibit or restrict Lumos from producing or distributing a particular product. These regulatory changes may adversely affect Lumos' ability to sell its products and consequently negatively impact its financial performance, position or prospects. Lumos' failure to comply with ongoing regulatory responsibilities or requirements could jeopardise Lumos' ability to produce or sell its products and result in enforcement action by the FDA, the European Union or the applicable regulatory authorities in other markets in which Lumos sells/markets its products. Such enforcement actions may include recalls or seizures of products, fines, total or partial suspension of production; refusal to grant future clearances or

approvals; withdrawals or suspensions of current approvals, resulting in prohibitions on sales of Lumos' products; and in the most serious cases, criminal penalties. Any of the above actions could negatively impact Lumos' reputation and have an adverse effect on Lumos' operating and financial performance.

(b) Reliance on Distributors

The success of Lumos' products relies on its ability to attract, retain, support and motivate distributors. The loss of, or any significant decrease in business from these distributors may negatively impact Lumos' financial performance. Lumos is also intending to appoint distribution partners to distribute FebriDx® in North America which will increase Lumos' reliance on distribution partners for its revenue. The ability to retain Lumos' existing distributors and their end customers, and the capacity to attract new distributors and customers, will be dependent on many factors including the capability, cost-effectiveness, pricing, customer support, and the value of Lumos' product offerings compared to competing products. Lumos' distributors do not exclusively sell Lumos' products and may prefer a competing product to Lumos (for example where they are offered a better incentive to sell a competing product). If product distributors or end customers do not continue to purchase Lumos' products, terminate the existing contracts or do not increase their usage over time, the growth in Lumos' revenue may slow or decline, which will have an adverse impact on Lumos' operating and financial performance. Lumos is also reliant on the success of its distributors' sales and marketing teams to adequately promote Lumos' products, and for the distributors to promote the products in accordance with the relevant regulatory requirements governing advertising including labelling and promotional materials. If distributors do not expend sufficient resources to promote the marketing and sales of Lumos' products, or do not promote the products in accordance with the relevant regulatory requirements, Lumos' operating and financial performance may be adversely affected.

(c) Reliance on Clients

A significant portion of Lumos' revenues come from the provision of contract services for the development and manufacture of POC diagnostic tests. Lumos must ensure that any product it develops is aligned to the client's needs and specifications, otherwise the client may not be willing to pay for the services provided or continue to contract with Lumos. The loss of, or a significant decrease in, the business from Lumos' commercial services clients could adversely impact Lumos' revenues. Lumos' commercial services clients and partners rely on having regulatory approved products and the sale of these products relies on obtaining or maintaining regulatory approvals or other clearances. The commercial services clients are responsible for obtaining and maintaining the regulatory approvals for finished products and Lumos is therefore dependent on these parties to do so. Any factors that impact on the ability of commercial services clients to obtain and retain regulatory approval, any significant delays in obtaining such approvals, or any impact on their ability to launch a finished diagnostic product into the market, may impact the client's customers' purchase volumes and consequently negatively impact Lumos' financial performance.

(d) Reliance on Suppliers

Lumos is reliant on third party suppliers for the development and manufacture of outsourced clients' products and the manufacture of components within Lumos' own product portfolio, including some specific single source parts. Many of these suppliers are located outside of the United States, whilst the raw materials Lumos requires may be in high demand globally. A number of single source parts may be difficult to replace with alternative parts and may require significant development, time and effort to remediate. Any disruption to third party businesses or supply chains or in the supply of single source parts that Lumos relies on for its development and manufacturing activities could have a material impact on the availability of Lumos' products for distribution. If Lumos is not able to manage these risks, it may not be able to meet existing order demand, which could lead to dissatisfaction amongst distributors and end customers. This may in turn have a negative impact on Lumos' ability to attract new distributors or end users if Lumos suffers any reputational damage due to supply issues. The combination of these factors could adversely impact Lumos' operating and financial performance.

(e) **Sufficiency of Funding**

Lumos' financial resources are limited and there is a risk that Lumos may never achieve profitability. Accordingly, Lumos may be required to raise additional funds from time to time to finance the development of its products and support its commercial services division, for example additional funds may be raised through an issue of equity or other convertible security or through debt financing. Further, Lumos expects that it may need to raise more funds to expand business in accordance with its business plan. The ability to raise additional funding is subject to factors beyond Lumos' control and Lumos can give no assurance that it will be able to secure future funding on favourable terms, or at all or that any amount raised will be sufficient to meet the Company's financing requirements.

(f) **Production / Manufacturing Risks**

Lumos' manufacturing facilities in Sarasota, Florida and Carlsbad, California are exposed to risks of harm, including those caused by man-made or natural disasters like earthquakes or fires, or human error, which may result in manufacturing disruptions or an inability to manufacture and produce its products for an unknown period of time. This has the potential to limit, delay or prevent supply of Lumos' products and may have an adverse impact on the availability of Lumos' products, which would affect contractual obligations, particularly with respect to failure to supply. If there were to be a significant or protracted manufacturing failure and its stock levels were exhausted before production is able to be resumed, it is likely that Lumos' operating and financial performance would be adversely affected.

(g) **Inventory / Materials Risks**

Lumos manufactures products which embody a range of raw materials including biological and organic components which may be susceptible to degradation over time which may also be accelerated when exposed to certain environmental conditions such as increased temperature or humidity. Consequently, some raw materials and supplier components which Lumos relies on to produce its products may have a limited shelf-life or be susceptible to unexpected degradation in performance due to improper shipping or storage conditions and therefore may result in manufacturing disruptions, inventory write-offs or product recalls. If there were to be a significant or protracted manufacturing failure, large inventory write-off or product recall, it is likely that Lumos' operating and financial performance would be adversely affected.

(h) **Timing of Orders or Services**

Lumos is expected to supply products to distributors and services clients in a timely manner. There can be long lead times to develop products and Lumos' ability to deliver products within certain time frames (or at all) may be affected by events outside of Lumos' control. If delays occur and Lumos is unable to meet expected production and delivery timeframes, Lumos' revenues may be deferred or reduced, or those delays may adversely impact Lumos' relationship with distributors and services clients and may adversely impact Lumos' operating and financial performance within a specific period or in general.

(i) **Intellectual Property**

The value of Lumos' own products depends in part on its success in obtaining and maintaining issued patents, trademarks and other intellectual property rights and protecting Lumos' proprietary technology. If Lumos' intellectual property and proprietary technology are not adequately protected, competitors may be able to use the technologies and replicate Lumos' products or commercial services offering and consequently erode or negate any competitive advantage Lumos may have, which could harm Lumos' commercial position and viability. The issue of a patent is not conclusive as to its validity or its enforceability and it may not provide Lumos with adequate proprietary protection or competitive advantages against competitors with similar products. Lumos' competitors may have applied for or obtained, or may in the future apply for and obtain, patents that will prevent, limit or otherwise interfere with Lumos' ability to make, use and sell its products. Additionally, the process of obtaining patent protection is

expensive and time consuming and Lumos may not be able to file and obtain all necessary or desirable patents applicable, or do so at a reasonable cost or in a timely manner. Changes in either the patent laws or their interpretation may diminish Lumos' ability to protect its inventions, obtain, maintain and enforce its intellectual property rights and, more generally, could affect the value of its intellectual property or narrow the scope of its patents. Lumos cannot predict whether any patent applications that it is currently pursuing will be issued as patents, or whether the claims of any issued patents will provide sufficient protection from competitors or other third parties. There is a risk that Lumos may be subjected to infringement claims or litigation arising out of patents and pending applications for additional proceedings initiated by third parties.

The defence and prosecution of intellectual property rights lawsuits, proceedings, and related legal and administrative proceedings are costly and time-consuming to pursue, and their outcome is often uncertain. If Lumos infringes on the rights of third parties, Lumos could be prevented from selling its products and may be forced to defend litigation proceedings and pay damages. Further, third parties may claim involvement in, or ownership of, Lumos' intellectual property and any disputes as to intellectual property ownership could adversely affect the financial performance and reputation of Lumos. In addition, under a number of commercial contracts, Lumos indemnifies the other party to the contract, against any claims for an infringement of third-party intellectual property. Consequently, a successful infringement claim could have substantial financial and reputational implications for Lumos. In addition to its patent activities, Lumos also relies on protecting its trade secrets, especially with regard to its manufacturing processes. Although Lumos implements reasonable endeavours to protect its trade secrets, these measures may not always be sufficient and Lumos may not be able to meaningfully protect its trade secrets and unpatented know-how in order to keep them secret. Lumos also cannot be certain that others will not independently develop similar technologies on their own, gain access to Lumos' trade secrets or have such technologies disclosed to them by employees, consultants or third parties. This could allow competitors to commercialise products in competition with Lumos' products and erode Lumos' competitive advantage. There is also a risk that effective intellectual property protection, including patents, trademark, copyright and trade secrets, may not be available in every country in which Lumos' products are available. Further, Lumos cannot assure that protective measures such as non-disclosure agreements or confidentiality provisions in agreements will prevent unauthorised disclosure or reverse engineering of Lumos' intellectual property. Any of the above, in combination or isolation, may have an adverse impact on Lumos' operating and financial performance and position.

(j) Business execution

Lumos operates in a highly dynamic and evolving industry whose structure and commercial attractiveness is significantly influenced by competition, regulations, reimbursement, public policy, and healthcare needs, all of which can change rapidly. Lumos' strategic vision and long-term strategic decisions are based on its awareness, understanding and interpretation on how these factors are likely to impact on the present and future industry in which it operates. If these factors change, or Lumos operates under a business plan that does not appropriately incorporate the industry dynamics, it may fail to, or may not be in a position to, successfully compete or take advantage of commercial opportunities as they emerge. There is also a risk that the cost reductions initiated by Lumos will not be successful or may not be sustainable in the long term.

(k) Reimbursement and Coverage

The significant adoption of tests (including those offered by Lumos) requires either government payment or third-party reimbursement payments including governmental payers (such as the Medicare and Medicaid programs in the U.S.), managed care organisations and private health insurers, particularly for example the U.S., Switzerland and Germany. In other countries with national health services, a material cost saving may be required in order for the tests to be readily adopted. In the United States for example, there has been, and continues to be, a number of legislative initiatives aimed at containing healthcare costs. These initiatives may impact on the reimbursement for certain healthcare products and services. Any state and federal healthcare policies and reform measures adopted in the future could also limit

reimbursement for healthcare products and services. Furthermore, private health insurance companies often follow United States federal coverage policy and payment limitations in setting their owner reimbursement rates. There is therefore a risk that Lumos will not be able to secure reimbursement for new products, or that reimbursement entitlements for existing entitlements are reduced or eliminated as a result of existing or new laws, regulations or policies. The absence of third party or governmental reimbursement could limit the amount of revenue opportunities available to Lumos, as clients would be required to pay, out of pocket, the full price of its products at the time of sale.

(l) Ability to Attract and Retain Key Personnel

Lumos relies on its senior leadership team who have intimate knowledge of the business and its products. If a member of Lumos' senior leadership team were to resign or leave the business there is no certainty that Lumos could attract a suitable replacement, or how long it may take to do so. As Lumos relies on the technical expertise of its employees to maintain and develop intellectual property, the loss of any key personnel may lead to a loss of operational knowledge, technology capabilities, key customer relationships, as well as delays in the development, launch and commercialisation of new products. Further, Lumos operates in a competitive and specialised industry where talent can be difficult to identify and retain. Where talent markets are tight, this may result in longer recruitment processes and increased cost of hiring. Lumos' internal policies governing recruitment and succession planning and structured incentive programs to assist recruitment and staff retention may not be sufficient to retain key personnel or to attract new personnel in a timely manner. Lumos has included non-competition and non-solicitation clauses in certain employee's contracts where the applicable jurisdictions permit such restrictive covenants, however, these may not always be enforceable. Any of the above circumstances, in isolation or combination, could have an adverse impact on Lumos' financial and operating performance.

(m) Product Acceptance

Lumos' growth and the commercial success of Lumos' own products is reliant on their acceptance as reliable, cost-effective and clinically proven by individual users and healthcare professionals. While Lumos has had success in the past with the adoption of its products for use by healthcare professionals, the degree of market acceptance and continued adoption of Lumos' products will depend on a number of factors, including:

- (i) the potential and perceived advantages of Lumos' products over competing products;
- (ii) the preference by healthcare professionals for competing products due to familiarity with those products or for other reasons;
- (iii) Lumos' products performing to expected standards and quality; and
- (iv) Lumos' ability to successfully market its products by providing clinical and economic data that demonstrate the clinical efficacy, accuracy, cost-effectiveness and patient benefits from the products.

Furthermore, changes in the healthcare delivery system have resulted in major consolidation among reference laboratories and in the formation of multi-hospital alliances, reducing the number of institutional customers for POC diagnostic test products. Due to such consolidation, Lumos may not be able to enter into and/or sustain contractual or other marketing or distribution arrangements on a satisfactory commercial basis with institutional clients. Further, there is no guarantee that the adoption of Lumos' products will be sufficient enough to meet Lumos' sales objectives. Insufficient market acceptance would likely impact Lumos' operating and financial performance.

(n) Reduction in Demand Post COVID-19 Pandemic

Demand for Lumos' services and products in the past has, in part, been driven by increased investment in the healthcare sector due to the COVID-19 pandemic and the need to rapidly develop diagnostic tests to assist with managing the crisis. Lumos obtained the rights to manufacture and is currently producing for itself and a client a COVID-19 related antigen test (marketed by Lumos as CoviDx™) and FebriDx® has been utilised in hospitals as a triaging tool by providing a means to rapidly identify high risk patients (namely, those patients with an

active, viral infection) for isolation while a COVID-19 specific confirmatory test was conducted. While FebriDx®'s primary use case is not specific to COVID-19 and CoviDx is not a COVID-19 detection test (but an antigen test), demand for these products for these settings is driven by infection rates for COVID-19 which are volatile depending on new and emerging variants and vaccine coverage and effectiveness. In addition, there are a number of alternative POC diagnostic tests and technologies that third parties are developing or commercializing for COVID-19, which could adversely impact demand for Lumos' products or services and as a result its operations and financial performance.

(o) **Competition**

Lumos operates in a competitive market against a number of other diagnostic technology companies, with the market being further disrupted by new technologies and products introduced as a result of the COVID-19 pandemic and the increased demand for diagnostic tests. Many of Lumos' existing competitors have significantly more resources and greater market access than Lumos. These competitors may use aggressive marketing campaigns, new product formats, product improvements, acquisitions or price discounting to secure market share which could impact on Lumos' revenue and margins. Lumos is continually investing in research and development activities in order to generate new products to license, partner or sell. However, the medical device industry is characterised by rapid and significant change including in technology, industry standards, opportunities or customer needs. Lumos' competitors or new market entrants may develop or market devices and products that are more effective than Lumos' products and which could render Lumos' products obsolete or non-competitive. Additionally, new therapies or diagnostic devices could be developed that replace or reduce the need for Lumos' products. Lumos may also fail to anticipate or adequately respond to changing opportunities, technology, or standards, or more broadly to customer requirements, as quickly as Lumos' competitors. Lumos' ability to respond quickly to medical and other changes through the development and introduction of new products is important for Lumos to stay competitive. This can be capital intensive and time consuming. Product development involves a high degree of risk, and there are no guarantees that new product development efforts will result in any clinically or commercially successful products. Difficulties or delays in research, development or production of new products, or the failure to gain market acceptance of new products and technologies is likely to reduce future revenues and adversely affect Lumos' competitive position.

(p) **New Product Development Pipeline**

Lumos' commercial success is dependent on the continued advancement of existing products and the generation and acceptance of new products that utilise Lumos' technology through its investment in research and development. Developing new products is expensive and often involves an extended period of time to achieve a return on investment, if a return is achieved at all. The success of new products depends on several factors, including Lumos' ability to:

- (i) properly identify and predict clinician and patient needs and preferences;
- (ii) innovate and develop new technologies and products in a timely manner;
- (iii) adequately respond to unanticipated structural changes to the markets in which it operates, including changes to clinical practices, consumer preferences and government policy;
- (iv) manufacture and supply new products that meet quality requirements, are cost effective, and can be produced in a timely manner;
- (v) demonstrate, if required, the safety and efficacy of new products with data from preclinical studies and clinical trials;
- (vi) obtain the necessary regulatory clearances or approvals;
- (vii) secure adequate reimbursement coverage for Lumos' new products from the relevant public or private payers; and
- (viii) establish an effective sales and marketing effort to generate commercial revenue from the products that it develops.

The success of Lumos' product pipeline will depend on, among other things, the factors outlined above. Lumos cannot guarantee that any products under development will result in the launch of a commercially viable product. If any of these events were to occur, Lumos' ability to enhance its competitive position and achieve its revenue growth objectives through expanding its product offering is likely to be impaired and its performance and prospects adversely affected.

(q) **Product Liability**

Any defects in products manufactured by Lumos may harm Lumos and its clients' reputation and business. Lumos may also be subject to warranty and liability claims for damages related to defects in its products. In addition, the products may be subject to a recall, withdrawal or other regulatory action. This risk exists even if a product is cleared or approved for commercial sale regulatory authorities and manufactured in facilities licensed and regulated by regulatory authorities. There may also be adverse events reported from the use, misuse or defect of Lumos' own products which could expose Lumos to product liability claims or litigation. The industry in which Lumos operates has historically been subject to extensive litigation over product liability claims, especially in the United States. Product liability claims may result in substantial litigation costs, product recalls or market withdrawals, decreased sales and demand for Lumos' products and damage to Lumos' reputation, regardless of merit or eventual outcome. If this were to occur it would adversely impact Lumos' operating and financial performance and potentially create significant customer relations issues.

(r) **Early Termination of Contracts**

A number of Lumos' direct contracts with its clients allow for termination based on a specified notice period. While Lumos has established relationships with many of these clients, should a client decide to terminate its contract with Lumos for convenience (i.e. by providing the requisite prior notice), Lumos will suffer a loss of the client revenue associated with that contract, and would need to sign up additional clients to replace that revenue. The loss of clients would have an adverse impact on Lumos' financial performance.

(s) **Privacy Risk**

Security measures and risk management systems in place to maintain the confidentiality and privacy of information collected by Lumos in relation to its clients, employees and other sources of personal information are subject to various risks including computer viruses, electronic theft, physical damage resulting in a loss or corruption of data, operating system failures, third party provider failures or similar disruptions. Lumos' efforts to combat these risks may not be successful and there is a risk that a data breach may occur, or a third party may gain access to confidential information of Lumos' clients or employees. Although Lumos does not obtain individualised medical information for any end-user patients, it may obtain generalised medical information (particularly during a clinical trial study) or billing information for its clients which may be the subject of potential breaches. The failure of Lumos to maintain the confidentiality of this information could result in a breach of law and cause significant operational, financial and reputational damage (such as claims from Lumos' clients or end-user patients) or the imposition of penalties if regulatory action is taken against Lumos. If any of these matters eventuate they could adversely affect the reputation and future financial performance of Lumos.

(t) **Workplace Health and Safety**

There is a risk of worker fatality or injury while working at Lumos' sites, including manufacturing facilities. The occurrence of an accident resulting in injury or death to a worker could materially affect Lumos' reputation and expose Lumos to claims and regulatory enquiries. Further, Lumos may have difficulty retaining or employing employees if there are perceived safety concerns in working at Lumos' facilities.

(u) **Country Specific Risks**

Lumos' manufacturing facilities are based in the United States and so Lumos must comply with a range of different U.S. legal and regulatory regimes in the development and manufacture of its products. As Lumos sells its products internationally, it must also comply with a number of different laws and regulations in facilitating the sale and distribution of its products in different countries. As Lumos expands the sales of its products geographically into new international jurisdictions, it is subject to the risks associated with conducting its business in those new international jurisdictions. These include adapting to, and complying with, the differing laws and

regulations, differing business and clinical practices, and differing patient preferences in foreign countries. There is a risk that policies and procedures designed to comply with laws and regulations of a particular subject matter established by Lumos are not sufficient to prevent Lumos from contravening the laws and regulations of all jurisdictions in which Lumos operates and sells its products. A contravention of laws could result in fines or penalties, the payment of compensation or the cancellation or suspension of Lumos' ability to carry on certain activities or product offerings. There is also a risk that Lumos could face other legal, tax or regulatory sanctions as a result of any failure to comply with applicable laws, regulations and standard of good practice.

5.2 General Risks

(a) General economic and financial market conditions

As Lumos is an ASX listed company, it is subject to the general market risk that is inherent in all securities traded on a stock exchange. Accordingly, Lumos may experience fluctuations in its share price regardless of Lumos' operating performance. Lumos' business is also exposed to changes in general global economic conditions. For example, adverse macroeconomic conditions such as economic recessions, downturns or extended periods of uncertainty or volatility may influence Lumos' clients to defer or cancel expenditure or lead to downward pricing pressure.

Some of the factors which may adversely impact the price of the Securities include:

- (i) general market conditions, including investor sentiment and share price volatility;
- (ii) general economic conditions including interest rates and exchange rates, changes to government fiscal, monetary or regulatory policies and settings;
- (iii) the demand for, and supply of, capital;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) acts of terrorism, natural disasters or other force majeure events; and
- (vi) changes in government regulation.

The equity markets have in the past and may in the future be subject to significant volatility. No assurance can be given that Lumos' offer of New Shares or New Options will trade at or above the Offer Price or Exercise Price. None of Lumos, its directors or any other person guarantees the performance of the Shares.

(b) New Options

The New Options may not be quoted on ASX (refer to Sections 2.16 and 3.10 for further details). If the New Options are not quoted on ASX there will be no secondary market for the New Options. This may adversely affect the option holder's ability to sell their New Options at a desired price, if at all.

(c) Risk of dilution

Shareholders who do not take up their full Entitlement under the Entitlement Offer will have their percentage Shareholding in the Company diluted following the issue of New Shares under the Entitlement Offer and further diluted on the exercise of any New Options. Shareholders may also have their investment diluted by future capital raisings by Lumos.

(d) Currency Movements

Lumos conducts the majority of its business in the United States with a majority of costs denominated in foreign currency (most notably USD). As such, unhedged, unfavourable movements in the exchange rate between the Australian dollar and the U.S. dollar, or other

foreign currencies in which Lumos conducts business, may cause Lumos to incur foreign currency losses.

(e) **Dividends**

The payment of any future dividends will be at the discretion of the Lumos Board, and will depend (among other things) on the performance and financial circumstances of Lumos at the relevant time. There is no guarantee that dividends will be paid by Lumos.

(f) **Taxation**

Future changes in Australian, U.S. and international taxation laws, including changes in the interpretation or application of the law by the courts or taxation authorities in jurisdictions where Lumos operates, may affect taxation treatment of an investment in Lumos' Shares, or the holding and disposal of those Shares. Taxation laws and the interpretation of those laws in jurisdictions where Lumos operates may also impact the Lumos' future tax liabilities.

Personal tax liabilities are the responsibility of each individual investor. Lumos is not responsible for tax or tax penalties incurred by investors.

(g) **Litigation Risk**

In the ordinary course of its business, Lumos may be subject to the risk of litigation and other disputes with its clients, employees, consultants, lessors, regulators and other third parties. Proceedings may result in high legal costs, adverse monetary judgements and/or damage to Lumos' reputation, which ultimately is likely to have an adverse effect on Lumos' financial performance.

(h) **Changes in accounting policy / standards**

Australian Accounting Standards (AAS) are set by the Australian Accounting Standards Board (AASB) and are outside the control of either Lumos or its Directors. The AASB may, from time to time, introduce new or refined AAS. This may affect the way that Lumos measures and recognises accounting items, which could have an adverse impact on the reported financial position of Lumos and may affect the comparability of results from year to year. There is also a risk that the interpretation of existing AAS may differ. Any changes to the AAS or to the interpretations of those standards may adversely affect Lumos' reported financial performance and position.

(i) **Impact of COVID-19**

The COVID-19 pandemic has to date created significant economic and social challenges in Australia and around the world. There is continued uncertainty in relation to the ongoing impacts of the pandemic which, to date, have included a general contraction in output, increased levels of unemployment and restrictions on movement. The Company will continue to closely monitor developments related to COVID-19 and is cognisant of its duty to responsibly manage and, where possible, mitigate the risks posed by the global pandemic.

(j) **Combination of risks**

Lumos may be subject to a combination of risks, including any of the risks outlined in this Section 5 which in aggregate could affect the financial performance, position, prospects and valuation of Lumos.

6. ADDITIONAL INFORMATION

6.1 Continuous disclosure obligations

As the Company is an ASX listed company, Lumos is a 'disclosing entity' for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company's securities, subject to certain exceptions.

Price sensitive information is publicly released to the ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to the ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

In accordance with section 713 of the Corporations Act, the Company is entitled to issue a 'transaction-specific' prospectus in respect of the Entitlement Offer.

In general terms, a 'transaction-specific prospectus' is only required to contain information in relation to the effect of the issue of securities on the Company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position and performance, 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 notified 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.

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

As a disclosing entity under the Corporations Act, the Company 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, an office 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 of the Company for the financial year ended 30 June 2021;
 - (ii) any half-year financial report of the Company lodged with ASIC after the lodgement of the annual financial report referred to in paragraph (i) above and before the lodgement of this Prospectus with ASIC; and
 - (iii) all continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to in paragraph (i) above and before the lodgement of this Prospectus with ASIC (see below).

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules that investors or their professional advisers:

- (i) would reasonably require for the purpose of making an informed assessment of;
 - A. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company;

- B. the rights and liabilities attaching to the securities the subject of this Prospectus; and,
- (ii) would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Entitlement Offer. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

The following announcements have been lodged with the ASX prior to the date of this Prospectus and following lodgement of the annual financial report for the year ended 30 June 2021 with ASX on 30 August 2021.

June 2022	
6 th	At the time of this announcement, the proposed announcements are as follows (subject to ASX approval)
	• Lumos Capital Raise Announcement • Investor Presentation
2 nd	Trading Halt
2 nd	Pause in Trading
April 2022	
29 th	Quarterly Activities/Appendix 4C Cash Flow Report
11 th	Operational Review & Management Reorganisation
5 th	Update - Notification of cessation of securities - LDX
1 st	Notification of cessation of securities - LDX
1 st	Notification regarding unquoted securities - LDX
March 2022	
14 th	Change in substantial holding
1 st	Change in substantial holding
February 2022	
28 th	FebriDx Update - Brazil Market Authorisation & New Study
28 th	FY2022 Half Year Update
28 th	Lumos Diagnostics FY22 First Half Year Results
28 th	Appendix 4D and Half Year Report
16 th	Appointment of Chief Financial Officer
11 th	Final Director's Interest Notice
11 th	Change To Lumos Board
11 th	Release of Shares from Escrow
9 th	Application for quotation of securities - LDX
2 nd	Victorian Government Intent for Lumos Manufacturing Hub
January 2022	
31 st	Quarterly Activities/Appendix 4C Cash Flow Report
31 st	Change in Reporting Currency
12 th	Notification of cessation of securities - LDX
12 th	Over 100 Pharmacies in Liverpool UK Launch FebriDx Service
December 2021	
24 th	Change in substantial holding
24 th	Notification regarding unquoted securities - LDX
24 th	Notification regarding unquoted securities - LDX
24 th	Application for quotation of securities - LDX
24 th	Section 708A Cleansing Statement
22 nd	Lumos Provides ViraDx and FebriDx Regulatory Update
21 st	Ceasing to be a substantial holder
20 th	Lumos Receives Initial Orders for CoviDx In Canada
November 2021	
18 th	Release of Shares from Escrow
11 th	Investor Communication Channels
3 rd	LDX received authorization to sell CoviDx in Canada

October 2021	
28 th	Change of Director's Interest Notice - RS
28 th	Change of Director's Interest Notice - SL
28 th	Section 708A Cleansing Statement
28 th	Application for quotation of securities - LDX
28 th	Application for quotation of securities - LDX
28 th	Results of Meeting
28 th	AGM Presentation
28 th	AGM Chair Address
27 th	Monthly Activities/Appendix 4C Cash Flow Report
14 th	Notification of cessation of securities - LDX
8 th	Update on Economic Evaluation of FebriDx
6 th	Trading Halt
6 th	Pause in Trading
6 th	Economic Evaluation of FebriDx
September 2021	
30 th	Notification regarding unquoted securities - LDX
27 th	Proposed issue of securities - LDX
27 th	Notice of Annual General Meeting/Proxy Form
22 nd	U.S FDA Deprioritises EUA Application for CoviDx
20 th	Change in substantial holding
14 th	Appointment of Dr. Jerome Adams as Strategic Health Adviser
1 st	Change in substantial holding
August 2021	
30 th	Corporate Governance Statement
30 th	Appendix 4G
30 th	FY21 Full Year Results Investor Presentation
30 th	FY21 Full Year Results Media Release
30 th	FY21 Annual Report
30 th	FY21 Appendix 4E

6.2 Design and distribution obligations

On 5 October 2021, the new product design and distributions obligations under the Corporations Act (**DDO Obligations**) took effect. The DDO Obligations are intended to help consumers obtain appropriate financial products by requiring issuers and distributors to have a consumer-centric product. The DDO Obligations require product issuers to make publicly available a target market determination that explains the target market for certain securities, any distribution conditions and any information related to reviewing and monitoring conduct in relation to the target market determination.

The Company has prepared a target market determination in respect of the Options which is available on the Company's website at <https://lumosdiagnostics.com/asx-announcements/>.

6.3 Litigation

The Company has initiated proceedings against a supplier of automated manufacturing equipment. The equipment was not able to be installed and made operational to the satisfaction of the Company, and the action is designed to recover the purchase costs of that equipment (being approximately US\$2.4m) and other related costs.

Other than as mentioned above, the Company is not currently engaged in any litigation and, as at the date of this Prospectus, the Directors are not aware of any legal proceedings pending or threatened against, or any material legal proceedings affecting, the Company.

6.4 Rights and liabilities attaching to the Shares

The following is a general description of some of the significant rights, liabilities and obligations attaching to the Shares. This summary is not exhaustive. Full details of provisions relating to rights attaching to

the Shares are contained in the Corporations Act, ASX Listing Rules and the Constitution (a copy of which is available for inspection at the Company's registered office during normal business hours and on the Company's website at <https://lumosdiagnostics.com/corporate-governance/>).

(a) Meeting of Members

Each Shareholder is entitled to receive notice of and, except in certain circumstances, to attend and vote at general meetings of the Company and receive all financial statements, notices and other documents required to be sent to shareholders under the Constitution, the Corporations Act and the ASX Listing Rules. At least 28 days' notice of a meeting must be given to Shareholders.

(b) Voting at a general meeting

At a general meeting of the Company, every Shareholder present in person or by proxy, attorney or representative has (a) on a show of hands, one vote and (b) on a poll, one vote for each Share held. On a poll, every member (or their proxy, attorney or representative) is entitled to vote for each fully paid share held and in respect of each partly paid Share, is entitled to a fraction of a vote equivalent to the proportion which the amount paid up (not credited) on that partly paid Share bears to the total amounts paid and payable (excluding amounts credited) on that Share. Amounts paid in advance of a call are ignored when calculating the proportion.

(c) Ranking of Shares

At the date of this Prospectus, all shares are of the same class and rank equally in all respects. Specifically, the New Shares issued under this Prospectus, and the Shares issued on exercise of the New Options, will rank equally with the Company's Existing Shares.

(d) Variation of class rights

Subject to the Corporations Act and the terms of issue of a class of shares, wherever the capital of the Company is divided into different classes of shares, the rights attached to any class of shares may be varied:

- (i) with the written consent of the holders of at least 75% of the issued shares in the particular class; or
- (ii) by a special resolution passed at a separate meeting of the holders of shares in that class.

(e) Dividend rights

The Board may declare or determine that a dividend is payable on Shares. The Board may fix the amount of the dividend, the time for determining entitlements to the dividend, the time for the payment of the dividend and the method of payment of the dividend. If a dividend is declared or determined to be payable, Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment.

(f) Transfer of Shares

Shares can be transferred by a proper instrument of transfer. The instrument of transfer must be in writing or any other form approved by the Directors, and signed by the transferor and the transferee. Except where the operating rules of an applicable CS facility licensee, being the ASTC Operating Rules provide otherwise, until the transferee has been registered, the transferor is deemed to remain the holder of the Shares, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if on registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of shares on which the Company has a lien.

(g) **Rights on winding up**

If the Company is wound up, the liquidator may with the sanction of a special resolution, divide the assets of the Company amongst Shareholders as the liquidator sees fit. The liquidator may not require a Shareholder to accept any Shares or other securities in respect of which there is any liability.

6.5 **Rights and liabilities attaching to New Options**

The New Options to be issued under the Entitlement Offer and this Prospectus will be issued on the following terms and conditions:

(a) **Entitlement**

Each New Option entitles the holder to acquire by way of issue 1 Share on exercise of the New Option.

(b) **Exercise Price**

The exercise price of the New Options will be \$0.30 (**Exercise Price**).

(c) **Expiry Date**

The New Options will expire at 5.00pm (Sydney time) on 30 November 2022(**Expiry Date**).

Any New Options not exercised before 5.00pm (Sydney time) on the Expiry Date will automatically lapse at that time.

(d) **Exercise Period**

The New Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The New Options may be exercised in whole or in part (subject to the minimum amount noted below) during the Exercise Period by notice in writing to the Company in the manner specified on the holding statement (**Notice of Exercise**), together with payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

A minimum of 5,000 New Options may be exercised under each Notice of Exercise. If a Shareholder holds less than 5,000 New Options, all of the New Options held by them must be exercised in one Notice of Exercise.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the applicable Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

As soon as practicable after the relevant Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of the New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
- (ii) if an ASX listed company at the time, apply for official quotation on ASX of Shares issued on the exercise of the New Options.

(h) **Shares issued on exercise**

Shares issued on exercise of the New Options will rank equally in all respects with the Existing Shares.

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options and unless Shares have been allotted in respect of the New Options before the record date for determining entitlements to the issue. The Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the New Options holder the opportunity to exercise their New Options prior to the date for determining entitlements to participate in any such issue.

(k) **Change in Exercise Price**

There will be no change to the applicable Exercise Price of a New Option or the number of Shares over which a New Option is exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of Shares (other than for a Bonus Issue).

(l) **Bonus issue**

If before the expiry of any New Options, the Company makes a pro rata issue of Shares to Shareholders for no consideration (**Bonus Issue**), the number of Shares over which a New Option is exercisable will be increased by the number of Shares which the holder would have received if the New Option had been exercised before the record date for the Bonus Issue.

(m) **Change of Control**

Upon the occurrence of:

- (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - A. having received acceptances for greater than 50% of the Company's shares on issue; and
 - B. having been declared unconditional by the bidder;
- (ii) any person acquires a Relevant Interest (as defined in the Corporations Act) more than 50% of the Shares by any other means; or
- (iii) any merger transaction or scheme of arrangement is recommended by the Board and where such transaction would have the effect contemplated in paragraph 4.2(o)(ii) above,
- (iv) any merger transaction or scheme of arrangement is recommended by the Board and where such transaction would have the effect contemplated in paragraph 4.2(o)(ii) above,

(each a Change of Control Event) or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Options will be dealt with, including, without limitation, in a manner that allows the holder of the Options to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.

(n) **Voting**

Holders of New Options have no voting rights until the New Options are exercised and Shares are issued on exercise of those New Options in accordance with the ASX Listing Rules.

(o) **Quotation**

Subject to meeting the requirements of the Quotation Condition, the ASX Listing Rules and the Corporations Act, the Company intends to apply for quotation of the New Options on ASX. The Company makes no guarantee that it will make any such application or that, if an application is made, that it will be successful.

For such time as the Company is listed on the ASX, the ASX Listing Rules will apply to the New Options.

(p) **Transferability**

The Options are freely transferable subject to registration of the transfer with the Company.

(q) **Governing Law**

Refer to Section 6.12.

6.6 Interests of Directors, experts and advisors

Other than as set out below or elsewhere in this Prospectus, no:

- (a) Director or proposed Director;
- (b) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (c) promoter of the Company; or
- (d) financial services licensee named in this Prospectus as a financial services licensee involved in the Entitlement Offer,

holds, or has held within 2 years before the date of this Prospectus, any interest in the Entitlement Offer or in the formation or promotion of, or in any property acquired or proposed to be acquired by, the Company in connection with its formation or promotion or the Entitlement Offer.

Other than as set out in Section 6.7 or elsewhere in this Prospectus, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- (a) to a Director or proposed Director to induce him to become, or to qualify him as, a director of the Company; or
- (b) for services provided in connection with the formation or promotion of the Company or the Entitlement Offer by any Director or proposed Director, any person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, any promoter of the Company, or any underwriter or financial services licensee named in this Prospectus as an underwriter or financial services licensee involved in the Entitlement Offer.

6.7 Details of interests

(a) Directors' security holdings

The relevant interests of the Directors in securities of the Company as at the Prospectus Date are as follows:

Director	Shares	Options
Samuel Lanyon	416,417 ⁴	Nil
Bronwyn Le Grice	28,400 ⁵	Nil
Catherine Robson	278,839 ⁶	Nil
Lawrence Mehren	80,000	Nil

(b) Directors' participation in the Entitlement Offer

Australian Eligible Directors propose to take up their entitlements in full or in part under the Entitlement Offer.

(c) Director's remuneration

- (i) As Executive Chair, Mr Samuel Lanyon is currently paid \$148,493.28* based on pro-rata basis i.e. work week of 2.5 days in directors fees per annum, plus superannuation. Mr Samuel Lanyon was appointed Interim CEO on 11 April 2022. For his role as Interim CEO, he is paid a monthly salary of US\$17,500, payable entirely in shares on a post-superannuation, after-tax basis (subject to shareholder approval). This salary is in addition to his fees as Executive Chair.
- (ii) As a non-executive Director, Ms Bronwyn Le Grice is currently paid \$80,000 in directors fees per annum, plus superannuation.
- (iii) As a non-executive Director, Ms Catherine Robson is currently paid \$80,000 in directors fees per annum, plus superannuation.
- (iv) As a non-executive Director, Mr Lawrence Mehren is currently paid USD\$92,000 in directors fees per annum.

(d) Related party arrangements

Not applicable.

6.8 Expenses of the Entitlement Offer

The total expenses of the Entitlement Offer are estimated to be approximately \$0.61m (excluding GST), the table below sets out the breakdown of these expenses:

Item	Amount (AUD)*
ASX and ASIC fees	\$0.02m
Joint Lead Manager fees	\$0.47m
Clayton Utz legal fees	\$0.10m

⁴ Sam Lanyon does not hold any securities in Lumos at the Prospectus Date, however a trust is held in his wife's name who holds 416,417 shares

⁵ These holdings are held through an entity associated with the Director

⁶ These holdings are held through an entity associated with the Director

Registry and printing fees	\$0.01m
Miscellaneous	\$0.01m
Total Fees	\$0.61m

Notes:

*The above table assumes that the Entitlement Offer is fully subscribed and A\$11.2 million is raised (before expenses).

6.9 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.

(a) Consenting parties

Clayton Utz has given and has not, before lodgement of this Prospectus, withdrawn its written consent to be named in this Prospectus as legal adviser to the Company in respect of the Entitlement Offer in the form and context in which it is named.

Bell Potter Securities Limited has given and has not, before lodgement of this Prospectus, withdrawn its written consent to be named in this Prospectus as joint lead manager of the Entitlement Offer in the form and context in which it is named.

Wilson's Corporate Finance Limited has given and has not, before lodgement of this Prospectus, withdrawn its written consent to be named in this Prospectus as joint lead manager of the Entitlement Offer in the form and context in which it is named.

Computershare Investor Services Pty Limited has given and has not, before lodgement of this Prospectus, withdrawn its written consent to be named in this Prospectus as share registry to the Company in respect of the Entitlement Offer in the form and context in which it is named.

(b) Basis of consents

Each of the persons named as providing consents above:

- (i) did not authorise or cause the issue of this Prospectus;
- (ii) does not make, or purport to make, any statement in this Prospectus nor is any statement in this Prospectus based on any statement by any of those parties other than as specified in this Section 6.9; and
- (iii) to the maximum extent permitted by law, expressly disclaims any responsibility or liability for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified in this Section 6.9.

6.10 Summary of the key terms of the Underwriting Agreement

The Joint Lead Managers have agreed to manage the Entitlement Offer and to underwrite the Entitlement Offer on the terms set out in Underwriting Agreement between the Company and the Joint Lead Managers dated 6 June 2022. Planet Innovation has agreed to sub-underwrite the Entitlement Offer on the terms set out in Section 6.11.

(a) **Commissions, fees and expenses**

Lumos must pay to the Joint Lead Managers, in equal proportions, a management fee of 3% of gross proceeds; a selling fee of 1% and a 1% underwriting fee on gross proceeds⁷ and 3% of the proceeds of the aggregate number of the New Options that have been exercised by the Expiry Date multiplied by the Exercise Price⁸.

Lumos has also agreed to pay reasonable costs and expenses incurred by the Joint Lead Managers in relation to the Entitlement Offer.

(b) **Termination events**

A Joint Lead Manager may terminate the Underwriting Agreement if any of the following events occur:

- (i) a Joint Lead Manager forms the view (acting reasonably) that:
 - A. there is a material omission from the Prospectus or any supplementary prospectus of material required by the Corporations Act to be included;
 - B. the Prospectus or any supplementary prospectus contains a material statement which is untrue, inaccurate or misleading or deceptive;
 - C. the Prospectus or any supplementary prospectus is likely to mislead or deceive (whether by inclusion or omission) in a material respect; or
 - D. the Prospectus or any supplementary prospectus does not contain all material information required to comply with all applicable laws;
- (ii) Lumos issues or, in the reasonable opinion of the Joint Lead Managers is required to issue, a supplementary prospectus because of the operation of section 719(1) of the Corporations Act;
- (iii) a certificate required to be delivered to the Joint Lead Managers under the Underwriting Agreement is not provided by the Company in the time specified;
- (iv) Lumos is prevented from allotting and issuing the New Shares or New Options by applicable laws, an order of a court of competent jurisdiction or a governmental authority, within the time required by the timetable (as may be amended in accordance with this agreement), offer documents, applicable laws and the ASX Listing Rules;
- (v) Lumos withdraws the prospectus or the Entitlement Offer or all or any part of the Offer or indicates that it does not intend to proceed with the Offer or any part of it;
- (vi) at any time the S&P/ASX 300 index falls to a level that is 90% or less of the level of that index as at the close of trading on the date of this agreement and closes at or below that 90% level on 2 consecutive business days prior to the relevant settlement date, or on the business day prior to that settlement date;
- (vii) ASIC issues an order (including an interim order) under sections 739 or 1324B of the Corporations Act and any such inquiry or hearing is not withdrawn within 2 business days or if it is made within 2 business days of the relevant settlement date it has not been withdrawn by 10:00am on that settlement date;
- (viii) ASIC holds a hearing under section 739(2) of the Corporations Act;
- (ix) an application is made by ASIC for an order under Part 9.5 in relation to the offer, an offer document, public information or ASIC commences any investigation or hearing under Part 3 of the ASIC Act in relation to the offer, an offer document, public information or draft prospectus, and any such application inquiry or hearing is not withdrawn within 2 business days or if it is made within 2 business days of the relevant settlement date it has not been withdrawn by 10:00 am on that settlement date;
- (x) there is an application to a governmental agency for an order, declaration or other remedy or any other governmental agency commences any investigation or hearing in relation to any offer document, public information, draft prospectus or any agreement entered into in respect of the offer, and any such investigation or hearing is not withdrawn within 2 business days or if it is made within 2 business days of the relevant settlement date it has not been withdrawn by 10:00 am on that settlement date;

⁷ less any proceeds received from Planet Innovation in respect of their Entitlement or any sub-underwriting

⁸ less any proceeds received from Planet Innovation in respect of exercise of any Options

- (xi) any person who has previously consented to the inclusion of its name in the Prospectus (or any supplementary prospectus) (other than the terminating Joint Lead Manager) withdraws that consent;
- (xii) any person gives a notice under section 730 of the Corporations Act in relation to the Prospectus (other than the terminating Joint Lead Managers);
- (xiii) ASX announces that Lumos will be removed from the official list or that any of its Shares will be delisted or suspended from quotation by ASX;
- (xiv) any of the following occur:
 - A. Lumos or any other group member, or a director (or proposed director) or officer of Lumos or any other group member, engages, or any governmental agency commences any claim, proceedings or public action alleging that they have engaged, in any fraudulent conduct or activity or is charged with an indictable offence relating to any financial or corporate matter, whether or not in connection with the offer; or
 - B. any director (or proposed director) of Lumos or any other group member is disqualified from managing a corporation under Part 2D.6 of the Corporations Act;
- (xv) Lumos or a group member is Insolvent or there is an act or omission which is likely to result in Lumos or a group member becoming Insolvent;
- (xvi) Lumos:
 - A. alters the issued capital of Lumos or a group member, other than as contemplated in the Prospectus; or
 - B. disposes or attempts to dispose of a substantial part of the business or property of the group,
 without the prior written consent of the Joint Lead Managers (such consent not to be unreasonably withheld or delayed);
- (xvii) there is a material adverse effect in or affect the general affairs, business, operations, assets, liabilities, financial position or performance, profits, losses, prospects, earnings position, shareholder's equity or results of operations of the group or otherwise (taken as a whole) from that disclosed in the offer documents or public information;
- (xviii) unconditional approval (or conditional approval, provided such condition would not, in the reasonable opinion of a Joint Lead Manager, have a material adverse effect on the success or settlement of any component of the offer) by the ASX for the official quotation of the New Shares is refused, or is not granted by the relevant allotment date or is granted but withdrawn on or before the relevant allotment date or ASX makes an official statement to any persons or indicates to Lumos or the Joint Lead Managers in writing that official quotation of the New shares will not be granted;
- (xix) an event specified in the timetable up to and including the settlement date is delayed by more than one business day (other than any delay caused solely by the Joint Lead Managers or any delay agreed between Lumos and the Joint Lead Managers);
- (xx) there is an event or occurrence, including any statute, order, rule, regulation, directive or request (including one compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any governmental agency which makes it illegal for the Joint Lead Managers to satisfy an obligation under the Underwriting Agreement, or to market, promote or settle the offer;
- (xxi) if a regulatory body withdraws, revokes or amends any regulatory approvals required for Lumos or to perform their obligations under the Underwriting Agreement, such that Lumos is rendered unable to perform its obligations under the Underwriting Agreement or the transactions contemplated by the offer documents; or
- (xxii) a change in the board of Directors, chief executive officer or chief financial officer of Lumos is announced or occurs.

(c) **Termination events subject to reasonability**

A Joint Lead Manager may terminate the Underwriting Agreement if any of the following events occur and the Joint Lead Manager has reasonable grounds to believe the event (a) has had or is likely to have a material adverse effect : (i) on the success of the offer; (ii) on the ability of the Joint Lead Manager to market or settle the offer; (iii) the value of the Shares or

willingness of the investors to subscribe for New Shares or the performance of the secondary trading market of the New Shares; or (b) has, or is likely to, give rise to (i) a contravention by the Joint Lead Manager of, or the Joint Lead Manager being involved in the contravention of, the Corporations Act or any other applicable law; or (ii) a liability of the Joint Lead Manager under the Corporations Act or any other applicable law:

- (i) an offer document (other than the Prospectus) or public information:
 - A. contains a statement which is untrue, inaccurate, misleading or deceptive or likely to mislead or deceive (whether by inclusion or omission);
 - B. does not contain all information required to comply with all applicable laws; or
 - C. includes any forecasts, expressions of opinion, intention or expectation which are not based on reasonable assumptions;
- (ii) the due diligence report is, or becomes, false, misleading or deceptive, or likely to mislead or deceive, in each case including by way of omission;
- (iii) any information supplied (including any information supplied prior to the date of the Underwriting Agreement) by or on behalf of a group member to the Joint Lead Managers (and where information has been supplemented, or supplied in draft and then in final form, in its final form as at the announcement date) in respect of the Entitlement Offer or the group is, or becomes, misleading or deceptive, or is likely to mislead or deceive (including by omission);
- (iv) a statement in a certificate required under the Underwriting Agreement is false, misleading, inaccurate, untrue or incorrect;
- (v) an offer document includes any expression of opinion, belief, intention or expectation which is not based on reasonable grounds (including having regard to ASIC Regulatory Guide 170), taken as a whole;
- (vi) hostilities not existing at the date of this agreement commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, the United States,
- (vii) the United Kingdom, Japan, any member of the European Union, North Korea, South Korea, Singapore, Hong Kong or China, or the declaration by any of these countries of a national emergency (other than in relation to COVID-19 or as already existing prior to entry into this agreement) or an escalation in an existing national emergency (other than in relation to COVID-19), or a significant terrorist attack is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries elsewhere in the world; or
- (viii) there is introduced, or there is a public announcement of a proposal to introduce, a new applicable law or regulation or policy of a governmental agency (other than a law, regulation or policy which has been announced before the date of the Underwriting Agreement);
- (ix) there is a contravention by Lumos or any other group member of the Corporations Act, the Competition and Consumer Act 2010 (Cth), the Australian Securities and Investments Commission Act 2001, its constitution, the Listing Rules or any other applicable law;
- (x) Lumos fails to perform or observe any of its obligations or undertakings under the Underwriting Agreement;
- (xi) a representation or warranty made or given by Lumos under the Underwriting Agreement is breached or proves to be, or has been, or becomes, untrue or incorrect, except where the draft prospectus or public information contains a statement that is not true or correct and this is rectified, with the prior written consent of the Joint Lead Managers in the final prospectus;
- (xii) if a regulatory body makes an adverse decision or ruling, or any regulatory approvals required or desirable to Lumos to commence or continue commercial supply of any product in any market or jurisdiction or to operate or otherwise expand its business is refused by a regulatory body, or such approval is granted by a regulatory body subject to conditions not acceptable to both Lumos and the Joint Lead Managers (acting reasonably) or any such condition becomes incapable of satisfaction. To avoid doubt this termination event may not be enlivened in the event that FebriDx is cleared for marketing and sale in the United States in "CLIA" certified settings only;

- (xiii) any of the following occurs:
 - A. the commencement of legal proceedings against Lumos or any of its directors in their capacity as a director;
 - B. any governmental agency commences any enquiry or public action against Lumos or another group member or any of their respective directors in their capacity as a director of Lumos or another group member (as applicable), or announces that it intends to take action; or
 - C. proceedings are commenced or threatened or a Joint Lead Manager becomes aware of an intention to commence proceedings before a court or tribunal of competent jurisdiction in Australia in relation to the offer and those proceedings or intention to commence proceedings have not been withdrawn, discontinued or terminated within 2 business days or by 5:00pm on the business day prior to the relevant settlement date whichever is earlier;
- (xiv) any of the following occurs:
 - A. a general moratorium on commercial banking activities in Australia, the United States, the United Kingdom, Singapore, Hong Kong or any member of the European Union is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries;
 - B. any adverse disruption or change (or any escalation thereof) to the existing financial markets or political conditions or currency controls of Australia, the United States, the United Kingdom, Singapore, Hong Kong or any member of the European Union or the international financial markets, or any development involving a prospective change in the financial markets or political conditions or currency controls in any of those countries; or
 - C. trading in all securities quoted or listed on ASX, the London Stock Exchange, the Hong Kong Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for 1 day on which that exchange is open for trading; or
- (xv) in the reasonable opinion of a Joint lead Manager, a new circumstance arises that would have been required to be disclosed in the Prospectus if it had arisen before lodgement with ASX and ASIC.

(d) **Indemnity and guarantee**

Subject to certain exclusions relating to, among other things fraud, wilful misconduct, recklessness or gross negligence by an indemnified party, Lumos agrees to keep the Joint Lead Managers and certain affiliated parties indemnified from losses suffered in connection with the Entitlement Offer.

(e) **Conditions, warranties, undertakings and other terms**

The Underwriting Agreement contains certain standard representations, warranties and undertakings by Lumos to the Joint Lead Managers (as well as common conditions precedent).

The representations and warranties given by Lumos include but are not limited to matters such as power and authorisations, compliance with applicable laws and ASX Listing Rules, financial information, information contained in the offer documents, the conduct of the offer and the due diligence process, litigation, data privacy, encumbrances, internal controls and insurance.

Lumos provides undertakings under the Underwriting Agreement which include but are not limited to notifications of breach of any obligation, representation, warranty or undertaking or non-satisfaction of any condition given by it under the Underwriting Agreement that it will not, during the period following the date of the Underwriting Agreement until 120 days after New Shares have been issued under the offer, issue any securities without the consent of the Joint Lead Managers, subject to certain exceptions.

6.11 Sub-underwriting Agreement

The Joint Lead Managers have entered into a sub-underwriting agreement with Planet Innovation, a substantial shareholder of the Company (**Sub-underwriting Agreement**).

Set out below is a summary of the key terms of the sub-underwriting agreement:

- (a) the Sub-underwriting Agreement is on customary terms for a sub-underwrite of this nature and includes customary acknowledgements and indemnities in favour of the Joint Lead Managers.
- (b) Planet Innovation, as sub-underwriter, agrees to be bound by the ECM Master Terms dated 23 February 2022.
- (c) No fees will be paid to Planet Innovation as a sub-underwriter by the Joint Lead Managers.
- (d) In the event of a Shortfall, Planet Innovation will be sent a confirmation for the number of shortfall shares under the Institutional Entitlement Offer and the Retail Entitlement Offer, as applicable.
- (e) Sub-underwriting participation will automatically lapse and Planet Innovation will not receive any shortfall shares if:
 - (i) Planet Innovation does not validly accept its commitment under the Sub-underwriting Agreement;
 - (ii) the Entitlement Offer does not proceed or is withdrawn by the Company;
 - (iii) the Joint Lead Managers do not execute the Underwriting Agreement between the Joint Lead Managers and the Company;
 - (iv) the Underwriting Agreement is terminated in accordance with its terms, or the Underwriting Agreement otherwise ceases, including as a result of a condition not being satisfied for any reason and the Joint Lead Managers do not waive such non-satisfaction;
 - (v) Planet Innovation's right to participate in the sub-underwriting lapses for any reason;
 - (vi) Planet Innovation breaches the terms of the Sub-underwriting Agreement and the Joint Lead Managers provides notice of the termination; or
 - (vii) Planet Innovation does not acquire, and pay the Offer Price for, each shortfall security, advised to them.
- (f) Planet Innovation has no right to terminate the sub-underwriting agreement.

6.12 Governing law

The information in this Prospectus, the Entitlement Offer, and the contracts formed on acceptance of the Application Forms are governed by the law applicable in New South Wales, Australia. Any person who applies for Securities under the Entitlement Offer submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

6.13 Selling Restrictions

Hong Kong

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"). Accordingly, this document may not be distributed, and neither the New Shares nor the Options may be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance). No advertisement, invitation or document relating to the New Shares or the Options has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to such securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares or Options may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities. The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

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 New Shares and the Options are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021. Other than in the entitlement offer, the New Shares and the Options may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

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

Singapore

This document and any other materials relating to the New Shares or the Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of such securities, may not be issued, circulated or distributed, nor may such securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA. This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the New Shares or the Options being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire such securities. As such, investors are advised to acquaint themselves with the provisions relating to resale restrictions in Singapore and comply accordingly.



United Kingdom

Neither this document nor any other document relating to the offer 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 New Shares or the Options. The New Shares and the Options 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 UK Prospectus Regulation. 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 New Shares and the Options 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 investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

7. **DIRECTORS' AUTHORISATION**

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed for and on behalf of the Company on 6 June 2022.



Mr Samuel Lanyon
Executive Chair
Lumos Diagnostics Holdings Limited

8. DEFINITIONS

Definitions used in this Prospectus are as follows:

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

Additional New Shares means New Shares subscribed for by Eligible Shareholders in excess of their Entitlement under the Entitlement Offer, under the Top Up Facility.

Applicant means a person who submits an Application.

Application means payment of Application Monies by BPAY® or, for New Zealand holders, by electronic funds transfer or such other means as advised by the Share Registry.

Application Amount means the dollar value of any application to participate in the Entitlement Offer.

Application Form means the personalised application form included in or accompanying this Prospectus for participation in the Entitlement Offer.

Application Monies means monies equal to the value of New Shares at the Offer Price applied for by an Eligible Shareholder under the Entitlement Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the financial market known as the 'Australian Securities Exchange' operated by it, as the context requires.

ASX Listing Rules means the official listing rules of the ASX as amended or waived.

ASTC Operating Rules means the operating rules of ASTC in its capacity as a CS facility licensee, except to the extent of any relief given by ASTC in their application to the Company.

AUD means Australian Dollar.

Australian Accounting Standards means the Australian accounting standards issued by the Australian Accounting Standards Board.

Beneficiary means a person who resides in either Australia or New Zealand for whom a custodian (being an Eligible Shareholder) held Shares on behalf of on the Record Date, and who is not, or is not acting for the account or benefit of, a U.S. Person.

Board means the board of Directors of the Company.

Chair means the Chair of the Board.

CHESS means Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited (ABN 49 008 504 532).

Closing Date means the date that the Retail Entitlement Offer closes which is 5.00pm (Sydney time) on 23 June 2022 or such other time and date as the Directors determine, being the last day on which Applications will be accepted.

Company or **Lumos** means Lumos Diagnostics Holdings Limited ACN 630 476 970.

Constitution means the constitution of the Company.

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

Director means a director of the Company.

Eligible Shareholder means a person who is an Eligible Institutional Shareholder or an Eligible Retail Shareholder.

Eligible Institutional Shareholder means a person who eligible to participate in the Institutional Entitlement Offer as set out in Section 2.6.

Eligible Retail Shareholder means a person who eligible to participate in the Retail Entitlement Offer as set out in Section 2.6.

Entitlement means the right to subscribe for 1 New Share for each 2.55 Existing Shares held by Eligible Shareholders on the Record Date, together with 1 New Option for every 1 New Share issued, with an exercise price of \$0.30, in accordance with the Entitlement Offer.

Entitlement Offer means the offer of New Shares and New Options to Eligible Shareholders under this Prospectus, including under the Top Up Facility.

Existing Shares means Shares on issue at the Record Date.

Expiry Date means the expiry date of the New Options offered under this Prospectus, as defined in Section 6.5.

Financial Information means the Historical Financial and Pro Forma Historical Financial Information contained in Section 4.

Ineligible Institutional Shareholder has the meaning given in Section 2.6.

Ineligible Retail Shareholder has the meaning given in Section 2.6.

Institutional Entitlement Offer means the pro rata accelerated non-renounceable pro rata entitlement offer of New Shares and New Options to Eligible Institutional Shareholders.

Institutional Investors means an investor who, if located in Australia, is a professional or sophisticated investor as defined in subsections 708(8) and 708(11) of the Corporations Act and if located in any other jurisdiction, is entitled to participate in the relevant Offer pursuant to the laws of the jurisdiction in which they are located and to whom New Shares and Options can lawfully be offered and issued without registration, lodgement or other formality.

New Shares means the new Shares offered under the Entitlement Offer.

New Options means the new Options offered under the Entitlement Offer.

Offer Period means the period commencing on the Opening Date and ending on the Closing Date.

Offer Price means the offer price of \$0.19 per New Share under the Entitlement Offer.

Opening Date means the day that the Entitlement Offer opens, being 6 June 2022.

Option means the right of the holder to be issued one new Share on payment of the applicable exercise price, on the terms and conditions set out in Section 6.5.

Planet Innovation means Planet Innovation Holdings Limited ACN 152 424 916.

Prospectus means this prospectus dated 6 June 2022 and lodged with ASIC on that date, including any supplementary or replacement prospectus in relation to this prospectus.

Record Date means 7.00pm (Sydney time) on 8 June 2022, being the date on which Eligible Retail Shareholders who are permitted to participate in the Retail Entitlement Offer are determined.

Retail Entitlement Offer means the pro rata accelerated non-renounceable entitlement offer of New Shares and New Options to Eligible Retail Shareholders.

Section means a section of this Prospectus.

Securities means the New Shares and the New Options offered under this Prospectus.

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

Share Registry means Computershare Investor Services Pty Limited.

Shareholder means a holder of at least one Share.

Shortfall Facility has the meaning given in Section 2.8.

Shortfall Shares means those New Shares not taken up by Eligible Shareholders under the Entitlement Offer (including after completion of the Top Up Facility), together with the New Shares to which Ineligible Shareholders would otherwise have been entitled.

Sub-underwriting Agreement has the meaning given in Section 6.11.

TERP means Theoretical Ex rights Price. TERP is a theoretical calculation only and the actual price at which Lumos' shares trade immediately after the ex date of the Offer will depend on many factors and may not approximate TERP.

Top Up Facility has the meaning given in Section 2.7.

Underwriting Agreement has the meaning given in Section 6.10.

US or **United States** means the United States of America.

USD means United States Dollar.

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

CORPORATE DIRECTORY

Directors

Mr Samuel Lanyon (Executive Chair)
Ms Bronwyn Le Grice (Non-Executive Director)
Ms Catherine Robson (Non-Executive Director)
Mr Lawrence Mehren (Non-Executive Director)

Company Secretary

Ms Melanie Leydin (Joint Company Secretary)
Ms Tracy Weimar (Joint Company Secretary)

Registered Office

Level 4, 100 Albert Road
South Melbourne, VIC 3205

Share Registry

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

Joint Lead Managers

Wilson's Corporate Finance Limited
Level 32, Governor Macquarie Tower
1 Farrer Place, Sydney NSW 2000

Bell Potter Securities Limited
Level 38, Aurora Place
88 Phillip St, Sydney NSW 2000

Legal Adviser

Clayton Utz
Level 15, 1 Bligh Street
Sydney, NSW 2000