



ANATARA  
LIFESCIENCES

## Prospectus

### Anatara Lifesciences Limited

ACN 145 239 872

#### Entitlement Offer

For a non-renounceable pro rata offer of one (1) fully paid ordinary share in the Company (**New Shares**) for every three (3) Shares held by Shareholders registered at 7:00pm (AEDT) on 26 October 2022, (**Record Date**) at an offer price of \$0.035 per New Share, with one (1) free attaching Option exercisable at \$0.07 each on or before 11 December 2025 (**New Option**) for every two (2) New Shares subscribed for (**Entitlement Offer**).

The Entitlement Offer is not underwritten.

#### Placement Options Offer

For the offer of 12,357,144 New Options to Placement Subscribers on the basis of one (1) New Option for every for every two (2) New Shares subscribed for by the Placement Subscribers under the Placement (**Placement Options Offer**). The New Options under the Placement Options Offer will be exercisable at \$0.07 each on or before 11 December 2025.

The issue of the New Options under the Tranche 2 Placement are subject to Shareholder approval being obtained at the general meeting proposed to be held on 12 December 2022.

#### ENTITLEMENT OFFER AND PLACEMENT OPTIONS OFFER INFORMATION

The Entitlement Offer and Placement Options Offer is currently scheduled to close at 5:00pm (AEDT) on 21 November 2022. Valid applications must be received by that time. Details of how to apply for New Shares and New Options are set out in the Application Forms accompanying this Prospectus.

#### IMPORTANT INFORMATION

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

If you are an Eligible Shareholder or a Placement Subscriber intending on accepting the Placement Options Offer, this is an important document that requires your immediate attention. It should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. The Securities offered by this Prospectus should be considered speculative.

**NOT FOR RELEASE TO U.S. WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES**

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## Important information

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**This Prospectus is an important document and should be read in its entirety. You should seek professional advice if you have any questions about the Offers under this Prospectus, or any matter relating to an investment in the Company.**

<b>General</b>	<p>This Prospectus is dated 21 October 2022 (<b>Prospectus Date</b>) and was lodged with ASIC on that date. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.</p> <p>This Prospectus is a transaction specific prospectus for an offer of ‘continuously quoted securities’ (as defined in the Corporations Act) and Options to acquire continuously quoted securities. It has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering or “full form” prospectus. In preparing this Prospectus, regard has been given 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. New Securities will not be issued on the basis of this Prospectus later than 13 months after the Prospectus Date.</p> <p>No exposure period applies to the Offer.</p>
<b>Exemption to disclosure and Entitlement Offer</b>	<p>In certain circumstances, a listed company may undertake an entitlement offer without a prospectus if it complies with the disclosure exemption in s708AA and 1012DAA of the Corporations Act and the relief in ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84.</p> <p>The Company is unable to rely on these provisions for the New Options because the New Options to be issued under the Entitlement Offer are a new class of securities not quoted on the ASX. Accordingly, while the Company satisfies the disclosure exemption conditions for the offer of the New Shares under the Entitlement Offer, the Company is undertaking the complete Entitlement Offer under this Prospectus.</p>
<b>Conditional Offers</b>	<p>The Company will only issue the New Shares and New Options under the Tranche 2 Placement if Shareholder approval has been obtained.</p> <p>With respect to the Tranche 1 Placement, if Shareholder approval is not provided for the New Options under the Tranche 1 Placement, the Company will issue the New Options under the Tranche 1 Placement once it has the placement capacity to do so.</p>
<b>Electronic prospectus</b>	<p>This Prospectus may be viewed in electronic form at <a href="http://www.computersharecas.com.au/anr-nreo">www.computersharecas.com.au/anr-nreo</a> by Australian and New Zealand investors only.</p> <p>The electronic version of this Prospectus is provided for information purposes only. A paper copy of the Prospectus may be obtained free of charge on request during the relevant Offer Period by contacting the Company. The information on the Company’s website does not form part of this Prospectus.</p>
<b>Risk factors</b>	<p>Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative.</p> <p>The information provided in this Prospectus is not investment advice or financial product advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation issues). This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser before deciding whether to apply for Securities pursuant to this Prospectus.</p>
<b>Overseas Applicants</b>	<p>This Prospectus is not, and is not intended to constitute, an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue.</p> <p>By applying for New Securities, including by submitting an Application Form or making a payment using BPAY® (or EFT for New Zealand Shareholders), an Applicant represents and warrants that there has been no breach of such laws.</p>

	<p>The distribution of this Prospectus and accompanying Application Forms (including electronic copies) outside Australia and New Zealand may be restricted by law and persons who come into possession of these documents should observe any such restrictions.</p> <p>Any failure to comply with such restrictions may contravene applicable securities laws. The Company disclaims all liability to such persons. Please refer to Section 3.11 for further information.</p>
<b>Publicly available information</b>	<p>Information about the Company is publicly available and can be obtained from ASIC and ASX (including the ASX website at <a href="http://www.asx.com.au">www.asx.com.au</a>). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers. 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 the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company or subscribe for New Securities.</p> <p>The Company has not authorised any person to give any information or make any representation in connection with an Offer which is not contained in this Prospectus. Any such extraneous information or representation may not be relied upon as having been authorised by the Company in connection with this Prospectus.</p>
<b>Taxation implications</b>	<p>The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of applying for Securities under this Prospectus.</p> <p>The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with applying for Securities under this Prospectus.</p>
<b>Forward-looking statements</b>	<p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.</p> <p>Such forward-looking statements are provided as a general guide only and are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management. Actual outcomes may differ materially from the events, intentions or results expressed or implied in any forward-looking statement in this Prospectus.</p> <p>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. Neither the Company, the Lead Manager, nor their respective related bodies corporate or affiliates nor their respective directors, officers, partners, employees and agents give any warranty, representation, assurance or guarantee that the occurrence of the events expressed or implied in any of the forward-looking statements in this Prospectus will actually occur. In addition, please note that past performance should not be relied upon as (and is not) an indication or guarantee of future performance.</p> <p>The Company has no intention to update or revise forward-looking statements, or to publish 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.</p> <p>These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6 of this Prospectus.</p>
<b>Disclaimer of representations</b>	<p>No person is authorised to provide any information or to make any representation in connection with the Offers that is not contained in this Prospectus. Any information or representations not contained in this Prospectus may not be relied upon as having been authorised by the Company, the Lead Manager, any of their respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees and agents in connection with the Offers.</p> <p>None of the Lead Manager, any of their related bodies corporates and affiliates, or any of their respective directors, officers, partners, employees, representatives or agents have authorised or caused the issue of this Prospectus or any action taken by you on the basis of such information. To the maximum extent permitted by law, the Lead Manager, their related bodies</p>

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corporate and affiliates and each of their directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Offers and this Prospectus being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. None of the Lead Manager, any of their related bodies corporates and affiliates, or any of their respective directors, officers, partners, employees, representatives or agents make any recommendations as to whether you or your related parties should participate in the Offers, nor do they make any representations or warranties to you concerning the Offers or any information, and you represent, warrant and agree that you have not relied on any statements made by the Lead Manager, any of their related bodies corporates and affiliates or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Shares, New Options or the Offers generally.

The Lead Manager may also hold interests in the securities of the Company or earn brokerage fees or other benefits from the Company. The engagement of the Lead Managers by the Company is not intended to create any agency, fiduciary or other relationship between the Lead Manager or any other investor.

Determination of eligibility of investors for the purposes of the Offers is determined by reference to a number of matters, including legal requirements and regulatory requirements, logistical and registry constraints and the discretion of the Company and the Lead Manager. To the maximum extent permitted by law, the Company, the Lead Manager, their respective related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents expressly disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion.

To the maximum extent permitted by law, the Lead Manager, their related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents expressly disclaim all liability in respect of, makes no representation regarding and takes no responsibility for any part of this Prospectus.

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**Applications** Applications for New Securities offered by this Prospectus can only be made in accordance with the instructions on the accompanying Application Forms. Please read the instructions in this Prospectus and on the accompanying Application Forms regarding the acceptance of an Offer.

By returning an Application Form, lodging an Application Form with a stockbroker or otherwise arranging for payment of New Securities in accordance with the instructions on the Application Form, an Applicant acknowledges that they have received and read this Prospectus, acted in accordance with the terms of the Offer to which the Application Form relates and agree to all of the terms and conditions as detailed in this Prospectus.

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**Meaning of terms** Capitalised terms and certain other terms used in this Prospectus are defined in the Glossary in Section 9. References to \$, A\$, AUD, or dollar are references to Australian currency, unless otherwise stated. References to time relate to the time in Sydney, Australia, unless otherwise stated.

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## Key offer information

### Timetable<sup>1</sup>

<b>Announcement</b> Announcement of Entitlement Offer and Placement	21 October 2022
<b>Lodgements</b> Prospectus lodged with ASIC and ASX Appendix 3B lodged with ASX	21 October 2022
<b>Ex-date</b> Ex-date (date from which Shares begin trading without the right to participate in the Entitlement Offer)	25 October 2022
<b>Record Date</b> Record Date (to identify Shareholders entitled to participate in the Entitlement Offer)	7:00pm (AEDT) 26 October 2022
<b>Tranche 1 Placement – Issue of New Shares</b> Issue of New Shares under the Tranche 1 Placement	28 October 2022
<b>Quotation – Tranche 1 Placement New Shares</b> Quotation of New Shares under the Tranche 1 Placement on ASX commences on a normal basis	31 October 2022
<b>Despatch of Prospectus and Application Forms</b> Prospectus and Application Forms sent to Eligible Shareholders (Entitlement Offer) and applicants under the Placement Options Offer	31 October 2022
<b>Opening Date</b> Offer opens (Opening Date) - for Entitlement Offer and Placement Options Offer	31 October 2022
<b>Extension date</b> Last day to extend the Closing Date	16 November 2022
<b>Closing Date</b> Offer closes (Closing Date) - for Entitlement Offer and Placement Options Offer <sup>2</sup>	21 November 2022
<b>Shortfall notice</b> Notice to ASX of Entitlement Offer Shortfall	24 November 2022
<b>Entitlement Offer - Issue</b> New Securities issued under the Entitlement Offer	28 November 2022
<b>Quotation - Entitlement Offer New Shares</b> Quotation of New Shares on ASX commences on a normal basis	29 November 2022
<b>General Meeting</b> General meeting – approval of: <ul style="list-style-type: none"> <li>• Tranche 1 Placement: <ul style="list-style-type: none"> <li>○ New Shares – The subsequent approval of the New Shares under the Tranche 1 Placement under ASX Listing Rule 7.4;</li> <li>○ New Options - The approval of the New Options under the Tranche 1 Placement under ASX Listing Rule 7.1.</li> </ul> </li> <li>• Tranche 2 Placement: <ul style="list-style-type: none"> <li>○ New Shares – The approval of the New Shares under the Tranche 2 Placement to related parties under ASX Listing Rule 10.11;</li> <li>○ New Options - The approval of the New Options under the Tranche 2 Placement to related parties under ASX Listing Rule 10.11.</li> </ul> </li> </ul>	12 December 2022
<b>Tranche 2 Placement – Issue of New Shares and New Options</b> Issue of New Shares and New Options under the Tranche 2 Placement	16 December 2022
<b>Tranche 1 Placement – Issue of New Options</b> Issue of New Options under the Tranche 1 Placement	16 December 2022

<b>Quotation – Tranche 2 Placement New Shares</b>	19 December 2022
Quotation of New Shares under the Tranche 2 Placement on ASX commences on a normal basis	

**Note:**

- The above dates are indicative only and subject to change. The Company may vary these dates without notice, including whether to close an Offer early, extend an Offer, or accept late Applications, either generally or in particular cases. Investors who wish to submit an Application and subscribe for Securities under an Offer are encouraged to do so as soon as possible after the Offers open as the Offers may close at any time without notice.
- Subscribers under the Entitlement Offer should ensure that they have lodged their Application Form by this date.

**Key Entitlement Offer details**

Offer	Details
Entitlement	One (1) New Share for every three (3) Shares held at the Record Date plus one (1) free-attaching New Option for every two (2) New Shares issued
Price per New Share under the Entitlement Offer	\$0.035
Entitlement Shortfall Offer	Eligible Shareholders, who apply for their full Entitlement, may apply for 'Shortfall Shares', provided that the issue of those Shortfall Shares will not result in a breach of the Listing Rules or any applicable law.
Maximum number of New Shares offered under the Entitlement Offer	23,785,207 (approximately)
Maximum number of New Options offered under the Entitlement Offer	11,892,604 (approximately)
Cash proceeds of the Entitlement Offer (before costs)	\$832,482

**Note:**

- The figures in the table above assume full subscription under the Entitlement Offer and that no Existing Options over Shares will be exercised prior to the Record Date. There are 3,935,920 Existing Options (with exercise prices ranging from \$0.2030 to \$0.25) and 275,483 Existing performance Rights on issue. Refer to Section 4.1
- The number of New Shares and New Options are subject to rounding.

**Key Placement details**

Offer	Details
New Shares to be issued under the Tranche 1 Placement	10,703,343
New Shares to be issued under the Tranche 2 Placement (to be issued following Shareholder approval)	14,010,943
Price per New Share under the Tranche 1 Placement and Tranche 2 Placement	\$0.035
New Options offered under the Tranche 1 Placement and Tranche 2 Placement (offered under the Placement Options Offer in this Prospectus) (to be issued following Shareholder approval)	12,357,144
Cash proceeds of the Placement (before costs)	\$865,000

**Note:**

- Refer to Section 7.2 for detail of the Shareholder approval required at the General Meeting.

## Letter to Shareholders

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Dear Shareholder,

### INVITATION TO PARTICIPATE IN ENTITLEMENT OFFER

On behalf of the Board of Anantara Lifesciences Limited (“**Anantara**” or “the **Company**”) it is a pleasure to invite Eligible Shareholders to participate in a non-underwritten non-renounceable pro-rata entitlement offer (**Entitlement Offer**) to raise a maximum of \$832,482 (before costs). The Entitlement Offer follows support from sophisticated investors and Directors via a Placement (**Placement**), through which Anantara received firm commitments for approximately \$865,000 before costs.

Following an extensive review period, the importance of the GaRP-IBS trial has been re-affirmed with potential broader indications and mainstream interest. To take the GaRP-IBS trial through to interim analysis at the conclusion of Stage 1 in early CY2023 after a series of delays, as documented in Company ASX releases and the Annual Report, requires further working capital. Changes that are occurring to the trial to enhance the experience of participants should ensure continued improvement in enrolment and this funding will assist the Company to be positioned to progress stage 2 of the GaRP-IBS trial efficiently while assessing broader indications for the GaRP complementary medicine. Anantara continues to assess other opportunities for evidence-based solutions to unmet needs in gastrointestinal health and I have every confidence in our team to ultimately deliver value to shareholders.

The Entitlement Offer allows Eligible Shareholders to subscribe for 1 New Share for every 3 Shares held at the Record Date, at an Offer Price of \$0.035 per New Share (**Entitlement Offer**) to raise a maximum of \$832,482 subject to rounding (before costs) plus free attaching Options (**New Options**) on the basis that you will receive one (1) free-attaching New Option for every two (2) New Shares applied for under the Entitlement Offer with an exercise price of \$0.07 cents exercisable at any time on or before 11 December 2025.

The Entitlement Offer gives Eligible Shareholders to acquire New Shares and New Options under the Entitlement Offer without paying brokerage fees or other transaction costs, irrespective of holding size.

The Entitlement Offer is not underwritten. Any New Shares (and corresponding New Options) not taken up by Eligible Shareholders under the Entitlement Offer will form the Entitlement Offer Shortfall. Eligible Shareholders may apply for New Shares and New Options in addition to their Entitlement but may be scaled back at the Board's discretion. The balance of the Entitlement Offer Shortfall (if any) may be placed to Institutional Investors within three months of the close of the Entitlement Offer at the discretion of the Board.


Also included in this Prospectus is the offer of Options under the Placement Options Offer. Under this offer, the Company invites the Placement Subscribers (for both the Tranche 1 Placement and Tranche 2 Placement) to apply for Options in accordance with the placement letters entered into in connection with the Placement. The Options are offered on the same basis as under the Entitlement Offer; namely, 1 free Option for every 2 New Shares subscribed for in the Placement. These Options are exercisable at \$0.07 cents at any time on or before 11 December 2025. Only Placement Subscribers who participated in the Placement may participate in the Placement Options Offer.

Full details of the Entitlement Offer and the Placement Options Offer are contained in this Prospectus. Please read this Prospectus carefully before deciding whether or not to invest. An investment in the Company contains specific risks which you should consider before making that decision. A non-exhaustive list of risk factors relevant to an investment in the Company is set out in Section 6. If there is any matter on which you require further information, you should consult your stockbroker, accountant or other professional adviser.

As a Board, we are mindful of providing existing Shareholders the opportunity to increase their investment in Anantara on the same terms as the sophisticated investors who participated in the recent Placement. This Entitlement Offer provides an opportunity for Shareholders to support us to continue the GaRP-IBS trial through to interim analysis at the conclusion of Stage 1 as an important inflection point and have the working capital to also progress other projects and assets to broaden the Company's portfolio. We are focused on creating shareholder value and remain pleased with the overall support for the GaRP complementary medicine trial. We welcome your participation in the Entitlement Offer and appreciate your ongoing support.



Yours sincerely.



Dr David Brookes  
Chairman

## 1 Investment overview

Topic	Summary	Further information
<p><b>What is the Entitlement Offer?</b></p>	<p>Under the Entitlement Offer, Eligible Shareholders may apply for one (1) New Share for every three (3) Shares held at the Record Date, at an Offer Price of \$0.035 New Share to raise a total of \$832,482 (before costs) by the issue of 23,785,207 New Shares together with one (1) free-attaching New Option for every two (2) New Shares subscribed for by Eligible Shareholders.</p> <p>The New Options attaching to the New Shares issued under the Entitlement Offer have an exercise price of \$0.07 and can be exercised at any time on or before 11 December 2025.</p>	<p>Section 2.2</p>
<p><b>What is the Placement?</b></p>	<p>The Company is conducting a Placement in two tranches as follows:</p> <p><u>Tranche 1 Placement:</u></p> <ul style="list-style-type: none"> <li>the Company proposes to issue a total of 10,703,343 New Shares under the Tranche 1 Placement to non-related parties of the Company on or about 28 October 2022 (<b>Tranche 1 Placement Subscribers</b>) at a price of \$0.035 New Share; and</li> <li>the Company proposes to issue a total of 5,351,672 New Options under the Tranche 1 Placement to the Tranche 1 Placement Subscribers on or about 16 December 2022 following Shareholder approval. New Options under the Tranche 1 Placement will be issued at the same time as the New Options under the Tranche 2 Placement.</li> </ul> <p><u>Tranche 2 Placement:</u></p> <ul style="list-style-type: none"> <li>the Company proposes to issue a total of 14,010,943 New Shares under the Tranche 2 Placement (including to related parties of the Company) on or about 16 December 2022 (<b>Tranche 2 Placement Subscribers</b>) at a price of \$0.035 New Share, following Shareholder approval; and</li> <li>the Company proposes to issue a total of 7,005,472 New Options under the Tranche 2 Placement to the Tranche 2 Placement Subscribers on or about 16 December 2022 following Shareholder approval.</li> </ul> <p>The offer of the 12,357,144 New Options to both the Tranche 1 Placement Subscribers and Tranche 2 Placement Subscribers under the Placement is one of the Offers being made under this Prospectus (<b>Placement Options Offer</b>).</p> <p>As disclosed in the Timetable on page 6 of this Prospectus, the New Options are expected to be issued on or around 16 December 2022.</p> <p>The New Options attaching to the New Shares issued under the Tranche 1 Placement and Tranche 2 Placement have an exercise price of \$0.07 and can be exercised at any time on or before 11 December 2025.</p> <p>The Company will not issue any New Shares or New Options under the Tranche 2 Placement unless Shareholder approval has been obtained. If Shareholder approval is not provided for the New Options under the Tranche 1 Placement, the Company will issue the New Options under the Tranche 1 Placement once it has the placement capacity to do so.</p>	<p>Section 2.1</p>
<p><b>What is the purpose of the Entitlement Offer and Placement?</b></p>	<p>The purpose of the Entitlement Offer and Placement is to raise approximately \$1.7 million (before costs).</p> <p>The funds raised from the Entitlement Offer will be used for the GaRP-IBS trial, due diligence on other assets, working capital and expenses of the offer.</p>	<p>Sections 4.1 and 4.3</p>

Topic	Summary	Further information
<b>What is the Placement Option Offer under this Prospectus and the purpose of the Placement Options Offer?</b>	<p>Under the Placement Option Offer, the Company invites the Placement Subscribers to apply for New Options (on the same terms as New Options offered under the Entitlement Offer) in accordance with the placement letters entered into in connection with the Placement.</p> <p>The Placement Option Offer is being made under the Prospectus to remove the trading restrictions on the Shares issued on exercise of the Placement Options.</p>	Section 2.3
<b>What are the key investment highlights?</b>	<p>Stage 1 of the GaRP-IBS trial is expected to be completed in Q1CY2023 with following interim analysis an important value inflection point.</p> <p>Ongoing review of Company projects and other opportunities in gastrointestinal health, including animal projects not contributing to AMR (anti-microbial resistance).</p>	Refer to the Company's announcements released to ASX including the 2022 Annual Report
<b>What are the key risks associated with an investment in the Company?</b>	<p>Failure of the GaRP-IBS trial to Stage 1 to complete or achieve significance on analysis review hence being of no interest to commercial partners.</p> <p>The success or failure of any future Anantara investments in other projects/assets.</p>	Section 6
<b>Is the Entitlement Offer subject to a minimum subscription?</b>	No.	Section 2.7
<b>Who can participate in the Entitlement Offer?</b>	Eligible Shareholders, being Shareholders on the Record Date with a registered address in Australia or New Zealand.	Section 2.2
<b>How do I accept my Entitlement?</b>	All Eligible Shareholders are entitled to participate in the Entitlement Offer. If you wish to accept all or part of your Entitlement, you must complete your Entitlement and Acceptance Form that accompanies this Prospectus and send it to the Share Registry together with payment via BPAY®.	Section 3.1
<b>Can I apply for New Shares in excess of my Entitlement?</b>	<p>Yes, Eligible Shareholders, who apply for their full Entitlement, may apply for 'Shortfall Shares', provided that the issue of those Shortfall Shares will not result in a breach of the Listing Rules, the Corporations Act or any applicable law.</p> <p>If you wish to accept more than your Entitlement, you must detail this in your Entitlement and Acceptance Form that accompanies this Prospectus and send it to the Share Registry together with payment via BPAY®.</p> <p>In the event Eligible Shareholders apply for more Shortfall Shares than are available, the Company will scale back acceptances of Shortfall Shares on a pro-rata basis and in accordance with this Prospectus.</p>	Section 2.2(d)
<b>Is the Entitlement Offer renounceable?</b>	No. The Entitlement Offer is non-renounceable, which means that Eligible Shareholders who do not wish to exercise all or a portion of their Entitlements may not sell their Entitlements on ASX.	Section 2.5
<b>Is the Entitlement Offer underwritten?</b>	The Entitlement Offer is not underwritten.	
<b>How will Shortfall under the Entitlement</b>	Shortfall Shares not applied for under the Entitlement Offer will form part of the Shortfall Offer and be allocated at the absolute discretion of the Directors, as follows:	Section 2.2(d)

Topic	Summary	Further information																											
<b>Offer be allocated?</b>	<ul style="list-style-type: none"> <li>Eligible Shareholders may apply for Shortfall Shares by completing the relevant section of their Entitlement and Acceptance Form.</li> <li>If, following the allocation in paragraph (a), there remains a Shortfall, those unallocated Shortfall Shares will be allocated to other Institutional Investors who apply under the Shortfall Offer within three months after the Closing Date.</li> </ul>																												
<b>What is the effect of the Entitlement Offer and Placement on the Company?</b>	<p>The maximum number of securities that may be issued under the Entitlement Offer and the Placement Options Offer is approximately 48,499,493 New Shares and 24,249,748 New Options (assuming that no Options are exercised before the Record Date).</p> <table border="1" data-bbox="566 667 1225 1238"> <thead> <tr> <th>Shares</th> <th>Number</th> <th>% (Shares)</th> </tr> </thead> <tbody> <tr> <td>Existing Shares</td> <td>71,355,621</td> <td>59.5%</td> </tr> <tr> <td>Existing Options</td> <td>3,935,920</td> <td>N/A</td> </tr> <tr> <td>Existing Performance Rights</td> <td>275,483</td> <td>N/A</td> </tr> <tr> <td>New Shares under the Entitlement Offer</td> <td>23,785,207</td> <td>19.8%</td> </tr> <tr> <td>New Options under the Entitlement Offer</td> <td>11,892,604</td> <td>N/A</td> </tr> <tr> <td>New Shares under the Placement</td> <td>24,714,286</td> <td>20.6%</td> </tr> <tr> <td>New Options under the Placement</td> <td>12,357,144</td> <td>N/A</td> </tr> <tr> <td><b>Total Shares on issue post Entitlements Offer (and issue of Placement Shares) (undiluted)</b></td> <td><b>119,855,114</b></td> <td><b>100.0%</b></td> </tr> </tbody> </table> <p>In addition to the above, the Lead Manager and IR Advisor (or their nominees) will be issued with 3,500,000 Advisor Options on the same terms as the New Options under the Entitlement Offer and Placement are issued at the same time as the New Options are issued under the Tranche 2 Placement.</p>	Shares	Number	% (Shares)	Existing Shares	71,355,621	59.5%	Existing Options	3,935,920	N/A	Existing Performance Rights	275,483	N/A	New Shares under the Entitlement Offer	23,785,207	19.8%	New Options under the Entitlement Offer	11,892,604	N/A	New Shares under the Placement	24,714,286	20.6%	New Options under the Placement	12,357,144	N/A	<b>Total Shares on issue post Entitlements Offer (and issue of Placement Shares) (undiluted)</b>	<b>119,855,114</b>	<b>100.0%</b>	Section 4.1
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<b>What is the effect of the Entitlement Offer on a Shareholder?</b>	<p>The Entitlement Offer is a pro-rata offer so that if all Eligible Shareholders take up their Entitlements, the Voting Power of all Eligible Shareholders will remain the same (this does not take into account the dilutionary impact of the Tranche 1 and Tranche 2 Placement).</p> <p>If you take up all of your Entitlement, your percentage shareholding in Anantara will not be diluted (noting that there will be a dilutionary impact of the Tranche 1 and Tranche Placement). If you do not take up all of your Entitlement your percentage shareholding in Anantara will be diluted.</p> <p>Given the size of the Entitlement Offer and the Placement, Eligible Shareholders are encouraged to consider the dilutionary impact of the Entitlement Offer and the Placement, contained in Section 4.6.</p>	Section 4.4, 4.6, 4.7																											
<b>Key dates – Entitlement Offer</b>	<table border="1"> <tbody> <tr> <td>Ex-Date</td> <td>25 October 2022</td> </tr> <tr> <td>Record Date</td> <td>7:00pm AEDT 26 October 2022</td> </tr> <tr> <td>Opening Date</td> <td>31 October 2022</td> </tr> <tr> <td>Closing Date</td> <td>5:00pm AEDT 21 November 2022</td> </tr> <tr> <td>Issue date</td> <td>28 November 2022</td> </tr> </tbody> </table>	Ex-Date	25 October 2022	Record Date	7:00pm AEDT 26 October 2022	Opening Date	31 October 2022	Closing Date	5:00pm AEDT 21 November 2022	Issue date	28 November 2022	See Key Offer Information																	
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Issue date	28 November 2022																												

Topic	Summary	Further information
<b>Enquiries concerning the Entitlement Offer</b>	Any questions concerning the Entitlement Offer should be directed to the Entitlement Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (AEDT), Monday to Friday during the Offer Period.	Section 3.16
<b>Enquiries concerning the Placement Options Offer</b>	Any questions concerning the Placement Options Offer should be directed to the Lead Manager on 08 8217 3900 (within Australia) or +61 8217 3900 (outside Australia) between 8:30am and 5:00pm (AEDT), Monday to Friday during the Offer Period.	Section 3.16

## 2 Details of the Offers

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### 2.1 Background

On 21 October 2022 the Company announced a \$1.7 million financing package comprising:

- (a) a placement to Institutional Investors to raise \$0.832 million before costs by the issue of 24,714,286 New Shares at \$0.035 New Share plus 12,357,144 free-attaching New Options on the basis of one (1) New Option for every two (2) New Shares subscribed for under the placement (**Placement**); and
- (b) a non-renounceable pro-rata offer of one (1) New Share for every three (3) Shares held at the Record Date, at an Offer Price of \$0.035 New Share (**Entitlement Offer**) to raise a maximum of \$832,482 (before costs) by the issue of 23,785,207 New Shares plus 11,892,604 free-attaching Options on the basis of one (1) Option for every two (2) New Shares subscribed for under the Entitlement Offer.

The New Options attaching to the New Shares issued under both the Entitlement Offer and Placement Option Offer have an exercise price of \$0.07 and can be exercised at any time on or before 11 December 2025.

### **Placement**

The Company is conducting a Placement in two tranches as follows:

- (a) **Tranche 1 Placement:**
  - (i) the Company proposes to issue a total of 10,703,343 New Shares under the Tranche 1 Placement to non-related parties of the Company on or about 28 October 2022 (**Tranche 1 Placement Subscribers**) at a price of \$0.035 per New Share; and
  - (ii) the Company proposes to issue a total of 5,351,672 New Options under the Tranche 1 Placement to non-related parties of the Company on or about 16 December 2022 following Shareholder approval (**Tranche 1 Placement Subscribers**).
- (b) **Tranche 2 Placement:**
  - (i) the Company proposes to issue a total of 14,010,943 New Shares under the Tranche 2 Placement on or about 16 December 2022 (**Tranche 2 Placement Subscribers**) at a price of \$0.035 New Share following Shareholder approval; and
  - (ii) the Company proposes to issue a total of 7,005,472 New Options under the Tranche 2 Placement on or about 16 December 2022 following Shareholder approval (**Tranche 2 Placement Subscribers**).

The offer of the 12,357,144 New Options to both the Tranche 1 Placement Subscribers and Tranche 2 Placement Subscribers under the Placement is one of the Offers being made under this Prospectus (**Placement Options Offer**). As disclosed in the Timetable on page 6 of this Prospectus, the New Options are expected to be issued on or around 16 December 2022.

The New Options attaching to the New Shares issued under the Tranche 1 Placement and Tranche 2 Placement have an exercise price of \$0.07 and can be exercised at any time on or before 11 December 2025.

The Company will:

- (a) with respect to the Tranche 2 Placement, not issue any New Shares or New Options under the Tranche 2 Placement unless Shareholder approval has been obtained.
- (b) with respect to the Tranche 1 Placement, if Shareholder approval is not provided for the issue of New Options under the Tranche 1 Placement, the Company will issue the

New Options under the Tranche 1 Placement once it has the placement capacity to do so.

### **Entitlement Offer**

In conjunction with the Placement, the Company is providing an opportunity by way of this Prospectus for Eligible Shareholders to participate in a raising of up to \$832,482 by the Entitlement Offer.

Under the Entitlement Offer, Eligible Shareholders may apply for one (1) New Share for every three (3) Shares held at the Record Date, at an Offer Price of \$0.035 New Share to raise a total of \$832,482 (before costs) by the issue of 23,785,207 New Shares together with one (1) free-attaching New Option for every two (2) New Shares subscribed for by Eligible Shareholders.

As disclosed in the Timetable on page 6 of this Prospectus, the New Shares and New Options under the Entitlement Offer are expected to be issued on or around 28 November 2022.

## **2.2 Entitlement Offer**

### **(a) Offer details**

By this Prospectus, the Company invites Eligible Shareholders to participate in the Entitlement Offer.

Under the Entitlement Offer, Eligible Shareholders may apply for one (1) New Share for every three (3) Shares held at the Record Date, at an Offer Price of \$0.035 New Share to raise a total of \$832,482 (before costs) by the issue of 23,785,207 New Shares together with one (1) free-attaching New Option for every two (2) New Shares subscribed for by Eligible Shareholders.

The New Options attaching to the New Shares issued under the Entitlement Offer have an exercise price of \$0.07 and can be exercised at any time on or before 11 December 2025.

Eligible Shareholders may apply for New Securities under the Entitlement Offer, but are not required to do so.

The Entitlement Offer is subject to the terms and conditions set out in this Prospectus.

All of the New Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares. All of the New Options offered under this Prospectus will be issued on the terms and conditions set out in Section 5.2 of this Prospectus.

All Shares issued on conversion of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

The purpose of the Entitlement Offer and the intended use of funds raised, as previously disclosed to ASX, is set out in Section 4.3 of this Prospectus.

As disclosed in the Timetable on page 6 of this Prospectus, the New Shares and New Options under the Entitlement Offer are expected to be issued on or around 28 November 2022.

### **(b) Eligibility to participate**

The Entitlement Offer is made to Eligible Shareholders only.

Eligible Shareholders are those Shareholders who are registered as the holder of Shares at 7:00pm (AEDT) on 26 October 2022 (**Record Date**) and who:

- (i) have a registered address listed on the Company's share register in Australia and New Zealand; and
- (ii) are not in the United States and are not acting for the account or benefit of a person in the United States.

The Entitlement Offer is not extended to Shareholders who are not Eligible Shareholders.

The Company has decided that it is unreasonable to make offers under the Entitlement Offer to Shareholders who have a registered address outside Australia or New Zealand having regard to the number of such holders in those places and the number and the value of the New Shares that they would be offered, and the costs of complying with the relevant legal and regulatory requirements in those places.

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal requirements, logistical and registry constraints, and the discretion of the Company. The Company disclaims any liability in respect of the exercise or otherwise of that determination and discretion, to the maximum extent permitted by law.

Shareholders with a registered address in New Zealand must note the selling restrictions set out in Section 3.11 of this Prospectus.

The number of New Shares to which you are entitled is shown on your Entitlement and Acceptance Form accompanying this Prospectus.

Where the determination of the Entitlements of any Eligible Shareholder results in a fraction of a New Share, such fractions will be rounded up to the nearest whole New Share.

Where the amount applied for results in a fraction of a New Option, the number of New Options issued will be rounded up to the nearest whole New Option.

To apply for New Shares under the Entitlement Offer, you must make a payment by the BPAY® facility, by no later than 5:00pm (AEDT) on the Closing Date. Please see Section 3 for further information about accepting the Entitlement Offer. New Zealand based Shareholders who cannot pay via BPAY® can pay via EFT, New Zealand based Shareholders should follow the instructions on their personalised Entitlement and Acceptance Form.

Your right to participate in the Entitlement Offer will lapse if you do not accept your Entitlement by the Closing Date. Any New Shares not applied for will form part of the Entitlement Offer Shortfall.

The Company reserves the right (in its sole discretion) to:

- (i) reject any Application that it believes comes from a person who is not an Eligible Shareholder; and
- (ii) reduce the number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if their claim to be entitled to participate in the Entitlement Offer proves to be false, exaggerated or unsubstantiated.

The Directors reserve the right not to proceed with the whole or any part of the Entitlement Offer at any time prior to the allotment of New Shares. In that event, relevant Application Money will be refunded without interest.

**(c) Excluded Shareholders**

Shareholders who do not meet the criteria to participate in the Entitlement Offer are Excluded Shareholders.



Excluded Shareholders are not entitled to participate in the Entitlement Offer to subscribe for New Shares.

(d) **Entitlement Offer Shortfall**

Entitlement Shortfall Share:

Any New Shares (and attaching New Options) under the Entitlement Offer that are not applied for will form the Shortfall Shares offered to Eligible Shareholders (**Entitlement Shortfall Shares**). The offer to issue Shortfall Shares (**Entitlement Shortfall Offer** or **Shortfall Offer**) is an offer under this Prospectus separate from the Entitlement Offer.

Under this Prospectus, the Company offers to issue the Shortfall Shares to investors at the same price of \$0.035 per New Share as that offered under the Entitlement Offer (together with one free attaching Option for every two New Shares issued). The Shortfall Shares will have the same rights as the New Shares as detailed in Section 5.1.

Eligible Shareholders may apply for Shortfall Shares by completing the relevant section of their Entitlement and Acceptance Form (refer to Section 3.2 for further details).

Other Institutional Investors may also apply for Shortfall Shares by completing the Entitlement Shortfall Application Form upon invitation from the Company.

Shortfall Shares may be allocated to any Eligible Shareholder or to other Institutional Investors who apply for Shortfall Shares under the Entitlement Shortfall Offer, at the discretion of the Directors following consultation with the Lead Manager (in accordance with the allocation policy below).

An Application for Shortfall Shares accompanied by payment of the Application Money does not guarantee the allotment of any Shortfall Shares. The Shortfall Shares will be allocated within three months after the Closing Date.

In relation to the Entitlement Shortfall Shares, the Company reserves the right to issue to an Applicant a lesser number of Entitlement Shortfall Shares than the number applied for, reject an Application or not proceed with the issuing of the Entitlement Shortfall Shares or part thereof. If the number of Shortfall Shares issued is less than the number applied for, surplus Application Monies will be refunded in full. Interest will not be paid on Application Monies refunded.

Shortfall allocation policy

If there is a Shortfall, the Company will allocate Shortfall Shares according to the following priority:

- (i) Shortfall Shares may be allocated to any Eligible Shareholders who apply for Shortfall Shares under the Entitlement Shortfall Offer.
- (ii) If following the allocation in paragraph (i), there remains a Shortfall, those unallocated Shortfall Shares will then be allocated to other Institutional Investors who apply under the Entitlement Shortfall Offer.

The Company reserves the right to proceed to allocate New Shares under the Entitlement Offer and the Entitlement Shortfall Offer and to issue the remaining Shortfall Shares within three months after the Closing Date at its discretion following consultation with the Lead Manager.

Shortfall Shares will not be offered or issued to any Applicant if, in the view of the Directors, to do so would increase that Applicant's voting power in the Company above 19.9% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

## 2.3 Placement Option Offer

By this Prospectus, the Company invites the Placement Subscribers (under both the Tranche 1 Placement and Tranche 2 Placement) to apply for New Options under the Placement Options Offer in accordance with the placement letters entered into in connection with the Placement.

Under the Placement Options Offer, the Company offers to Placement Subscribers a total of 12,357,144 free-attaching New Options for nil cash consideration. Only Placement Subscribers who participated in the Tranche 1 Placement and Tranche 2 Placement may participate in the Placement Options Offer.

The New Options under the Tranche 1 Placement and Tranche 2 Placement will be issued following Shareholder approval being obtained at the General Meeting proposed to be convened on 12 December 2022. Refer to Section 7.2 for further information.

The Company will:

- (a) with respect to the Tranche 2 Placement, not issue any New Shares or New Options under the Tranche 2 Placement unless Shareholder approval has been obtained.
- (b) with respect to the Tranche 1 Placement, if Shareholder approval is not provided for the issue of the New Options under the Tranche 1 Placement, the Company will issue the New Options under the Tranche 1 Placement once it has the placement capacity to do so.

The New Options offered under the Placement Options Offer will be issued on the terms and conditions set out in Section 5.2 of this Prospectus. All Shares issued on exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

## 2.4 Timetable

Each of the Offers will open on 31 October 2022 and will close at 5:00pm (AEDT) on 21 November 2022.

The indicative timetable for the Offers is set out in the Timetable on page 6 of this Prospectus.

The Directors reserve the right to extend the Offer Period in relation to one or more of the Offers, or to close an Offer prior to its Closing Date, subject to the requirements of the Corporations Act and the Listing Rules.

The Directors may withdraw this Prospectus or an Offer at any time prior to the issue of New Securities pursuant to that Offer.

## 2.5 No rights trading

The rights to New Shares under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX and you may not dispose of your rights to subscribe for New Shares under the Entitlement Offer to any other party. If you do not take up your Entitlement by the Closing Date, your Entitlement will lapse.

## 2.6 Risks of the Offer

As with any Securities investment, there are risks associated with investing in Anantara. Having regard to the matters detailed in Section 6, Eligible Shareholders and other investors should be aware that any investment in the New Shares should be considered highly speculative and there exists a risk that you may, in the future, lose some or all of the value of your investment.

Before deciding to invest in Anantara, investors should read this Prospectus in its entirety, in particular the specific risks associated with an investment in Anantara (detailed in Section 6), and should consider all factors in light of their personal circumstances and seek appropriate professional advice. Details of announcements released since the annual report for the financial year ended 30 June 2022 is contained in Section 7.1. Anantara recommends that investors consider the disclosure contained in such announcements.

**2.7 Minimum subscription**

Neither the Entitlement Offer nor the Placement Options Offer has a minimum subscription.

**2.8 ASX quotation**

Application for Official Quotation of the New Shares offered pursuant to this Prospectus will be made in accordance with the Timetable set out on page 6 of this Prospectus. If ASX does not grant Official Quotation of the New Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by ASIC), the Company will not issue any New Shares and will repay all Application Money for the New Shares within the time prescribed under the Corporations Act, without interest.

The Company is not seeking Official Quotation of the New Options offered pursuant to this Prospectus.

### 3 Application for securities

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#### 3.1 Entitlement Offer

Eligible Shareholders will receive a letter providing a link to a personalised Entitlement and Acceptance Form setting out their Entitlement with the copy of this Prospectus. Shareholders, who are not Eligible Shareholders, will not receive an Entitlement and Acceptance Form.

Eligible Shareholders' Entitlements to New Shares and the attaching New Options will be shown on the Entitlement and Acceptance Form accompanying the paper copy of this Prospectus sent to them. Before taking any action in relation to the Entitlement Offer, you should read this Prospectus in its entirety, and seek professional advice from your professional adviser.

Where the amount applied for results in a fraction of a New Option, the number of New Options issued will be rounded up to the nearest whole New Option.

You may:

- (a) take up all of your Entitlement to New Shares (and attaching New Options) (see Section 3.2 below);
- (b) take up all of your Entitlement to New Shares (and attaching New Options) and apply for Shortfall Shares (and attaching Options) in excess of your Entitlement (see Section 3.2 below);
- (c) take up part of your Entitlement to New Shares (and attaching New Options) and allow the balance to lapse, in which case you will receive no value for those lapsed Entitlements (see Section 3.3 below); or
- (d) do nothing and allow all of your Entitlement to New Shares (and attaching New Options) to lapse, in which case you will receive no value for those lapsed Entitlements (see Section 3.5 below).

Eligible Shareholders who do not participate in the Entitlement Offer, or participate for an amount that is less than their full Entitlement, will have their percentage Shareholding in the Company reduced or diluted.

Please note that the allocation and issue of Shortfall Shares (and attaching New Options) is at the sole discretion of the Company and any scale back may be applied in its discretion, having regard to the circumstances as at the time of the close of the Entitlement Offer and this Prospectus.

*Please also note that if you are an Eligible Shareholder who is a 'related party' in relation to the Company (as that term is defined in the ASX Listing Rules) or are otherwise a person to whom ASX Listing Rule 10.11 applies, you may apply to take up your Entitlement in part or in full, but may not apply for Shortfall Shares.*

#### 3.2 If you wish to take up all of your Entitlement to New Shares (with or without Shortfall Shares)

If you wish to:

- (a) accept your Entitlement in full (without taking up Shortfall Shares), you should note your Entitlement and requisite Application Amount specified in the Entitlement and Acceptance Form, and make a payment by BPAY® for the total Application Money in accordance with the instructions contained in this Prospectus and detailed on the Entitlement and Acceptance Form (calculated at \$0.035 New Share accepted under the Entitlement Offer). New Zealand based Shareholders who cannot pay via BPAY® can pay via EFT, New Zealand based Shareholders should follow the instructions on their personalised Entitlement and Acceptance Form. Please read the instructions carefully.

- (b) accept your Entitlement in full and apply for New Shares (and attaching New Options) in excess of your Entitlement by applying for Shortfall Shares, you should note your Entitlement and requisite Application Amount specified in the Entitlement and Acceptance Form, and make a payment by BPAY® (or as specified for New Zealand based Shareholders) for the total Application Money in accordance with the instructions contained in this Prospectus and detailed on the Entitlement and Acceptance Form. This payment should be inclusive of the New Shares you wish to accept under your Entitlement as well as those Shortfall Shares you wish to apply for under the Entitlement Shortfall Offer (calculated at \$0.035 per New Share accepted under the Entitlement Offer and applied for under the Entitlement Shortfall Offer).

The Company will not allocate or issue New Shares or Shortfall Shares where it is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant legislation or law. Eligible Shareholders wishing to apply for Shortfall Shares must consider whether or not the issue of the Shortfall Shares to them would breach the Corporations Act or Listing Rules having regard to their own circumstances.

### **3.3 If you wish to take up part of your Entitlement to New Shares and allow the balance to lapse**

If you wish to accept part of your Entitlement and allow the balance to lapse, you should note your Entitlement and requisite Application Amount specified in the Entitlement and Acceptance Form, and make a payment by BPAY® for the total Application Money relating to the portion of New Shares (and attaching New Options) you do wish to apply for in accordance with the instructions contained in this Prospectus and detailed on the Entitlement and Acceptance Form (calculated at \$0.035 New Share accepted under the Entitlement Offer). New Zealand based Shareholders who cannot pay via BPAY® can pay via EFT, New Zealand based Shareholders should follow the instructions on their personalised Entitlement and Acceptance Form. Please read the instructions carefully.

### **3.4 Payment by BPAY®**

Australian based Shareholders may only pay via BPAY®. New Zealand based Shareholders who cannot pay via BPAY® can pay via EFT, New Zealand based Shareholders should follow the instructions on their personalised Entitlement and Acceptance Form.

Eligible Shareholders should note:

- (a) You should make your payment in respect of your Application Money via BPAY® (or via EFT payment as directed for New Zealand Shareholders) for the number of New Shares you wish to subscribe for (being the Offer Price of \$0.035 multiplied by the number of New Shares you are applying for, including any Shortfall Shares).
- (b) Please follow the instructions on your personalised Entitlement and Acceptance Form (which includes the Biller Code and your unique Reference Number).
- (c) Your BPAY® payment (or EFT payment for New Zealand based Shareholders) must be received by no later than 5:00 p.m. (AEDT) on the Closing Date. Applicants should be aware that their own financial institution may impose earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the Applicant to ensure that funds submitted through BPAY® (or via EFT for New Zealand based Shareholders) are received by this time.
- (d) You do not need to submit your Entitlement and Acceptance Form but, by making a payment through BPAY® (or via EFT for New Zealand based Shareholders), you will be taken to have applied for the New Shares (and any Shortfall Shares) and made the declarations set out in the Entitlement and Acceptance Form.
- (e) For those paying by:

- (i) BPAY®, please make sure to use the specific Biller Code and unique Reference Number on your personalised Entitlement and Acceptance Form; and
- (ii) EFT please make sure to use the specific Reference Number on your personalised Entitlement and Acceptance Form.

Eligible Shareholders may not pay via cheque and must not forward cash by mail. Receipts for payment will not be issued.

If you have more than one holding of Shares you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. If you receive more than one personalised Entitlement and Acceptance Form, please only use the Reference Number specific to the Entitlement on that form. If you inadvertently use the same Reference Number for more than one of your Entitlements, you will be deemed to have applied only for your Entitlements to which that Reference Number applies.

If the amount of your BPAY® or EFT payment for Application Money is insufficient to pay in full for the number of New Shares (and any Shortfall Shares) you have applied for, you will be taken to have applied for such lower whole number of New Shares as your cleared Application Money will pay for. Alternatively, your Application will be rejected (at the discretion of the Company).

The Company will treat you as applying for as many New Shares (and attaching New Options) as your payment will pay for in full, subject to any scale back it may determine to implement, in its absolute discretion, in respect of any Shortfall Shares but in accordance with this Prospectus. Amounts received in excess of the Application Money for your Entitlement (**Excess Amount**) may be treated as an application to apply for as many Shortfall Shares as your Excess Amount will pay for in full.

Any Application Money received by the Company in excess of your final allocation of New Shares (and Shortfall Shares as the case may be) will be refunded by direct credit to the nominated bank account as noted on the share registry as at the Closing Date. Shareholders are encouraged to update these details. It is not practical to refund any amount of less than \$5:00 to Shareholders and any refunds owing for less than this amount will be retained by the Company. No interest will be paid to Applicants on any Application Money received or refunded.

If you take no action or you fail to take any action prior to the Closing Date, your Entitlement under the Entitlement Offer will lapse.

### **3.5 Entitlement to New Shares not taken up**

If you decide not to take up all or any part of your Entitlement to New Shares and do not take any further action, your Entitlement will lapse. In this instance, the New Shares to which you would have been entitled to subscribe for shall become Shortfall Shares or will be issued pursuant to the Entitlement Shortfall Offer. You will receive no payment for your lapsed Entitlements. You cannot sell or transfer your Entitlements to another person. Your holding of Shares will, however, be diluted because the issue of New Shares will increase the total number of Shares on issue.

### **3.6 Entitlement and Acceptance Form is binding**

Payment made through BPAY® or EFT, constitutes a binding and irrevocable offer to apply for New Shares (plus any Shortfall Shares) on the terms and conditions set out in this Prospectus and, once lodged or paid, cannot be withdrawn.

Your Application will be considered to be for as many New Shares as your payment will cover.

By making payment by BPAY® or EFT, you will also be deemed to have acknowledged, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that:

- (a) for the benefit of the Company and each of their respective related bodies corporate and affiliates, you are an Eligible Shareholder and that the Entitlement Offer can be made to you in accordance with this Prospectus, in accordance with applicable securities laws;
- (b) you have read and understood this Prospectus and your Entitlement and Acceptance Form in their entirety and provide the authorisations contained in this Prospectus and Entitlement and Acceptance Form;
- (c) you agree to be bound by the terms of the Entitlement Offer, provisions of the Prospectus and the Company's constitution;
- (d) 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 the Entitlement and Acceptance Form;
- (e) all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (f) you authorise the Company to register you as the holder of New Shares issued to you;
- (g) once the Company (or the Share Registry) receives the Entitlement and Acceptance Form or any payment of Application Money via BPAY® or EFT, you may not withdraw it except as allowed by law;
- (h) you agree to apply for the number of New Shares (including any Shortfall Shares) specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any Application Money via BPAY® or EFT, at the Offer Price per New Share;
- (i) you agree to be issued the number of New Shares (including any Shortfall Shares) that you apply for in the Entitlement and Acceptance Form and that potentially (in the case of an application in excess of your Entitlement) a lesser number of Shortfall Shares may be issued to you than that applied for;
- (j) if you apply for Shortfall Shares, you declare that you are not a 'related party' (as that term is defined in the ASX Listing Rules) or a person to whom Listing Rule 10.11 applies;
- (k) you authorise the Company, the Share Registry and their respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (l) you authorise the Company to correct any errors in your Entitlement and Acceptance Form or other form provided by you;
- (m) you declare that you are the current registered holder(s) on the Record Date of that number of Shares as indicated on the Entitlement and Acceptance Form as being held by you;
- (n) you 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;
- (o) you acknowledge that the information contained in this Prospectus and the Entitlement and Acceptance Form is not investment advice or a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (p) you acknowledge the statement of risks in the Risk Factors detailed in Section 6 of this Prospectus, and that investments in the Company are subject to investment risk;

- (q) you acknowledge that none of the Company and 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;
- (r) you acknowledge and agree that:
  - (i) determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company; and
  - (ii) the Company and their respective affiliates, disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- (s) you will also be deemed to have acknowledged, represented and warranted on your behalf and on behalf of and in relation to each person on whose account you are acting that:
  - (i) you are not in the United States and are not acting for the account of or benefit of a person in the United States; and
  - (ii) you have not, and will not, send any materials relating to the Entitlement Offer to any person in the United States;
  - (iii) you are not otherwise a person to whom it would be illegal or unlawful to make an offer or issue of New Shares under the Entitlement Offer;
  - (iv) you have not and will not send any materials relating to the Entitlement Offer to any person in the United States or any other country outside Australia or New Zealand or any jurisdiction where it is not lawful for the materials relating to the Entitlement Offer to be sent; and
  - (v) you agree that the allotment of New Shares (including, if applicable, Shortfall Shares) to you constitutes acceptance of your Application.

### 3.7 Nominees and custodians

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident in other jurisdictions are responsible for ensuring that applying for Securities under the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

### 3.8 Placement Options Offer

Applications for New Options under the Placement Options Offer may only be submitted by the Placement Subscribers (or their nominees) and must be made using the Application Form regarding the Placement Options Offer that accompanies this Prospectus and is provided directly to the Placement Subscribers. The Application Form regarding the Placement Options Offer must be completed in accordance with instructions provided to Placement Subscribers.

Completed Placement Options Offer Application Forms must be received by the Company **before 5:00pm (AEDT) on the Closing Date** as specified in the Placement Options Offer Application Form.

Where the amount applied for results in a fraction of a New Option, the number of New Options issued will be rounded up to the nearest whole New Option.

### 3.9 Brokerage and stamp duty

No brokerage is payable for the issue of New Securities pursuant to this Prospectus. No stamp duty is payable for subscribing for New Securities pursuant to this Prospectus.



### 3.10 Application Money to be held on trust

Application Money will be held by the Company on trust in accordance with the requirements of the Corporations Act until the Securities to which the Application Money pertains are issued under the Entitlement Offer, or a refund of Application Money occurs in the circumstances described in this Prospectus. The Company will retain any interest earned on Application Money, including in the event of any refund of Application Money.

### 3.11 Applicants outside of Australia – Entitlement Offer

The following information relates to the Entitlement Offer:

#### (a) General

This Prospectus does not constitute an offer of New Securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offers.

It is the responsibility of any Applicant who is a resident outside Australia to ensure compliance with all laws of any country relevant to their Application, and any such Applicant should consult their professional adviser as to whether any government or other consents are required, or whether any formalities need to be observed to enable them to apply for and be issued New Securities. Return of a duly completed Application Form will constitute a representation and warranty by an Applicant that there has not been any breach of such regulations.

The Company has not taken any action to register or qualify the New Securities or an Offer, or otherwise to permit a public offering of the New Securities, in any jurisdiction outside Australia.

#### (b) New Zealand resident Eligible Shareholders

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 New Shares is being made in reliance on the *Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016*.

This document has not been registered, filed with or approved by any New Zealand regulatory authority. 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.

#### (c) Other overseas resident Shareholders

This Prospectus may not be released or distributed in any country other than Australia and New Zealand. The Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any country other than Australia and New Zealand.

The distribution of this Prospectus and accompanying Application Forms (including electronic copies) outside Australia and New Zealand may be restricted by law and therefore persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### 3.12 Applicants outside of Australia – Placement Options Offer

The following information relates to the Placement Options Offer:

#### (a) 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 (FMC Act)*. The New Shares and New Options are not being offered or sold in New Zealand (or

allotted with a view to being offered for sale in New Zealand) other than to a person who:

- (i) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; and
- (iv) 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.

(b) 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**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares or New Options has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares or New Options that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares or New Options may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities. The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Placement Options Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

### 3.13 CHES and issuer sponsorship

The Company participates in the Clearing House Electronic Sub-register System (**CHES**), operated by ASX Settlement (a wholly owned subsidiary of ASX), in accordance with the Listing Rules and ASX Settlement Rules. The Company operates an electronic issuer-sponsored sub-register and an electronic CHES sub-register. The two sub-registers together make up the Company’s principal register of its Securities.

Under CHES, the Company does not issue certificates to the holders of Securities. Instead, the Company provides holders with a Holding Statement (similar to a bank account statement) that sets out the number of New Securities allotted and issued to them under this Prospectus.

This Holding Statement also advises investors of either their Holder Identification Number (**HIN**) in the case of a holding on the CHES sub-register or Security Holder Reference Number (**SRN**) in the case of a holding on the issuer sponsored sub-register.

A Holding Statement is routinely sent to holders at the end of any calendar month during which their holding changes. A holder may request a statement at any other time; however, a charge may be incurred for additional statements.

### 3.14 Taxation implications

The Directors do not consider that it is appropriate to give potential Applicants advice regarding the taxation consequences of applying for New Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions for potential Applicants.

Neither the Company nor any of its advisers or officers accept any responsibility or liability for any taxation consequences to potential Applicants in relation to the Offers. Potential Applicants should, therefore, consult their own tax adviser in connection with the taxation implications of the Offers.

### 3.15 Privacy disclosure

The Company collects information about each Applicant from the Application Forms for the purpose of processing the Application and, if the Applicant is successful, for the purposes of administering the Applicant's Security holding in the Company. By submitting an Application Form, each Applicant agrees that the Company may use the information in the Application Form for the purposes set out in this privacy disclosure statement. The Company and the Share Registry may disclose an Applicant's personal information for purposes related to the Applicant's investment to their agents and service providers including those listed below or as otherwise authorised under the Privacy Act:

- (a) the Share Registry for ongoing administration of the Company's register;
- (b) the Company's Related Bodies Corporate, agents, contractors and third party service providers, as well as to ASX, ASIC and other regulatory authorities (including the Australian Taxation Office); and
- (c) the printers and the mailing house for the purposes of preparing and distributing Holding Statements and for the handling of mail.

If an Applicant becomes a Security holder of the Company, the Corporations Act requires the Company to include information about the security holder (name, address and details of the Securities held) in its public register. This information must remain in the Company's register of Shareholders even if that person ceases to be a Security holder of the Company. Information contained in the Company's register of Shareholders is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Security holders) and compliance by the Company with legal and regulatory requirements.

If an Applicant does not provide the information required on the Application Form, the Company may not be able to accept or process their Application.

Under the Privacy Act, a person may request access to their personal information held by (or on behalf of) the Company or the Share Registry. An Applicant can request access to their personal information by writing to the Company through the Share Registry

### 3.16 Enquiries

Any questions concerning the Offers should be directed to the Entitlement Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (AEDT), Monday to Friday during the Offer Period.

## 4 Purpose and effect of the Placement and Entitlement Offer

### 4.1 Principal effect of the Placement and Entitlement Offer on the Company

The principal effects of the Placement and Entitlement Offer, assuming the Placement and the Entitlement Offer are fully subscribed, and the Advisor Options are issued, will be to:

- (a) increase the number of Shares on issue by 48,499,493, from 71,355,621 Shares to a maximum of 119,855,114 Shares, representing a total dilution of approximately 40.5% based on the total Shares on issue after completion of both the Placement and the Entitlement Offer (assuming that none of the Existing Options are exercised);
- (b) increase the number of Options on issue by 27,749,748, from 3,935,920 Options to a maximum of 31,685,668 Options; and
- (c) increase cash reserves by a maximum of \$1.7 million (subject to the level of acceptances under the Entitlement Offer) immediately after completion of the Placement and the Entitlement Offer, not including payment of the costs and expenses of the Offers set out in Section 7.9.

A snapshot of the impact on the capital structure of the Company is provided below:

#### Capital structure – assuming no Existing Options or Performance Rights are exercised

The following table shows the capital structure of the Company before, and after completion of the Placement and the Entitlement Offer (assuming full subscription):

Shares / Options / Performance Rights	Number (assuming 100% subscription of the Entitlement Offer)	Number (assuming 50% subscription of the Entitlement Offer)
<b>Current issued Shares and Options</b>		
Shares on issue at the date of this Prospectus (i.e. prior to the issue of the New Shares under the Tranche 1 Placement)	71,355,621	71,355,621
Options on issue at the date of this Prospectus (i.e. prior to the issue of the New Options under the Tranche 1 Placement)	3,935,920	3,935,920
<b>The Placement</b>		
Maximum number of New Shares to be issued under the Tranche 1 Placement	10,703,343 (approximately)	10,703,343 (approximately)
Maximum number of New Options to be issued under the Tranche 1 Placement	5,351,672 (approximately)	5,351,672 (approximately)
Maximum number of New Shares to be issued under the Tranche 2 Placement	14,010,943 (approximately)	14,010,943 (approximately)
Maximum number of New Options to be issued under the Tranche 2 Placement	7,005,472 (approximately)	7,005,472 (approximately)
<b>The Entitlement Offer</b>		
Maximum number of New Shares to be issued under the Entitlement Offer	23,785,207 (approximately)	11,892,604 (approximately)

Shares / Options / Performance Rights	Number (assuming 100% subscription of the Entitlement Offer)	Number (assuming 50% subscription of the Entitlement Offer)
Maximum number of New Options to be issued under the Entitlement Offer	11,892,604 (approximately)	5,946,302 (approximately)
<b>Advisor Options</b>		
Maximum number of Advisor Options to be issued to Lead Manager and IR Advisor	3,500,000	3,500,000
<b>Maximum total number of Shares and Options on issue following the completion of the Placement, the Entitlement Offer and the issue of the Advisor Options</b>		
Maximum number of Shares on issue following the Tranche 1 Placement and the Entitlement Offer	105,844,171 (approximately)	93,951,568 (approximately)
Maximum number of Shares on issue following the Tranche 1 Placement and Tranche 2 Placement and the Entitlement Offer	119,855,114 (approximately)	107,962,510 (approximately)
Maximum number of Options on issue following the Tranche 1 Placement and Tranche 2 Placement and the Entitlement Offer	24,249,748 (approximately)	18,303,446 (approximately)
Maximum number of Options on issue following the Tranche 1 Placement, Tranche 2 Placement and the Entitlement Offer and the issue of the Advisor Options	27,749,748 (approximately)	21,803,446 (approximately)

The above figures may vary slightly due to rounding of individual entitlements. They also assume that no Existing Options or Existing Performance Rights over Shares will be exercised prior to the Record Date. There are 3,935,920 Existing Options and 275,483 Existing Performance Rights on issue as at the date of this Prospectus.

Details of these Existing Options are as follows:

Existing	Exercise Price	Expiry Date
ANRAL 1,500,000	EX \$0.25	03-DEC-2023
ANRAM 275,920	EX \$0.2476	03-DEC-2022
ANRAQ 300,000	EX \$0.203	25-NOV-2025
ANRAO 1,800,000	EX \$0.225	14-NOV-2025
ANRAN 60,000	EX \$0.2256	18-AUG-2025
<b>TOTAL 3,935,920 Existing Options</b>		

Details of these Existing Performance Rights are as follows:

Existing	Exercise Price	Expiry Date
275,483	Nil	N/A
<b>TOTAL 275,483 Existing Performance Rights</b>		

Capital structure – assuming all Existing Options and Existing Performance Rights are exercised into Shares after the Record Date

The following table shows the capital structure of the Company before, and after completion of the Entitlement Offer, the Placement and the issue of the Advisor Options and assuming exercise of the Existing Options and Existing Performance Rights into Shares after the Record Date:

Share capital (fully diluted)	Number (assuming 100% subscription under the Entitlement Offer)	% equity	Number (assuming 50% subscription under the Entitlement Offer)	% equity
Existing Shares	71,355,621	47.0%	71,355,621	53.3%
Shares issued on exercise of Existing Options	3,935,920	2.6%	3,935,920	2.9%
Shares issued on exercise of Existing Performance Rights	275,483	0.2%	275,483	0.2%
New Shares under the Placement (Tranche 1 and Tranche 2)	24,714,286	16.3%	24,714,286	18.5%
New Shares under the Entitlement Offer	23,785,207	15.7%	11,892,604	8.9%
Shares issued on exercise of New Options (under the Entitlement Offer)	11,892,604	7.8%	5,946,302	4.4%
Shares issued on exercise of New Options (under the Placement) (Tranche 1 and Tranche 2)	12,357,144	8.1%	12,357,144	9.2%
Shares issued on exercise of Advisor Options	3,500,000	2.3%	3,500,000	2.6%
<b>Total securities on issue post Entitlements Offer and Placement (fully diluted)</b>	<b>151,816,264</b>	<b>100%</b>	<b>133,977,359</b>	<b>100%</b>

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

#### 4.2 Existing Optionholders & Existing Performance Rights Holders

Existing Optionholders or Existing Performance Rights Holders will not be able to participate in the Entitlement Offer unless they:

- (a) Have become entitled to exercise their Existing Options or Existing Performance Rights under the terms of their issue and do so, so they are registered as holders of Shares prior to the Record Date; and
- (b) Participate in the Entitlement Offer as a result of being a holder of Shares registered on the register of Anantara at the Record Date.

### 4.3 Use of funds

The funds raised from the Entitlement Offer together with the Placement are planned to be used in accordance with the table set out below:

Proceeds of the Placement and Entitlement Offer	100 % Entitlement Offer subscription (\$)	%	50% Entitlement Offer Subscription	%
GaRP-IBS trial	\$650,000	38%	\$650,000	51%
Due diligence on other assets	\$400,000	24%	\$400,000	31%
Working capital and Expenses of the Placement and Entitlement Offer <sup>1,2</sup>	\$647,482	36%	\$231,241	18%
<b>Total</b>	<b>\$1,697,482</b>	<b>100%</b>	<b>\$1,281,241</b>	<b>100%</b>

**Notes:**

1. Refer to Section 7.9 of this Prospectus for further details relating to the estimated expenses of \$152,389 of the Placement and the Entitlement Offer.
2. The amount paid to the Lead Manager will increase based on the amount of Entitlement Offer Shortfall they assist to place. Refer to Section 7.2 for information.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

If there is a shortfall under the Entitlement Offer, the shortfall will constitute the Entitlement Shortfall Offer and Eligible Shareholders may apply for Shortfall Shares. The balance of any Entitlement Offer Shortfall may then be placed, in accordance with the Corporations Act and the ASX Listing Rules, to Institutional Investors at the discretion of the Board. Refer to Section 2.2(d) for further detail.

On completion of the Offers, the Board believes the Company will have sufficient working capital to achieve the above objectives. However, to the extent the New Shares or New Options are not all issued because the Entitlement Shortfall Offer is not fully placed or the relevant Shareholder approvals are not obtained at the General Meeting, the Company will scale back and/or delay some of the activities detailed above, while it seeks alternative sources of funding.

For more information on the resolutions to be put to Shareholders at the General Meeting, please refer to Section 7.2.

### 4.4 Effect of the Placement and Entitlement Offer on control of the Company

As at the Prospectus Date, the Company has 71,355,621 Shares on issue (this does not include Shares to be issued to Placement Subscribers under the Placement as they are timetabled to be issued on 28 October 2022) and 3,935,920 unquoted Existing Options on issue.

The Company has managed the Placement, and will manage the Entitlement Offer (including the Entitlement Shortfall Offer), such that none of the Applicants will obtain a relevant interest in Shares of 20% or more.

The Company does not anticipate that the acquisition of Shares by any Shareholder under the any Offer will result in any Shareholder either becoming a substantial Shareholder, or obtaining a relevant interest in Shares of 20% or more. The Company therefore does not anticipate that the Placement and Entitlement Offer will have any material effect on control of the Company.

#### 4.5 Substantial holdings

A “substantial holding” is defined under section 9 of the Corporations Act to mean a relevant interest in 5% or more of the voting shares in a company. The table below sets out the Shareholders with a substantial holding based on the Company’s register of Shareholder and ASIC Form 604s as at the Prospectus Date.

Shareholder <sup>1</sup>	Shares	% Interest
RTL Group Investments Pty Ltd <sup>2</sup>	5,527,000	7.75%
Thorney <sup>3</sup>	5,328,514	7.47%
Parma Corporation Pty Ltd <sup>4</sup>	4,667,681	6.54%
Myeng Pty Ltd <sup>5</sup>	3,580,211	5.02%

**Notes:**

- The information in the above table has been extracted from the Company’s register of Shareholders as at the Prospectus Date, and also from substantial holding notices received from, or otherwise required to be provided, by the relevant Shareholders.
- As per the most recent 604 dated 19 January 2022, this holding consists of interests held by RTL Group Investments Pty Ltd and Robert Lederer Super Fund (RTL). RTL has signed a commitment for \$100,000 in the Placement and indicated it will subscribe for its full entitlement under the Entitlement Offer. RTL has indicated it would like to subscribe \$250,000 in total across the Placement and Entitlement Offer. Assuming 25% subscription under the Entitlement Offer with RTL acquiring \$250,000 New shares and New Options across the Placement and Entitlement Offer, RTL will obtain a relevant interest of 12.46% prior to the allotment of the Tranche 2 Placement Shares.
- As per the most recent 604 dated 30 October 2020, this holding consists of interests held by Tiga Trading Pty Ltd, Thorney Technologies Ltd, Thorney Investment Group Australia Pty Ltd and Jamahjo Pty Ltd (together ‘Thorney’). Thorney has not subscribed under the Placement and has not provided an indication of with respect to the Entitlement Offer.
- This reflects the relevant interest detailed in the most recent 604 dated 20 April 2021. Parma Corporation has not subscribed under the Placement and has not provided an indication of with respect to the Entitlement Offer.
- This reflects the relevant interest detailed in the most recent 604 dated 12 April 2021. Myeng Pty Ltd has not subscribed under the Placement and has not provided an indication of intention with respect to the Entitlement Offer.

#### 4.6 Potential dilution to Shareholders

The dilutionary effect of the Entitlement Offer on your shareholding will depend on whether you are an Eligible Shareholder and if so, whether you elect to subscribe for some or all of your Entitlement.

Shareholders should note that if they do not participate in the Entitlement Offer, their shareholdings may be diluted to a maximum of 40.5% (as compared to their holdings and number of Shares on issue as at the Record Date). This assumes all New Shares under the Tranche 1 Placement and Tranche 2 Placement are issued and all New Shares under the Entitlement Offer are issued.

Examples of how the dilution may impact Shareholders is set out in the tables below:

Assuming 100% subscription under the Entitlement Offer

Holder	Holding as at Record date	Percentage holding at Record Date	Percentage holding as at the Record Date (but assuming the Shares under the Placement are issued) <sup>1</sup>	Percentage holding on completion of the Placement and the Entitlement Offer <sup>2 &amp;3</sup>	
				If Entitlement Offer is accepted	If Entitlement Offer is not accepted
Shareholder 1	10,000,000	14.0%	10.4%	11.1%	8.3%
Shareholder 2	5,000,000	7.0%	5.2%	5.6%	4.2%
Shareholder 3	1,000,000	1.4%	1.0%	1.1%	0.8%
Shareholder 4	500,000	0.7%	0.5%	0.6%	0.4%

**Notes:**



1. The dilutive effect shown in the table assumes that Shareholders did not participate in the Placement.
2. The dilutive effect shown in the table is the maximum percentage on the assumption that the Company raises the full Entitlement Offer. Given the Entitlement Offer is not underwritten, the table assumes that those New Shares and New Options under the Entitlement Offer that are not accepted by Eligible Shareholders under the Entitlement Offer are 100% placed under the Entitlement Shortfall Offer.
3. The dilutive effect shown in the table assumes that no Existing Options or Existing Performance Rights are exercised prior to the completion of the Offers.

#### Assuming 50% subscription under the Entitlement Offer

Holder	Holding as at Record date	Percentage holding at Record Date	Percentage holding as at the Record Date (but assuming the Shares under the Placement are issued) <sup>1</sup>	Percentage holding on completion of the Placement and the Entitlement Offer <sup>2 &amp; 3</sup>	
				If Entitlement Offer is accepted	If Entitlement Offer is not accepted
Shareholder 1	10,000,000	14.0%	10.4%	12.3%	9.3%
Shareholder 2	5,000,000	7.0%	5.2%	6.2%	4.6%
Shareholder 3	1,000,000	1.4%	1.0%	1.2%	0.9%
Shareholder 4	500,000	0.7%	0.5%	0.6%	0.5%

#### Notes:

1. The dilutive effect shown in the table assumes that Shareholders did not participate in the Placement.
2. The dilutive effect shown in the table is the percentage on the assumption that the Company raises 50% under the Entitlement Offer. Given the Entitlement Offer is not underwritten, the table assumes that those New Shares and New Options under the Entitlement Offer that are not accepted by Eligible Shareholders under the Entitlement Offer are placed only to a 50% subscription.
3. The dilutive effect shown in the table assumes that no Existing Options or Existing Performance Rights are exercised prior to the completion of the Offers.

Please refer to Section 4.7 for detail of the effect of the Entitlement Offer on voting power in the Company.

#### **4.7 Effect of Offer on Voting Power in the Company**

As the offer of New Shares under the Entitlement Offer and Entitlement Shortfall Offer does not satisfy the requirements of exception 10 of section 611 of the Corporations Act, no person (including under the Entitlement Shortfall Offer) will be entitled to acquire Shares pursuant to the Entitlement Offer or Entitlement Shortfall Offer if to do so would result in their, or another person's, Voting Power in the Company increasing from 20% or below to more than 20%, or from a starting point above 20% to below 90%, unless an exception to the restrictions contained in section 606 of the Corporations Act applies.

Accordingly, as there are currently no exceptions to the restrictions contained in section 606 of the Corporations Act and in light of the size of the Entitlement Offer, the Entitlement Offer is not expected to have any material effect or consequence on the control of the Company.

#### **4.8 Potential dilutive effect of New Options**

The table below sets out the potential dilutive effect on Shareholders if Shares are issued on the exercise of all Existing Options, the exercise of all proposed New Options following completion of the Entitlement Offer and the Placement Options Offer and the exercise of the proposed Advisor Options.

The below table assumes:

- (a) Either:
  - (i) 100% subscriptions under the Entitlement Offer and the New Shares and New Options under the Entitlement Offer have been issued;

- (ii) 75% subscriptions under the Entitlement Offer and the New Shares and New Options under the Entitlement Offer have been issued;
  - (iii) 50% subscriptions under the Entitlement Offer and the New Shares and New Options under the Entitlement Offer have been issued; or
  - (iv) 25% subscriptions under the Entitlement Offer and the New Shares and New Options under the Entitlement Offer have been issued.
- (b) the New Shares under the Placement (both Tranche 1 and Tranche 2) have been issued.

Event	Number of Shares post issue (assuming (a) and (b) above)	Shares issued on Option / exercise	Number of Shares post-issue	Dilution (rounded)
<b>100% subscription under the Entitlement Offer</b>				
Exercise of Existing Options	119,855,114	3,935,920	123,791,034	3.2%
Exercise of Existing Performance Rights	119,855,114	275,483	120,130,597	0.2%
Exercise of New Options issued under the Entitlement Offer	119,855,114	11,892,604	131,747,717	9.0%
Exercise of New Options issued under the Placement	119,855,114	12,357,144	132,212,258	9.3%
Exercise of Advisor Options	119,855,114	3,500,000	123,355,114	2.8%
<b>75% subscription under the Entitlement Offer</b>				
Exercise of Existing Options	113,908,813	3,935,920	117,844,733	3.3%
Exercise of Existing Performance Rights	113,908,813	275,483	114,184,296	0.2%
Exercise of New Options issued under the Entitlement Offer	113,908,813	8,919,453	122,828,266	7.3%
Exercise of New Options issued under the Placement	113,908,813	12,357,144	126,265,957	9.8%
Exercise of Advisor	113,908,813	3,500,000	117,408,813	3.0%
<b>50% subscription under the Entitlement Offer</b>				
Exercise of Existing Options	107,962,511	3,935,920	111,898,431	3.5%
Exercise of Existing Performance Rights	107,962,511	275,483	108,237,994	0.3%

Event	Number of Shares post issue (assuming (a) and (b) above)	Shares issued on Option / exercise	Number of Shares post-issue	Dilution (rounded)
Exercise of New Options issued under the Entitlement Offer	107,962,511	5,946,302	113,908,813	5.2%
Exercise of New Options issued under the Placement	107,962,511	12,357,144	120,319,655	10.3%
Exercise of Advisor Options	107,962,511	3,500,000	111,462,511	3.1%
<b>25% subscription under the Entitlement Offer</b>				
Exercise of Existing Options	102,016,209	3,935,920	105,952,129	3.7%
Exercise of Existing Performance Rights	102,016,209	275,483	102,291,692	0.3%
Exercise of New Options issued under the Entitlement Offer	102,016,209	2,973,151	104,989,360	2.8%
Exercise of New Options issued under the Placement	102,016,209	12,357,144	114,373,353	10.8%
Exercise of Advisor Options	102,016,209	3,500,000	105,516,209	3.3%

**Notes:**

- The interests shown in the table above assume that:
  - the Existing Options do not lapse prior to exercise or conversion; and
  - other Shares are not issued prior to exercise of Existing Options, Existing Performance Rights, New Options or Advisor Options.

**4.9 Pro-forma balance sheet**

Set out below is the:

- audited balance sheet of the Company as at 30 June 2022; and
- unaudited pro forma balance sheet of the Company as at 30 June 2022 incorporating the effect of the Placement and Entitlement Offer, assuming full participation in the Placement and 100% subscription under the Entitlement Offer.

The unaudited pro forma balance sheet has been derived from the reviewed financial statements of the Company, for the twelve months ended 30 June 2022, and adjusted to reflect pro forma assets and liabilities of the Company as if completion of the Offers and had occurred by 30 June 2022, and also for material adjustments noted below.

The pro-forma information is presented in an abbreviated form. It does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

The pro forma balance sheet has been adjusted for the following material movements in the assets and liabilities of the Company between 30 June 2022 and the Prospectus Date:

- (a) a Placement to issue 24,714,286 New Shares at \$0.035 each, to Placement Subscribers that include related parties (and subject to Shareholder approval) to raise \$865,000 (before costs);
- (b) a maximum subscription under the Entitlement Offer for the issue of 23,785,207 New Shares at \$0.035 each to raise up to \$832,482 (before costs) pursuant to this Prospectus; and
- (c) costs of the Offers will be approximately \$152,389.

The Company will issue 12,357,144 New Options to the Placement Subscribers, 11,892,604 New Options to Entitlement Offer Subscribers and 3,500,000 Advisor Options to the Lead Manager and IR Advisor (or their nominees) at an exercise price of \$0.07 with an expiry date of 11 December 2025, assuming full participation in the Placement and 100% subscription under the Entitlement Offer. Total proceeds from the exercise of these New Options have not been reflected in the pro forma Balance Sheet. In addition, an allowance has not been made for expenditure incurred in the normal course of business from 30 June 2022 to the Prospectus Date.

	Audited Balance Sheet as at 30 June 2022	Adjustments	Pro Forma
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	1,120,204	1,545,093	2,665,297
Trade and other receivables	508,525		508,525
Term Deposits	50,000		50,000
Other current assets	22,011		22,011
<b>Total current assets</b>	<b>1,700,740</b>	<b>1,545,093</b>	<b>3,245,833</b>
<b>Non-current assets</b>			
Property, plant and equipment	7,683		7,683
Right-of-use assets	59,234		59,234
<b>Total non-current assets</b>	<b>66,917</b>		<b>66,917</b>
<b>Total assets</b>	<b>1,767,657</b>		<b>3,247,750</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	301,938		301,938
Employee benefit obligations	35,534		35,534
Lease liabilities	20,656		20,656
<b>Total current liabilities</b>	<b>358,128</b>		<b>358,128</b>
<b>Non-current liabilities</b>			
Employee benefit obligations	81		81
Lease liabilities	45,145		45,145
<b>Total non-current liabilities</b>	<b>45,226</b>		<b>45,226</b>
<b>Total liabilities</b>	<b>403,354</b>		<b>403,354</b>
<b>Net assets</b>	<b>1,364,303</b>		<b>2,844,396</b>
<b>EQUITY</b>			

Share capital	19,908,471	1,545,093	21,453,564
Other reserves	439,488		439,488
Accumulated losses	(18,983,656)		(18,983,656)
<b>Total equity</b>	<b>1,364,303</b>	<b>1,545,093</b>	<b>2,909,396</b>

## 5 Rights and liabilities attaching to Securities

### 5.1 Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares, being the underlying securities of the Options, to be issued under the Entitlement Offer and Placement Options Offer to be issued pursuant to this Prospectus.

This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. You should seek independent legal advice to obtain such a statement.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available on the Company's website and for inspection at the Company's registered office during normal business hours.

<b>Voting:</b>	<p>At a meeting of shareholders, except where otherwise provided by the Corporations Act or the Constitution or to comply with governance recommendations of the ASX Corporate Governance Council in respect of when a poll is to be demanded, resolutions are to be decided by a show of hands. However, the chairman must demand a poll where a poll is required to comply with the ASX Listing Rules, and, subject to conditions, a poll may be demanded by at least 5 members entitled to vote on the resolution or by members with at least 5% of the votes that may be cast.</p> <p>Unless a poll is demanded or required to comply with the requirements of the Listing Rules, the chairman declaration of whether the resolution has been carried or not, and an entry into the minutes, is conclusive evidence of the fact.</p> <p>Joint holders of a share are both entitled to attend a meeting, but in the event that both joint holders attend a meeting, only the joint holder whose name appears first in the register will be entitled to vote.</p> <p>A shareholder is not entitled to vote at a general meeting in respect of any shares which are subject to any calls and other sums presently payable by the member in respect of shares in the company have been paid.</p> <p>Where a poll is demanded, a shareholder holding partly paid shares shall be entitled to a fraction of a vote equivalent to the proportion of the amount paid on the share.</p> <p>Every vote at a meeting is valid, unless disallowed. Objections can be made to the chairman at the meeting in question relating to the resolution.</p> <p>The chairman has a casting vote.</p> <p>The board may determine whether members are entitled to direct votes (i.e. delivered by post, fax or electronic means approved by the board) and prescribe regulations they consider appropriate on direct voting.</p>
<b>Proxy:</b>	<p>An instrument appointing a proxy or any power of attorney is to be received by the company no less than 48 hours before the meeting is held. Any instrument deposited outside the timeframe is invalid.</p>
<b>General meetings and notices:</b>	<p>The company may call a general meeting (including an annual general meeting), which may be held electronically and from more than one place, by a directors' resolution, or otherwise in accordance with the Corporations Act.</p> <p>All shareholders, directors and auditors must receive notice of, and are entitled to attend meetings. Ordinary shareholders are entitled to vote at meetings in the ordinary course, and preference shareholders can only vote on the limited issues outlined in the Constitution.</p> <p>The quorum for a meeting of shareholders is two or more shareholders present (in person and/or electronically or by proxy) and entitled to vote.</p>
<b>Dividends and share plans:</b>	<p>Subject to the Corporations Act and the Constitution, the directors may pay to shareholders any final or interim dividends as they see justified by the financial position of the company.</p> <p>Subject to the terms of issue of any shares or class of shares, dividends must be paid equally on all shares, except partly paid shares, which have an entitlement only</p>

	<p>to that part of the dividend which is in proportion to the amount paid (not credited) on the share to the total amounts paid and payable (excluding amounts credited).</p> <p>Any unclaimed dividends may be invested and used by directors for the benefit of the company until claimed or until required to be dealt with under the law.</p> <p>Subject to the Listing Rules, the board may adopt a dividend reinvestment plan at its discretion whereby they may permit the members or any class of members to:</p> <p>(a) reinvest cash dividends by subscribing for shares or other securities in the company or a related body corporate; and</p> <p>(b) forgo the right to receive cash dividends and receive instead some other form of distribution of entitlement (including securities),</p> <p>on any terms the directors think fit.</p>
<b>Issue of Shares:</b>	<p>Subject to the Corporations Act, the Listing Rules and the Constitution, the directors may issue and cancel shares, grant options over unissued shares, settle the manner in which fractions of a share are to be dealt with and determine the terms on which and to whom shares or options are granted, and the rights or restrictions attaching to those shares or options.</p> <p>Subject to the Corporations Act and the Listing Rules, the company may issue preference shares which may be, or at the option of the company or holder be, liable to be redeemed or converted into ordinary shares.</p>
<b>Transfer of Shares:</b>	<p>Generally, all shares are freely transferrable subject to the procedural requirements of the Constitution and to the provisions of the Listing Rules. If permitted by the Listing Rules or the Corporations Act, the directors may decline to register an instrument of transfer received.</p>
<b>Shareholder liability:</b>	<p>As the shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the directors and will therefore not become liable for forfeiture.</p> <p>The company may, in the future, issue shares that are partly paid and issue a call on those shares. Any such obligations will be outlined at the time the shares are offered.</p>
<b>Proportional takeover provisions:</b>	<p>The registration of a transfer of shares which would give effect to a proportional takeover bid is prohibited unless and until an approving resolution approving the proportional takeover bid is passed. The proportional takeover provisions will cease to have effect on the third anniversary of the adoption of the Constitution, unless renewed.</p>
<b>Winding up:</b>	<p>If the company is wound up and assets remain after the payment of debts and liabilities of the company and the costs of winding up, these assets must be divided among the members in proportion to the number of shares held by them.</p> <p>In the case of partly paid shares, the amount of any excess payable to the holder of a partly paid share is to be reduced by the amount unpaid on the share as at the date of the distribution. If such a reduction would reduce the distribution to the holder of a partly paid share to a negative amount, the holder must contribute this amount to the company.</p>
<b>Variation of rights:</b>	<p>The rights attaching to any class cannot be varied without the written consent of the holders of 75% of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.</p>
<b>Directors – appointment, retirement and removal:</b>	<p>The company may by resolution increase or decrease the number of directors, with the minimum number of directors being three (3) and the maximum being twelve (12), unless resolved otherwise in general meeting.</p> <p>A director or alternate director need not be a shareholder of the company.</p> <p>Directors may appoint another person qualified to be a director to either fill a casual vacancy or as an addition to the board. A director who is so appointed only holds office until the next annual general meeting.</p> <p>No director who is not a managing director may hold office without re-election in beyond the third annual general meeting following their appointment without submitting to re-election.</p>

	<p>At each annual general meeting, the company must hold an election of directors, whereby any director appointed within the last year as an additional year, or directors which have held office for three years must retire. If there are no such directors, and there is no vacancy on the board, the director who has been longest in office must retire, but as between persons who became directors on the same day will (unless they otherwise agree between themselves) be determined by ballot.</p> <p>The retiring directors will be eligible for re-election.</p>
<b>Decisions of directors:</b>	<p>The quorum for a meeting of directors is two (2) unless decided otherwise by the directors.</p> <p>Questions arising at any meeting of directors shall be decided by a majority of votes. A determination of a majority of directors is for all purposes taken to be a determination of the directors. The chairman of the meeting, when more than two directors including the chairman are present, has a second casting vote.</p>
<b>Alteration to the constitution:</b>	<p>The Constitution can only be amended by a special resolution passed by at least 75% of shareholders present and voting at a general meeting or by a court order pursuant to the Corporations Act.</p>

## 5.2 Terms of New Options to be issued under the Entitlement Offer and Placement Options Offer

- (a) **Entitlement:** Subject to and conditional upon any adjustment in accordance with these conditions, the Option entitles the holder to subscribe for one (1) Share upon payment of the Exercise Price.
- (b) **Exercise Price:** The Exercise Price for the Option is A\$0.07 per Share.
- (c) **Expiry Date:** The Option will expire at 5:00pm (Sydney time) on or before 11 December 2025. An Option not exercised before that expiry date will automatically lapse on that Expiry Date.
- (d) **Exercise period:** The Option is exercisable at any time from the date of its issue until 5:00pm on the Expiry Date (Sydney time).
- (e) **Exercise notice:** The Option may be exercised during the exercise period specified in these conditions by forwarding to the Company the Exercise Notice together with payment (in cleared funds) of the Exercise Price for the number of Ordinary Shares to which the Exercise Notice relates.
- (f) **Partial exercise:** The Option may be exercised in full or in parcels of at least 5,000 Options (or such lesser amount in the event the holding of Options by an Optionholder is less than 5,000 Options).
- (g) **Timing of issue of Shares on exercise:** Within five (5) Business Days after the Exercise Notice is received, the Company will:
  - (i) allot and issue the number of Shares as specified in the Exercise Notice and for which the Exercise Price has been received by the Company in cleared funds; and
  - (ii) apply for official quotation on the ASX of Shares issued pursuant to the exercise of the Option.
- (h) **Participation in new issues:** The Option does not confer any right on the Optionholder to participate in a new issue of securities without exercising the Option. An Optionholder will be given at least five (5) Business Days prior to the Record Date for the new issue of securities, to exercise its Option.
- (i) **Shares issued on exercise:** Shares issued as a result of the exercise of the Option will rank pari passu in all respects with all other Shares then on issue.



- (j) **Dividend:** The Option does not confer any rights to dividends. Shares issued upon the exercise of the Option will only carry an entitlement to receive a dividend if they were issued on or before the Record Date for the dividend.
- (k) **Adjustment for pro rata issue:** In the event of a pro rata issue of Shares by the Company (except a bonus issue), the Exercise Price for the Option will not be adjusted in accordance with ASX Listing Rule 6.22.2.
- (l) **Adjustment for bonus issue:** If there is a bonus issue to Shareholders, the number of Shares over which the Option is exercisable will be increased by the number of Shares which the Optionholder would have received if the Option had been exercised before the Record Date for the bonus issue.
- (m) **Adjustment for reorganisation of capital:** If the Company reorganises its capital, the rights of the Optionholder (and the Exercise Price) will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital, at the time of the reorganisation.
- (n) **Not quoted:** The Company will not apply for quotation of the Option on the ASX.
- (o) **Transferability:** The Option is only transferable up until it lapses, with the Company's prior written consent.

The Advisor Options will be issued on the same terms as detailed above with the exception of the Advisor Options having an issue price of \$0.0001 each.

## 6 Risk factors

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### 6.1 Introduction

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

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### 6.2 Company specific risks

(a) Uncertainty over GaRP-IBS trial and other investments

There is a risk of failure of any future Company investments in projects and assets, including but not limited to a failure of the GaRP-IBS trial to complete or achieve significance on analysis review and therefore be of no interest to commercial partners.

(b) Uncertainty of future revenue and profitability

Future efficacy, research and development, commercialisation and sales of products, including but not limited to GaRP (including any white-labelled versions or products derived from them), by the Company and the Company's future profitability are contingent on, amongst other things,

- (i) the results of further research and clinical trials in relation to GaRP and gastrointestinal tract health issues;
- (ii) the results of further research and clinical trials in relation to other product pipelines of the Company for both animals and humans;
- (iii) the ability of trials to show efficacy and the ability of the Company to find product opportunities in the human area;
- (iv) the ability of the products to meet market expectations and be licensable;
- (v) the cost of goods such that research, trial, commercialisation, manufacture and distribution, of the products remains viable;
- (vi) the market demand for products being sold and the products not becoming obsolete;
- (vii) certainty of supply including of manufacturing components for products; and
- (viii) general economic conditions.

(c) Sufficiency of funding and future capital requirements

The Company has provided an indication of how it intends to apply funds raised under the Offers in Section 4.3.

There is a risk that the costs of operations may be higher than anticipated or increase as a result of unforeseen circumstances (which may include circumstances related to other key risk factors set out in this Section 6).

The Company may be required to raise additional equity or debt capital in the future. There is no assurance that it will be able to raise the necessary capital when it is required, or where the capital is available, whether the terms will be satisfactory to the Company.

If the Company is unsuccessful in obtaining funds when they are required, it may need to delay or increase its research and development, commercialisation, manufacturing activities, or other components of its business. In the event of insufficient capital, the Company may also have to licence or sell its technologies on unfavourable terms, or scale down or cease its operations. No assurance can be given that future funding will be available to the Company, on any particular terms, or at all.

(d) Inability to enter into partner relationships

The Company's ability to commercialise its products is dependent on the Company's ability to enter into appropriate partner relationships. There can be no guarantee that the Company will be able to enter into such relationships, and no guarantee that relationships with any partner or distributor will continue or be successful for the Company.

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

An important aspect of the Company's business is to continually invest in innovation and product development opportunities. The Company may not realise benefits from investments in research and development for several years, or may not realise benefits at all in some cases.

There is a risk that the data received from the Company's research and development activities is of poor quality.

The Company makes assumptions about the expected future benefits generated by investment in research and development and the expected timeframe in which the benefits will be realised. These assumptions are subject to change and involve both known risks and risks that are beyond the Company's control. Any change to the assumptions the Company has made about development of a certain product may have an adverse impact on the Company's ability to realise a benefit from investment in the development of that product.

(f) Dependence of key personnel

The Company's success depends, to a significant extent, on its ability to attract and retain suitably qualified key personnel. The loss of key management personnel, or any delay in their replacement could have a significant adverse effect on the management of the Company, its financial performance and future prospects.

(g) Failure to retain existing customers and attract new business

The Company's business is dependent on its ability to retain its existing customers and to attract new customers. As with any business, there is a risk that existing customers of the Company may terminate their contracts without cause or on short notice and without financial penalty, or do not renew their contracts when the initial term comes to an end.

Additionally, the Company recognises that it has a limited number of sales representatives in each region that it operates. As such, the Company is at risk of not being able to extend its customer base to its full potential.

The above risks may have a negative impact on the Company's successful implementation of its business strategy, having an adverse impact on its business, financial performance, and operations.

(h) Ownership and protection of intellectual property

The business of the Company depends on its ability to commercially exploit its intellectual property. There is a risk that unauthorised use or copying of data or intellectual property will occur.

There is a risk that the Company may be unable to detect the unauthorised use of its intellectual property rights in all instances.

A breach of the Company's intellectual property may result in the need to commence legal action, which could be costly and time consuming. A failure or inability to protect the Company's intellectual property rights could have an adverse impact on operating and financial performance.

(i) Regulatory risk

The Company is subject to a range of regulatory controls imposed by government (federal and state) and regulatory authorities (for example, ATO, ASX and ASIC). The relevant regulatory regimes are complex and are subject to change over time, depending on changes in the laws and policies of the governments and regulatory authorities.

The Company is exposed to:

- (i) the risk of changes to applicable laws and/or the interpretation of existing laws, which may adversely impact the Company. This could include changes affecting the ability to leverage tax rebates in connection with research and development; or
- (ii) the risks associated with non-compliance with these laws (including reporting or other legal obligations).

Non-compliance may result in financial penalties being levied against the Company.

(j) Changes in taxation laws and policies

Tax laws are in a continual state of change which may affect the Company and its Shareholders.

Changes to rules relating to R&D tax incentives, including changes to the eligibility requirements or refund levels could adversely affect the Company's financial performance and cash flows.

R&D tax incentives, concessions and grants are subject to policy review and discretion and there can be no guarantee that any concession or grant will be awarded to the Company.

Changes to tax laws may adversely affect the Company's financial performance and/or the returns achieved by investors. Dividends paid to certain investors may not be recognised as frankable by the ATO.

There may be tax implications arising from ownership of the Shares or Options, the receipt of franked and unfranked dividends (if any) from the Company receiving returns of capital and the disposal of the Shares or Options.

The Company is not responsible for either taxation implications or penalties incurred by investors. These tax implications should be considered carefully and potential investors should obtain advice from an accountant or other professional tax advisor in relation to the application of the tax legislation to your investment in the Company.

(k) Shareholder dilution

In the future, the Company may elect to issue shares to fund or raise proceeds for specific research and development, acquisitions, to repay debt, or for other reasons.

While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of capital raising that it is able to issue within a 12-month period (without obtaining Shareholder approval), Shareholder interests may be diluted and Shareholders may experience a loss in value of their equity as a result of such issues of Shares and fundraising.

(l) Product risks and liability

As the Company successfully develops and markets new products and obtains the relevant regulatory approvals, there is no assurance that unforeseen events or manufacturing defects will not arise. Adverse events or defects could expose the Company to product liability claims, litigation or withdrawal of regulatory approvals.

Adverse events or defects could result in damages being awarded against the Company, a requirement for further investment in improved manufacturing processes or withdrawal of products from the market. In such event, the Company's liability may exceed the Company's insurance coverage.

(m) Insurance risks

Although the Company maintains insurance, no assurance can be given that adequate insurance will continue to be available to the Company in the future on commercially acceptable terms.

(n) Litigation risk

In the ordinary course of business, the Company may be involved in litigation disputes from time to time. Litigation disputes brought by third parties, including but not limited to customers, suppliers, business partners, and employees, and may adversely impact the financial performance and industry standing of the Company.

(o) Absence of dividends

The ability of the Company to pay dividends in the future is dependent on many factors including the results of the Company's research and its ability to develop and commercialise its products. Where the Company is in a position to pay dividends, the amount, timing and payment of future dividends is dependent on a range of factors including future capital and research and development requirements, as well as the overall financial position of the Company. There will be factors outside the control of the Company and its Directors that may affect the ability of the Company to pay dividends. The Company does not expect to pay dividends in the short or medium term. The Directors are unable to give any assurance regarding the payment of dividends in the future.

### 6.3 General risks

(a) Market price

The market price of New Shares may rise or fall between the date of the Entitlement Offer and the issue date of the New Shares and New Options under the Entitlement Offer. The effect of this is that the Offer Price you pay for the New Shares may exceed the market price of Shares on the issue date.

(b) Economic risk

General economic conditions in Australia and internationally; movements in interest, inflation and currency exchange rates; variations in commodity prices; the global security situation and the possibility of terrorist disturbances; changes to government regulation, policy or legislation; changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws; and changes to dividend imputation in Australia may have an adverse effect on the Company's production activities and its ability to fund those activities.

(c) Foreign exchange

The Company has business operations in the United States which is also where its primary sales market is. As the Company is based in Australia and its functional reporting currency is in Australian dollars, a significant increase in the value of the Australian dollar could have a material adverse impact on future profitability of the Company.

(d) Market conditions

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

(e) Security investments

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. This risk is particularly relevant given the recent COVID-19 pandemic. These factors may materially affect the market price of the New Securities regardless of the Company's performance.

(f) Liquidity risk

There may be relatively few buyers or sellers of securities on the ASX at any given time. This may affect the volatility of the market price of the securities and the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price paid under the Offers.

#### 6.4 Speculative investment

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

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

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

#### 6.5 Other

Other risk factors include those normally found in conducting business, including litigation through breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel and other matters that may interfere with the Company's business or trade.

## 7 Additional information

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### 7.1 Continuous disclosure obligations

The Company was incorporated on 15 July 2010 and is the parent company of Sarantis Pty Ltd, an entity incorporated on 23 December 2005 which is a dormant entity.

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

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

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to the 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.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of the ASX as applicable from time to time throughout the twelve (12) months before the issue of this Prospectus which required the Company to notify the ASX of information about specified events or matters as they arise for the purpose of the ASX making that information available to the stock market conducted by the ASX.

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.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the annual financial report most recently lodged by the Company with ASIC;
  - (ii) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in item (c)(i) above and before the lodgement of this Prospectus with ASIC; and
  - (iii) any continuous disclosure documents given by the Company to the ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in item (c)(i) above and before the lodgement of this Prospectus with ASIC.

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

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

Date	Announcement
14 October 2022	Annual Report to Shareholders
19 October 2022	Trading Halt

The ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours. The announcements are also available through the Company's website: <https://anataralifesciences.com/investors/asx-announcements/>

## 7.2 Lead Manager Mandate

Taylor Collison Limited, being the Lead Manager, has agreed to manage the Placement and Entitlement Offer pursuant to the terms of a mandate letter signed by the Lead Manager and the Company on 19 October 2022 (**Mandate**). The following are the key terms of the Mandate.

### (a) Fees and Costs

Subject to the terms of the Mandate, the Company has agreed to pay the Lead Manager a fee equal to 6% of the proceeds for the Placement. This fee is comprised of:

- (i) a management fee of 2% of the gross proceeds raised under the Placement; and
- (ii) a selling fee of 4% of the gross proceeds raised under the Placement.

In addition, the Company agrees to pay all reasonable expenses of the Lead Manager, noting that the consent of the Company is required prior to the Lead Manager incurring any individual expense exceeding A\$2,000.

It is noted that the Lead Manager will have the right to assist to place any shortfall arising under the Entitlement Offer (**Shortfall Placement**), with the fees for such Shortfall Placement being the same as those detailed above.

### (b) Options

Subject to completion of the Placement, the Company will issue to the Lead Manager (or its nominee) two (2) million Advisor Options on the same terms as New Options issued to participants of the Entitlement Offer and Placement Option Offer, exercisable at \$0.07 per option, expiring three years from the date of issue.

### (c) Termination

The Mandate will continue to be of effect until the earlier of:

- (i) the completion of the Offers; and
- (ii) three (3) months from the date of the Mandate,

unless the Mandate is terminated earlier in accordance with its terms, or by mutual written agreement.

The Mandate also permits termination by the Company in the event of the Lead Manager's fraud, wilful misconduct, gross negligence or material breach of the Mandate.

### (d) Representations, warranties, undertakings and indemnities



The Mandate contains market standard representations, warranties and undertakings given by the Lead Manager to the Company relating to its conduct of the Offer.

Subject to certain exclusions, relating to, among other things, fraud, wilful misconduct or negligence of the Lead Manager, the Mandate contains a market standard indemnity given by the Company to the Lead Manager relating to the Offers.

### 7.3 General Meeting

The Company is proposing to convene its General Meeting on 12 December 2022 at which Shareholder approval will be sought for the issue of, amongst other things:

(a) **Tranche 1 Placement:**

- (i) **New Shares** - The subsequent approval of the New Shares under the Tranche 1 Placement under ASX Listing Rule 7.4 (to retain the flexibility to issue further Securities under the Company's placement capacity in the future); and
- (ii) **New Options** - The issue of New Options under the Tranche 1 Placement under ASX Listing Rule 7.1.

(b) **Tranche 2 Placement:**

- (i) **New Shares to related and non-related parties** - The issue of New Shares under the Tranche 2 Placement to related and non-related parties under ASX Listing Rule 7.1;
- (ii) **New Options to related and non-related parties** - The issue of New Options under the Tranche 2 Placement to related and non-related parties under ASX Listing Rule 7.1.
- (iii) **New Shares and New Options to related parties** - The issue of New Shares and New Options under the Tranche 2 Placement to related parties under ASX Listing Rule 10.11; and

(c) **Advisor Options**

The issue of Advisor Options under ASX Listing Rule 7.1.

In the event the resolutions for the New Options under the Tranche 1 Placement are not approved at the General Meeting under ASX Listing Rule 7.1, the Company will not issue such New Options until it has the placement capacity to do so.

In the event the resolutions for the New Shares and New Options under the Tranche 2 Placement are not approved at the General Meeting under ASX Listing Rule 10.11 or 7.1, the Company will not issue such New Options or New Shares under the Tranche 2 Placement.

The results of these resolutions will not impact the issues of New Securities under the Entitlement Offer. A copy of the Notice of Meeting will be made available at the Company's website at <https://anataralifesciences.com/investors/asx-announcements/>

### 7.4 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

### 7.5 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on the ASX. The New Options offered under this Prospectus are intended to be unlisted.

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

Highest	\$0.076 on 9 August 2022
Lowest	\$0.046 on 18 October 2022
Last	\$0.046 on 18 October 2022

## 7.6 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two (2) years preceding lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offers.

### Security holdings

The interest of each of the Directors in the securities of the Company as at the Prospectus Date, is set out in the table below.

Director	Shares held at the Prospectus Date	New Shares proposed to be taken up under the Placement and under the Entitlement Offer	Options	New Options proposed to be taken up under the Placement and under the Entitlement Offer
Dr David Brookes	300,000 Shares held by David & Elisabeth Brookes atf Dr DL Brookes Personal Superfund	1,714,256 New Shares under the Placement (subject to Shareholder approval)  100,000 New Shares under the Entitlement Offer	65,658 Options with an exercise price of \$0.2476 expiring on 3 December 2022 held by David & Elisabeth Brookes atf Dr DL Brookes Personal Superfund  900,000 Options with an exercise price of \$0.225 expiring on 14 November 2025	857,143 New Options under the Placement (subject to Shareholder approval)  50,000 New Options under the Entitlement Offer

			held by David & Elisabeth Brookes atf Dr DL Brookes Personal Superfund	
Dr Jane Ryan	183,078 Shares held by Dr Jane Ryan	142,858 New Shares under the Director Placement (subject to Shareholder approval)  61,026 New Shares under the Entitlement Offer	65,658 Options with an exercise price of \$0.2476 expiring on 3 December 2022 held by Dr Jane Ryan  450,000 Options with an exercise price of \$0.225 expiring on 14 November 2025 held by Dr Jane Ryan	71,429 New Options under the Director Placement (subject to Shareholder approval)  30,513 New Options under the Entitlement Offer
Ms Sue MacLeman	78,069 Shares held by Dalroar Pty Ltd atf MacLeman Investment Trust 78,069	26,023 New Shares under the Entitlement Offer	122,548 Options with an exercise price of \$0.2476 expiring on 3 December 2022 held by Dalroar Pty Ltd atf MacLeman Investment Trust  450,000 Options with an exercise price of \$0.225 expiring on 14 November 2025 held by Dalroar Pty Ltd atf MacLeman Investment Trust 78,069	13,012 New Options under the Entitlement Offer

### Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of Non-Executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in a general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-Executive Director. The current amount has been set at an amount not to exceed \$500,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options and/or performance rights, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and Non-Executive Directors (inclusive of superannuation).

Director	Year ending 30 June 2023 Salary/Director fees (AUD)	Year ending 30 June 2022 Salary/Director fees (AUD)	Year ending 30 June 2021 Salary/Director fees (AUD)
Dr David Brookes	\$165,750	\$118,821	\$79,219
Ms Sue MacLeman	\$66,300	\$71,627	\$147,875
Dr Jane Ryan	\$66,300	\$67,205	\$79,219

## 7.7 Interests of experts and advisers

- (a) Other than as set out below or elsewhere in this Prospectus, no:
- (i) 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;
  - (ii) promoter of the Company; or
  - (iii) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue (noting the Offer is not underwritten),

holds, or has held within the two years preceding lodgement of this Prospectus with ASIC, any interest in:

- (iv) the formation or promotion of the Company;
  - (v) any property acquired or proposed to be acquired by the Company in connection with:
    - (A) its formation or promotion; or
    - (B) the Offers; or
  - (vi) the Offers,
- and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:
- (i) the formation or promotion of the Company; or
  - (ii) the Offers.
- (b) Thomson Geer has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Thomson Geer \$40,000 (excluding GST and disbursements) for these services. In the past two years, the Company has paid Thomson Geer \$53,500 (excluding GST and disbursements).
- (c) Taylor Collison Limited has acted as the Lead Manager to the Placement and the Entitlement Offer. In connection with this role, the Company will:
- (i) pay the Lead Manager \$51,900 (excluding GST); and
  - (ii) issue the Lead Manager (and/or its nominee) total of 2,000,000 Advisor Options for an issue price of \$0.0001 per Advisor Option (which are otherwise on the same terms as the New Options under the Placement Options Offer and Entitlement Offer).

In the past two years, the Company has paid the Lead Manager \$100,200 (excluding GST) and issued the Lead Manager (and/or its nominee) a total of 1,500,000 unlisted options exercisable at \$0.25, expiring 3 December 2023. Refer to Section 7.2 for a summary of the Mandate between the Lead Manager and the Company.

- (d) Candour Advisory Pty Ltd has acted as investor relations advisor to the Company in connection with the Placement and Entitlement Offer. In connection with this role, the Company will:
- (i) pay Candour Advisory Pty Ltd a fee of 1% of the amount raised under the Placement, being \$8,650 (excluding GST); and
  - (ii) issue the Candour Advisory Pty Ltd (and/or its nominee) total of 1,500,000 Advisor Options for an issue price of \$0.0001 per Advisor Option (which are otherwise on the same terms as the New Options under the Placement Options Offer and Entitlement Offer).

In the past two years, the Company has paid the Candour Advisory Pty Ltd \$12,000 (excluding GST).

## 7.8 Consents

Each of the parties referred to in the table below:

- (a) has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in the Prospectus in the form and context in which it is named;
- (b) has not, and its affiliates, officers and employees have not, made any statement in the Prospectus or any statement on which a statement made in the Prospectus is based other than those referred to in this Section 7.8;
- (c) does not cause, permit or authorise the issue or lodgement, submission, dispatch or provision of the Prospectus;
- (d) has not authorised or caused the issue of the Prospectus, and makes no representation or warranty, express or implied, as to the fairness, accuracy or completeness of the information contained in the Prospectus; and
- (e) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Party name	Named as
Taylor Collison Limited	Lead Manager
Thomson Geer	Solicitor to the Company
Computershare Investor Services Pty Limited	Share Registry
Candour Advisory Pty Ltd	Investor relations advisor

## 7.9 Expenses of the Placement and the Entitlement Offer

In the event that all Entitlement Offers are accepted, the total expenses of the Placement and the Entitlement Offer are estimated to be approximately \$152,389 (excluding GST) and are expected to be applied towards the items set out in the table below:

Expense type	\$
ASX fees	\$7,283
ASIC fees	\$3,206
Lead Manager fees	\$51,900
Legal fees	\$40,000
Miscellaneous fees (including the fee payable to the IR Advisor and registry fees)	\$50,000
<b>Total</b>	<b>\$152,389</b>

### 7.10 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Entitlement Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at <https://anataralifesciences.com/investors/asx-announcements/>. The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

### 7.11 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

## 8 Directors' authorisation

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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.



Dr David Brookes  
Chairman

## 9 Glossary

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**A\$ or \$** means Australian dollars.

**Advisor Options** means the Options to be issued as follows:

- (a) 2,000,000 to the Lead Manager (or nominee); and
- (b) 1,500,000 to the IR Advisor (or nominee),

exercisable at \$0.07 each on or before 11 December 2025, and otherwise on the terms and conditions set out in Section 5.2, (which are the same terms as the New Options under the Placement Options Offer and Entitlement Offer).

**AEDT** means Australian Eastern Daylight Time.

**Allocation Policy** has the meaning in Section 2.2(d).

**Applicant** means a person who applies for New Securities under and in accordance with this Prospectus.

**Application** means a valid application for New Securities offered under this Prospectus.

**Application Form** means the application forms that accompany this Prospectus, being the Entitlement and Acceptance Form and the Placement Options Offer Application Form, or any one of those applications forms as the case may be.

**Application Money** means money received from an Applicant in respect of an Application.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) trading as the 'Australian Securities Exchange'.

**ASX Settlement** means ASX Settlement Pty Limited (ACN 008 504 532).

**ASX Settlement Rules** means the settlement rules of ASX Settlement.

**Board** means the board of Directors of the Company.

**Business Day** has the meaning given to that term in the Listing Rules.

**CHESS** means Clearing House Electronic Sub-register System operated by ASX Settlement.

**CHESS Statement** or Holding Statement means a statement of shares registered in a CHESS account.

**Closing Date** means the closing date of the Offers, being the date detailed in the Timetable on page 6 of this Prospectus.

**Company** or **Anatara** means Anatara Lifesciences Limited (ACN 145 239 872).

**Constitution** means the constitution of the Company.

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

**Company Secretary** means the company secretary of the Company.

**Director** means a director of the Company as at the Prospectus Date.

**Eligible Shareholder** means a Shareholder who is registered as the holder of Shares on the Record Date and is a resident in Australia or New Zealand.

**Entitlement** or **Entitlement Offer** means the non-renounceable entitlement for Eligible Shareholders to subscribe for New Shares on the basis of one (1) New Share for every three

(3) Shares held on the Record Date with one (1) free attaching Option for every two (2) New Shares issued exercisable at \$0.07 each on or before 11 December 2025.

**Entitlement Offer Information Line** means 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (AEDT), Monday to Friday during the Offer Period.

**Entitlement and Acceptance Form** means the application form relating to the Entitlement Offer that accompanies this Prospectus.

**Entitlement Offer Shortfall** means the shortfall between the number of New Shares applied for under the Entitlement Offer and the total number of New Shares offered to Eligible Shareholders under the Entitlement Offer.

**Entitlement Shortfall Shares** means the New Shares constituting the Entitlement Offer Shortfall.

**Entitlement Shortfall Application Form** means the application form to be used for the purpose of the Entitlement Shortfall Shares (other than those applied for by Eligible Shareholders).

**Entitlement Shortfall Offer** or **Shortfall Offer** has the meaning given to that term in clause 2.2(d).

**Excluded Shareholders** means Shareholders who do not meet the criteria to participate in the Entitlement Offer.

**Executive Director** means an executive Director of the Company.

**Exercise Notice** means a duly completed notice of exercise of Options and application for Shares executed by the Optionholder specifying the number of Options exercised.

**Exercise Price** has the meaning given to it in the Option Terms in Section 5.2.

**Existing Options** means those options on issue as at the date of the Prospectus.

**Existing Performance Rights** means the Performance Rights on issue as at the date of the Prospectus.

**Expiry Date** has the meaning given to it in the Option Terms in Section 5.2.

**GaRP-IBS** means Gastrointestinal Reprogramming for irritable bowel syndrome.

**General Meeting** means the Company's general meeting of Shareholders proposed to be convened on 12 December 2022;

**GST** means Goods and services tax levied under the *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*.

**Institutional Investors** means a person:

- (a) to whom an offer of Shares in the Company could be made in Australia without a disclosure document (as defined in the Corporations Act); or
- (b) in selected jurisdictions outside Australia, to whom an offer of Shares in the Company could be made without registration, lodgement of a formal disclosure document or other formal filing in accordance with the laws of that foreign jurisdiction.

**IR Advisor** means Candour Advisory Pty Ltd.

**Key Offer Information** means the key offer information on page 7.

**Lead Manager** means Taylor Collison Limited acting as the lead manager of the Offers.

**Listing Rules** means the official listing rules of ASX.



**New Option** means an Option exercisable at \$0.07 each on or before 11 December 2025, and otherwise on the terms and conditions set out in Section 5.2, to be issued or offered under an Offer to this Prospectus.

**New Securities** means the Securities offered under this Prospectus, being any one or more of the following, as the context requires the:

- (a) New Securities (i.e. the New Shares and attaching New Options) under the Entitlement Offer; and
- (b) New Options under the Placement Options Offer.

**New Share** means a new Share, which the Company may issue to investors under an Offer to this Prospectus.

**Non-Executive Director** means a non-executive Director of the Company.

**Notice of Meeting** means the Company's notice for the General Meeting.

**Offer Period** means the period that an Offer is open, being the period between the Opening Date and the Closing Date.

**Offer Price** means \$0.035 per New Share.

**Offers** means the Entitlement Offer, the Placement Option Offer, Entitlement Shortfall Offer or any one of those offers as the case may be.

**Official Quotation** means the admission of Securities to the official list of the ASX.

**Opening Date** means the opening date of the Offers, being the date detailed in the Timetable on page 6 of this Prospectus.

**Option** means an option to subscribe for a Share.

**Optionholder** means a holder of an Option.

**Option Terms** means these terms of issue of Options detailed in Section 5.2.

**Placement** means has the meaning given to that term in Section 2.1 and is made up of the Tranche 1 Placement and Tranche 2 Placement.

**Placement Option Offer** means the offer of New Options in connection with the Placement.

**Placement Option Offer Application Form** means an application form to be signed by, each Institutional Investor confirming its participation in the Placement Option Offer to be issued directly to Placement Subscribers by the Company or the Lead Manager.

**Placement Subscriber** means a person to whom New Shares were issued or will be issued under the Tranche 1 Placement and Tranche 2 Placement respectively.

**Privacy Act** means the *Privacy Act 1988* (Cth).

**Prospectus** means this document, including the Application Forms.

**Prospectus Date** means the date of this Prospectus, being the date that this Prospectus is lodged with ASIC.

**Record Date** means 7:00 pm (AEDT) on the date specified in the timetable set out on page 6 of this Prospectus.

**Related Bodies Corporate** means has the meaning given to that term in the Corporations Act.

**Section** means a section of this Prospectus.

**Securities** has the meaning given to that term in section 761A of the Corporations Act and includes a Share and an Option.

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

**Shareholder** means the holder of a Share.

**Share Registry** means the Company's Share Registry, Computershare Investor Services Pty Limited.

**Subscriber** means a person who has agreed to subscribe for New Shares under the Entitlement Offer.

**Substantial Shareholder** means a Shareholder with a 'substantial holding' in the Company as defined in the Corporations Act.

**Tranche 1 Placement** means the placement of New Shares and New Options to the Tranche 1 Placement Subscribers detailed in Section 2.1.

**Tranche 1 Subscribers** means the subscribers for the Tranche 1 Placement (being to Institutional Investors) detailed in Section 2.1.

**Tranche 2 Placement** means the placement of New Shares and New Options to the Tranche 2 Placement Subscribers detailed in Section 2.1.

**Tranche 2 Subscribers** means the subscribers for the Tranche 2 Placement (being related parties of the Company) detailed in Section 2.1.

**Timetable** means the indicative timetable for the Offer as set out in the Key Offer Information on page 6.

**Voting Power** has the meaning given to that term in the Corporations Act.

## 10 Corporate Directory

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### Directors

Dr David Brookes  
 Ms Sue MacLeman  
 Dr Jane Ryan

### Registered Office

Level 3, 62 Lygon Street  
 Carlton South Vic 3053  
 Australia

### Company Secretary

Mr Stephen Denaro

### Solicitors

Thomson Geer  
 Level 28, Waterfront Place  
 1 Eagle Street Brisbane Queensland 4000

### Share registry\*

Computershare Investor Services Pty  
 Limited  
 Level 1, 200 Mary Street  
 Brisbane Queensland 4000

### Auditor\*

Grant Thornton Audit Pty Ltd  
 Collins Square  
 Tower 5, 727 Collins Street  
 Brisbane QLD 4000

### Lead Manager

Taylor Collison Limited  
 Level 16, 211 Victoria Square  
 Adelaide SA 5000

### IR Advisor

Candour Advisory Pty Ltd  
 Suite 116, 147 Pirie Street  
 Adelaide SA 5000

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\*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.