

Prospectus



LBT INNOVATIONS

LBT Innovations Limited ACN 107 670 673

The Prospectus is being issued for the following offers:

- 4 for 1 pro-rata renounceable entitlement offer of New Shares to Eligible Shareholders at an offer price of \$0.005 per New Share to raise up to \$4.5 million; and
- 1 free Attaching Option for every 1 New Share issued, with:
 - 50% of the Attaching Options issued to an Eligible Shareholder having an exercise price of \$0.005 each and an expiry date of 10 months from the issue date; and
 - 50% of the Attaching Options issued to an Eligible Shareholder having an exercise price of \$0.008 each and an expiry date of 24 months from the issue date,
(together, the **Entitlement Offer**); and
- an offer to Eligible Shareholders to subscribe for New Shares in excess of their Entitlements not subscribed for by other Eligible Shareholders pursuant to the Entitlement Offer (**Shortfall Offer**),

(collectively, the **Offers**).

The Entitlement Offer is partially underwritten to approximately \$3 million by Candour Advisory Pty Ltd (**Underwriter**).

This document is not for release or distribution in the United States.

IMPORTANT NOTICE

This is an important document which is accompanied by a personalised entitlement and acceptance form and both should be read in their entirety. Please call your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you have any questions.

Important information

About this Prospectus

This Prospectus is dated 13 October 2023 and was lodged with the Australian Securities and Investments Commission (ASIC) on the same 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.

No Securities will be issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus. The Securities issued pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus.

LBT Innovations Limited ACN 107 670 673 (**LBT** or **Company**) will apply to ASX for official quotation of the New Shares offered pursuant to this Prospectus within 7 days after the date of the Prospectus.

The Company intends to apply to ASX for official quotation of the Attaching Options (if the relevant quotation conditions are met) offered pursuant to this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities and options to acquire continuously quoted securities (as defined in the Corporations Act) and 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 prospectus. In preparing this Prospectus regard has been had to the fact that LBT 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 professional advisers whom investors may consult. Investors should therefore have regard to the other information disclosed to ASX in relation to LBT before deciding whether to invest.

Eligible Shareholders should read this Prospectus in its entirety and seek professional advice where necessary.

Defined words and expressions

Some words and expressions used in this Prospectus have defined meanings. These words and expressions are capitalised and are defined in the Glossary in section 7 of this Prospectus.

Financial amounts and times

A reference to dollars, (\$) or cents in this Prospectus is a reference to Australian currency unless otherwise indicated. A reference to time in this Prospectus is a reference to the time in Adelaide, Australia unless otherwise indicated.

This Prospectus does not provide financial product or investment advice – you should seek your own professional investment advice

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). It is important that you read this Prospectus in full before deciding whether to invest in the New Securities and consider all of the risks that could affect the performance of the New Securities or LBT. Risks identified in relation to investing in the New Securities that you should consider include those described in section 5. You should carefully consider these risks and your investment objectives, financial situation or particular needs (including financial and taxation issues) and seek independent professional advice from your stockbroker, accountant, solicitor, or other professional adviser before deciding whether to invest in the New Securities.

The potential tax effects of the Offers will vary between investors. All investors should satisfy themselves of any possible tax consequences by consulting their own professional tax advisers.

Future performance and forward-looking statements

This Prospectus contains certain "forward-looking statements". Forward-looking statements can generally be identified by the use of forward-looking words such as "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of LBT, the outcome and effects of the Offers and the use of proceeds. To the extent that certain statements contained in this Prospectus may constitute "forward-looking statements" or statements about "future matters", the information reflects LBT's intent, belief or expectations as at the date of this Prospectus. Any forward-looking statements, including projections, guidance on future revenues, earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause LBT's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this Prospectus in light of those disclosures and not place reliance on such statements. Any forward-looking statements, opinions and estimates in this Prospectus are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

LBT 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.

Except as required by law or regulation (including the Listing Rules), LBT undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Past performance

Investors should note that past performance, including the past share price performance of LBT and pro forma historical information in this Prospectus is given for illustrative purposes only and cannot be relied upon as an indicator of (and provides no guidance as to) future Company performance, including future share price performance. The pro forma historical information is not represented as being indicative of LBT's views on its future financial condition and/or performance.

Financial Information

Non-IFRS financial measure

Certain financial data included in, or incorporated by reference into, the Prospectus are non-IFRS financial information under ASIC Regulatory Guide 230 (*Disclosing non-IFRS financial information*). These measures include revenue and working capital. These non-IFRS financial measures do not have a standardised meaning prescribed by Australian Accounting Standards (**AAS**) and therefore may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with AAS. Although LBT believes these non-IFRS financial measures provide useful information to users in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-IFRS financial measures included in this Prospectus.

Proforma historical balance sheet

The Prospectus contains LBT's pro forma historical balance sheet as at 30 June 2023 showing the proposed application of the proceeds of the Offers. The pro forma historical balance sheet provided is for illustrative purposes only and should not be relied upon, and is not represented as being indicative of LBT's future financial condition and/or performance.

This Prospectus does not include forecast financial information for future periods.

See Section 4 for further details on the financial information.

Disclaimer of representations

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 LBT, any of its respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees and agents in connection with the Offers.

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 LBT. To the maximum extent permitted by law, LBT, its 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.

Restrictions applicable to Foreign Shareholders

The Offers do not, and are not intended to, constitute offers in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. In particular, the New Securities may not be offered or sold in any country outside Australia, except to the extent permitted below.

IMPORTANT INFORMATION FOR NEW ZEALAND INVESTORS

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

France and Germany

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares or the Attaching Options be offered for sale, in France or Germany except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (**Prospectus Regulation**).

In accordance with Article 1(4) of the Prospectus Regulation, an offer of New Shares and Attaching Options to shareholders of the Company in France and Germany is limited:

- to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation);
- to fewer than 150 natural or legal persons (other than qualified investors) in Germany; or
- in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

Singapore

This document and any other materials relating to the New Shares and the Attaching Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document relating to the New Shares and the Attaching Options may not be issued, circulated or distributed, nor may such securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (**SFA**) or another exemption under the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. If you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares or the Attaching Options being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire such securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United States

This Prospectus, any accompanying ASX announcements relating to the Offers and the Entitlement and Acceptance Form do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person holds Shares in LBT and is acting for the account or benefit of a person in the United States).

The New Securities have not been, and will not be, registered under the US Securities Act 1933 (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Securities may not be offered, sold, resold or otherwise transferred, directly or indirectly, in the United States or to persons acting for the account or benefit of a person in the United States (to the extent such persons hold Shares in LBT and are acting for the account or benefit of a person in the United States).

The New Securities may only be offered and sold to certain investors that are outside of the United States, in selected jurisdictions in reliance on Regulation S under the US Securities Act and the applicable laws of the jurisdiction in which the New Securities are being offered and sold.

This Prospectus may not be distributed in the United States.

Target market determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Attaching Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website at <https://www.lbtinnovations.com/investor-centre/>. By making an application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Application for New Securities

An application for New Securities by Eligible Shareholders will only be accepted by following the instructions on the Entitlement and Acceptance Form accompanying this Prospectus as described in section 2 of this Prospectus.

Privacy

Please read the privacy statement located under section 6.15. It is important you understand that by applying for New Securities, you consent to the matters outlined in that statement.

Enquiries

If you would like more information or have any questions in relation to the Offers, please contact your stockbroker, accountant, solicitor, or other professional adviser to determine whether it meets your objectives, financial situation and needs, or call the LBT Entitlement Offer Information Line on 1300 729 063 (within Australia) or +61 3 9415 4675 (outside Australia).

If you have any questions on how to take up all or part of your Entitlement, please call the LBT Entitlement Offer Information Line between 8:30am and 5:00pm (AEDT) Monday to Friday during the Entitlement Offer period.

If you take no action or your application is not supported by cleared funds, your Entitlement will lapse and you will not be issued with New Securities. Eligible Shareholders who do not take up their Entitlement in full will not receive any payment or value for that part of their Entitlement they do not take up. However, Eligible Shareholders should be aware that as the Entitlement is renounceable, the Entitlement may have value if some or all of the Entitlement is traded on the ASX or other than on the ASX.

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Summary of Offers and key dates

Key Offer statistics

Entitlement Offer Ratio	4 New Shares for every 1 Share held at the Record Date together with 1 Attaching Option for every 1 New Share issued ¹
Offer Price	\$0.005 per New Share
Number of New Shares offered under the Entitlement Offer	900,000,000
Number of Shares on issue at completion of the Entitlement Offer	Up to 1,255,900,323
Number of Attaching Options offered under the Entitlement Offer	900,000,000
Number of Options on issue at completion of the Entitlement Offer	Up to 932,834,841
Entitlement Offer proceeds (before Entitlement Offer costs)	\$4.5 million

The Offer proceeds have been assumed in respect of the Entitlement Offer on the basis that the Entitlement Offer is subscribed to the maximum of \$4,500,000. The number of New Securities issued and the amount raised under the Entitlement Offer are estimates only due to the rounding of Entitlements and reconciliations of Entitlements under the Entitlement Offer to Shareholders as at the Record Date. The exact number of New Securities to be issued under the Entitlement Offer will not be known until settlement of the Entitlement Offer.

Summary of key dates

Prospectus lodged and Entitlement Offer announcement	Before market opens, Friday, 13 October 2023
Ex date Rights quoted on a deferred settlement basis from market open	Tuesday, 17 October 2023
Record Date for Entitlement Offer	Wednesday, 18 October 2023
Despatch of Prospectus and personalised Entitlement and Acceptance Forms to Eligible Shareholders and Entitlement Offer opens Deferred settlement trading in rights ends at the close of trading	Monday, 23 October 2023
Rights trading ends at close of trading	Thursday, 2 November 2023
Securities quoted on a deferred settlement basis from market open	Friday, 3 November 2023
Close of Entitlement Offer	5.00pm on Thursday, 9 November 2023

¹ 1 free Attaching Option for every 1 New Share issued, with:

- 50% of the Attaching Options issued to an Eligible Shareholder having an exercise price of \$0.005 each and an expiry date of 10 months from the issue date; and
- 50% of the Attaching Options issued to an Eligible Shareholder having an exercise price of \$0.008 each and an expiry date of 24 months from the issue date.

Entitlement Offer settlement	Tuesday, 14 November 2023
Announcement of results of Entitlement Offer and Shortfall (if any) and issue of New Securities under the Entitlement Offer Deferred settlement trading ends at market close	Before noon on Wednesday, 15 November 2023
Quotation of New Securities issued under the Entitlement Offer on ASX	Thursday, 16 November 2023
Settlement of trades on deferred settlement basis and normal trade on T+2 basis Updated CHESSE notices and issuer sponsored holding statements in relation to the New Securities issued under the Entitlement Offer dispatched	Monday, 20 November 2023

The timetable above is indicative only and may be subject to change. LBT reserves the right to amend any or all of these dates and times without prior notice subject to the Corporations Act, the Listing Rules and other Applicable Laws. In particular, the LBT Board reserves the right to close the Offers early, extend the closing date of the Offers, to accept late applications under the Offers (either generally or in particular cases) and to withdraw the Offers without prior notice. Any bringing forward or extension of the closing date of the Offers will have a consequential effect on the issue date of New Securities.

The commencement of quotation of New Shares and Attaching Options is subject to confirmation from ASX.

Cooling off rights do not apply to an investment in New Securities. You cannot withdraw your application once it has been accepted. Eligible Shareholders wishing to participate in the Offers are encouraged to submit their applications as soon as possible after the Offers open.

What should you do?

This Prospectus contains important information in relation to the Offers. You should read all of this Prospectus carefully, including section 5 which identifies the key risks associated with an investment in LBT and New Securities.

It is also important for you to read carefully and understand the information on LBT and the Offers made publicly available, including the information lodged by LBT with the ASX as part of its continuous disclosure obligations, prior to deciding whether to take up all or part of your Entitlement or do nothing in respect of your Entitlement. In particular, please refer to the other announcements made available at www.asx.com.au (search by reference to LBT's ASX ticker which is LBT), including announcements which may be made by LBT after publication of this Prospectus and announcements relevant to the Offers.

If you are in doubt as to the course of action you should follow, you should consult your broker, legal, financial or other professional adviser before making an investment decision.

Chair's Letter

Dear Shareholder,

On behalf of the Board, I invite you to participate in LBT Innovations' (**LBT**) 4 for 1 pro rata renounceable entitlement offer at the price of \$0.005 per New Share (**Offer Price**) to raise up to \$4.5 million with the offer of 1 Attaching Option for every 1 New Share issued¹ (**Entitlement Offer**). I also invite you to apply for more than this entitlement for any Securities not subscribed for by other Eligible Shareholders pursuant to the Entitlement Offer at the same issue price as the Entitlement Offer.

We consider that the Entitlement Offer is the most appropriate structure for raising capital that gives priority to Eligible Shareholders and ensures fair and equitable participation for all shareholders. Pleasingly we have secured underwriting commitments of approximately \$3 million, demonstrating confidence in our commercial strategy and providing comfort to shareholders that we expect to be adequately funded to execute this strategy. Shareholders should note that the underwriting only comes into play if shareholders do not support this Offer to the extent needed to adequately fund the business.

Our APAS[®] technology for automated culture plate reading remains unique and targets a large addressable market opportunity in both clinical and pharmaceutical microbiology markets. We expect the pharmaceutical market to be a growth driver for the Company, in addition to a more steady build of sales in the clinical market over the coming years.

Pharmaceutical Microbiology

In January 2023, LBT signed an agreement with AstraZeneca for the development of a new Analysis Module (AI software) to read and interpret culture plates routinely used for microbial quality control testing. This is an essential quality control process required in pharmaceutical manufacturing. The agreement provides funding in addition to creating a collaboration where we benefit from customer input into our product development strategy for this market. We are however developing the technology for an industry and have the commercial freedom to bring our technology to a large market.

The development of the new Analysis Module, called APAS[®] PharmaQC, is well progressed and first in-market data has been completed as part of our development program with AstraZeneca. Results were positive, with the product demonstrating 100% sensitivity achieved for growth detection and positive feedback on the existing hardware platform, which is unchanged for this new application. We expect the LBT Primary Validation (key performance tests to comply with pharmacopeial guidelines) development and documentation to be completed early 2024, with a formal launch planned shortly after, and sales to commence in the second half of 2024 calendar year.

Our APAS[®] PharmaQC product was promoted for the first-time at the Parenteral Drug Association annual Pharmaceutical Microbiology conference in the US earlier this month, and will be followed by a similar European conference in November 2023. We already have engagement with 12 of the top 20 largest pharmaceutical companies (by revenue), where discussions are at various stages of progress, and who are now considering our APAS[®] PharmaQC platform.

Clinical Microbiology

Sales within the clinical market have been slower than projected, however we do expect sales to build steadily through our exclusive distributor Thermo Fisher Scientific Inc (**Thermo Fisher**). In December 2022, we extended our exclusive distribution agreement with Thermo Fisher to include Europe, increasing the number of countries in which we are selling the APAS[®] Independence to 35 countries globally. We remain confident that a full distribution structure creates greater alignment and a clearer confluence of interests between the two companies, with Thermo Fisher Scientific highly engaged and motivated to work with us to increase sales effectiveness.

Entitlement Offer

The Entitlement Offer is being conducted by way of a 4 for 1 pro rata renounceable entitlement offer. Participants in the Entitlement Offer will also be issued with 1 Attaching Option for every 1 New Share issued, with the terms set out below:

- 50% of the Attaching Options issued to an Eligible Shareholder having an exercise price of \$0.005 each and an expiry date of 10 months from the issue date; and

- 50% of the Attaching Options issued to an Eligible Shareholder having an exercise price of \$0.008 each and an expiry date of 24 months from the issue date.

New Shares issued under the Entitlement Offer will rank equally with Existing Shares in all respects.

The shareholding of Eligible Shareholders for the purposes of participating in the Entitlement Offer will be determined by the number of Shares held at 7:00pm (ACDT) on the Record Date of 18 October 2023.

Eligible Shareholders can choose to take up all, part or none of their Entitlement.

The Entitlement Offer will open on 23 October 2023, and close at 5.00pm on 9 November 2023. If you are an Eligible Shareholder and you wish to take up all or part of your Entitlement, you need to ensure that you have paid your Application Monies following the instructions set out on the personalised Entitlement and Acceptance Form before this time in the manner described in section 2.7 of this Prospectus.

Further details on the Entitlement Offer are included in section 2 of this Prospectus.

Shortfall Offer

Eligible Shareholders may also apply in excess of their Entitlement for Securities not subscribed for by other Eligible Shareholders pursuant to the Entitlement Offer at the same issue price as the Entitlement Offer (subject to the allocation policy set out in section 2.2).

Further details on the Shortfall Offer are included in section 2 of this Prospectus.

Director and Management Participation

Our CEO, Brenton Barnes, Director, Damian Lismore and myself (as Chair) have collectively committed \$475,000 as part of the sub-underwriting of the Entitlement Offer, demonstrating our support for a successful outcome. Further information in this regard is set out in section 2.1.4.

Further Information

Please carefully read this Prospectus in its entirety and consult your broker, legal, financial or other professional adviser before making your investment decision. In particular, you should read and consider the risk factors in section 5 of this Prospectus, which contains a summary of some of the key risks associated with an investment in LBT and participation in the Offers.

If you have any questions in respect of the Offers, please call the LBT Entitlement Offer Information Line on 1300 729 063 (if within Australia) or +61 3 9415 4675 (if outside Australia) from 8:30am and 5:00pm (AEDT) Monday to Friday during the Entitlement Offer period.

On behalf of the Board, I encourage you to participate in the Offer and thank you for your continued support.

Yours faithfully,



Rebecca Wilson
Chair
LBT Innovations Limited

1. Investment overview

This section is not intended to provide full information for investors intending to apply for New Securities offered pursuant to this Prospectus. This Prospectus and all of its sections should be read and considered in their entirety.

1.1. What are the options available to Eligible Shareholders?

Option	Key considerations
<p>Am I eligible to participate in the Entitlement Offer?</p>	<p>If you are an Eligible Shareholder, you are eligible to participate in the Entitlement Offer.</p> <p>An Eligible Shareholder under this Prospectus is a Shareholder as at the Record Date and who:</p> <ul style="list-style-type: none"> a) has a registered address in Australia or New Zealand, or is located in France, Germany or Singapore (subject to the foreign jurisdictions restrictions set out in this Prospectus); b) is not a Foreign Shareholder; and c) is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such a person holds Shares in LBT and is acting for the account or benefit of a person in the United States). <p>If you are a Shareholder on the Record Date who is not an Eligible Shareholder, then you are an Ineligible Shareholder.</p>
<p>If you wish to take up all or part of your Entitlement</p>	<p>If you wish to take up all or part of your Entitlement, please pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form which can be accessed at www.computersharecas.com.au/LBT-RRR, so that payment is received by no later than 5:00pm (ACDT) on 9 November 2023.</p> <p>If you take up and pay for all or part of your Entitlement before the close of the Entitlement Offer, it is expected that you will be issued New Securities on 15 November 2023. LBT's decision on the number of New Securities to be issued to you will be final.</p> <p>You may wish to apply for Securities in excess of your Entitlement under the Shortfall Offer subject to such applications being received by the Closing Date.</p> <p>LBT also reserves the right (in its absolute discretion) to reduce the number of New Securities issued to an Eligible Shareholder if LBT believes that shareholder's claims to be overstated or if it or its nominees fail to provide information to substantiate its claims to LBT's satisfaction (see section 2.7).</p>
<p>Sell part or all your Entitlement on the ASX</p>	<p>Eligible Shareholders who wish to sell all or part of their Entitlement on the ASX should provide instructions to their stockbroker. The Rights Trading Period will commence on 17 October 2023 and is expected to end on 2 November 2023.</p> <p>The Company does not guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on the ASX or that any particular price will be paid for the Entitlements sold on the ASX.</p>
<p>Sell part or all of your Entitlement other than on the ASX</p>	<p>If Eligible Shareholders wish to sell all or part of their Entitlement other than on the ASX and the purchaser of the Entitlement is an Ineligible Shareholder or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to accept the purchase of the Entitlement.</p>

Option	Key considerations
<p>If you do not wish to take up any part of your Entitlement, your Entitlement will lapse and you will receive no value for those lapsed Entitlements</p>	<p>If you take no action, you will not be allocated any New Securities and your Entitlement will lapse.</p> <p>Shareholders who do not take up their Entitlement in full will not receive any payment or value for those Entitlements they do not take up. However, Eligible Shareholders should be aware that as the Entitlement is renounceable, the Entitlement may have value if some or all of the Entitlement is traded on the ASX or other than on the ASX.</p>

1.2. Overview of the Offers & How to Apply

Topic	Summary	Further information
<p>What is the Entitlement Offer?</p>	<p>Under the Entitlement Offer, all Eligible Shareholders are being offered the opportunity to purchase 4 New Shares for every 1 Existing Share at the Offer Price of A\$0.005 per New Share.</p> <p>This is a pro-rata renounceable entitlement offer of New Shares in LBT.</p> <p>Eligible Shareholders who are issued Shares under the Entitlement Offer will also be issued with 1 free Attaching Option for every 1 New Share issued under the Entitlement Offer. 50% of the Attaching Options issued to an Eligible Shareholder will be exercisable at \$0.005 each and will expire 10 months from their date of issue, and the other 50% of Attaching Options issued to an Eligible Shareholder will be exercisable at \$0.008 each and will expire 24 months from their date of issue, and are otherwise on the terms and conditions in section 6.6.</p> <p>Eligible Shareholders' shareholding will be determined by the Shares they hold as at the Record Date of 7.00pm (ACDT) on 18 October 2023.</p> <p>Eligible Shareholders will be allotted Entitlements under the Entitlement Offer which can be taken up in whole or in part. Entitlements are renounceable. Fractional Entitlements will be rounded up.</p> <p>You should read this Prospectus carefully before making any decisions in relation to your Entitlement.</p>	<p>See section 2.1</p>
<p>What is the Shortfall Offer?</p>	<p>Any Securities not taken up pursuant to the Entitlement Offer will form the Shortfall Offer.</p> <p>Allocation of the Shortfall Securities will be at the discretion of the Board and will otherwise be subject to the terms of the Underwriting Agreement, the key terms of which are set out in section 6.1.</p> <p><u>Eligible Shareholders may apply for Securities in excess of their Entitlements under the Shortfall Offer subject to such applications being received by the Closing Date.</u></p> <p>The issue price for each New Share to be issued under the Shortfall Offer is \$0.005, being the price at which New Shares have been offered under the Entitlement Offer.</p> <p>Participants who are issued Shares under the Shortfall Offer will also be issued 1 free Attaching Option for every 1 New Share issued under the Shortfall Offer. 50% of the Attaching Options issued to an Eligible Shareholder will be exercisable at \$0.005 each and will expire 10 months from their date of issue, and the other 50% of Attaching Options issued to an Eligible Shareholder will be exercisable at</p>	<p>See section 2.2</p>

Topic	Summary	Further information																
	<p>\$0.008 each and will expire 24 months from their date of issue, and are otherwise on the terms and conditions in section 6.6.</p> <p>The allocation policy for the Shortfall Offer is outlined in section 2.2. There is no guarantee that Eligible Shareholders will receive New Securities applied for under the Shortfall Offer.</p>																	
<p>What is the Offer Price?</p>	<p>\$0.005 per New Share.</p>	<p>See section 2.1</p>																
<p>Who is the Issuer of this Prospectus?</p>	<p>LBT Innovations Limited ACN 107 670 673 ("LBT")</p>	<p>See Important Information section</p>																
<p>How much will be raised through the Entitlement Offer?</p>	<p>LBT is seeking to raise up to \$4.5 million from the Entitlement Offer. The Offer proceeds have been assumed in respect of the Entitlement Offer on the basis that the Entitlement Offer is subscribed to the maximum of \$4.5 million. The actual amount raised under the Entitlement Offer depends on the level of subscriptions received under the Entitlement Offer.</p> <p>If the total applications for the Offer exceeds \$4.5 million, the Company reserves the right to scale back applications in its absolute and sole discretion.</p>	<p>See sections 2.1 and 3.1</p>																
<p>What is the purpose of the Entitlement Offer and how will the proceeds of the Entitlement Offer be used?</p>	<p>The following table details the uses of the proceeds of the Entitlement Offer.</p> <table border="1" data-bbox="375 1003 1073 1472"> <thead> <tr> <th data-bbox="375 1003 781 1056">Uses</th> <th data-bbox="781 1003 1073 1056">Proceeds (\$m) **</th> </tr> </thead> <tbody> <tr> <td data-bbox="375 1056 781 1115">US clinical sales</td> <td data-bbox="781 1056 1073 1115">0.4</td> </tr> <tr> <td data-bbox="375 1115 781 1173">EU clinical sales</td> <td data-bbox="781 1115 1073 1173">0.4</td> </tr> <tr> <td data-bbox="375 1173 781 1249">Pharma development (product and market development)</td> <td data-bbox="781 1173 1073 1249">0.9</td> </tr> <tr> <td data-bbox="375 1249 781 1308">Working capital</td> <td data-bbox="781 1249 1073 1308">1.6</td> </tr> <tr> <td data-bbox="375 1308 781 1367">Repayment of Lind facility*</td> <td data-bbox="781 1308 1073 1367">0.9</td> </tr> <tr> <td data-bbox="375 1367 781 1425">Offer costs</td> <td data-bbox="781 1367 1073 1425">0.3</td> </tr> <tr> <td data-bbox="375 1425 781 1472">Total uses</td> <td data-bbox="781 1425 1073 1472">4.5</td> </tr> </tbody> </table> <p>Notes:</p> <p>* LBT was provided with a short-term loan by one of the sub-underwriters to the Entitlement Offer to facilitate the repayment of the Lind placement facility under the terms of the Lind agreement, prior to receipt of the proceeds under the Entitlement Offer. LBT has now repaid the Lind facility in full.</p> <p>**The offer proceeds have been assumed in respect of the Entitlement Offer on the basis that the Entitlement Offer is subscribed to the maximum of \$4.5 million.</p>	Uses	Proceeds (\$m) **	US clinical sales	0.4	EU clinical sales	0.4	Pharma development (product and market development)	0.9	Working capital	1.6	Repayment of Lind facility*	0.9	Offer costs	0.3	Total uses	4.5	<p>See section 3.1</p>
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<p>Is the Entitlement Offer underwritten?</p>	<p>Yes.</p> <p>The Underwriter to the Entitlement Offer is Candour Advisory Pty Ltd, who has agreed to partially underwrite the Entitlement Offer to approximately \$3 million. A summary of the Underwriting Agreement is set out in section 6.1.</p> <p>The Underwriter has appointed a number of sub-underwriters to sub-underwrite the Entitlement Offer to the underwritten commitment of</p>	<p>See sections 2.1.4, 2.2 and 6.1</p>																

Topic	Summary	Further information
	<p>approximately \$3 million, pursuant to separate sub-underwriting agreements. The sub-underwriters include CEO, Brenton Barnes, Chair, Rebecca Wilson and Director, Damian Lismore.</p> <p>Brenton Barnes (and/or his nominee), a Director of the Company, has agreed to sub-underwrite the Entitlement Offer to the amount of \$350,000. Brenton (and/or his nominee) will be paid a fee of 5.85% of his sub-underwritten amount.</p> <p>Rebecca Wilson (and/or her nominee), a Director of the Company, has agreed to sub-underwrite the Entitlement Offer to the amount of \$100,000. Rebecca (and/or her nominee) will be paid a fee of 5.85% of her sub-underwritten amount.</p> <p>Damian Lismore (and/or his nominee), a Director of the Company, has agreed to sub-underwrite the Entitlement Offer to the amount of \$25,000. Damian (and/or his nominee) will be paid a fee of 5.85% of his sub-underwritten amount.</p> <p>Under the terms of the Underwriting Agreement, the underwriting can only be called upon if Shareholders have been offered an opportunity to take up their Entitlements and to participate in the Shortfall Offer.</p>	
<p>What is the effect of the Entitlement Offer on control of the Company?</p>	<p>The Shares issued pursuant to the Entitlement Offer will constitute approximately 253% of the Shares on issue at the date of this Prospectus following completion of the Entitlement Offer (assuming no Shares are issued or Options exercised or converted to Shares prior to the Record Date).</p> <p>As the Entitlement Offer is structured as a pro rata issue to all Eligible Shareholders, it will not have any material effect or consequence on the control of the Company if all Eligible Shareholders take up their Entitlements.</p> <p>The Company will cap the extent to which an Eligible Shareholder may take up New Securities under the Shortfall such that there will be no Shareholder whose interest would exceed 19.9% on completion of the Entitlement Offer, as a result of the Entitlement Offer.</p> <p>Shareholders should note that if they do not participate in the Offers, their holdings will be diluted.</p> <p>Refer to sections 3.2.4 and 3.2.5 for further details.</p>	<p>See section 3.2</p>
<p>What are the costs of the Entitlement Offer?</p>	<p>The costs of the Entitlement Offer are approximately \$300,000 on the basis that the Offers are subscribed to the maximum of \$4.5 million by Eligible Shareholders (and no Shortfall Securities are placed with new investors).</p>	<p>See section 3.1</p>
<p>What is my Entitlement?</p>	<p>Your Entitlement is the right granted to you under the Entitlement Offer to subscribe for 4 New Shares for every 1 Existing Share you hold at the Record Date and 1 free Attaching Option for every 1 New Share issued.</p> <p>If you are an Eligible Shareholder, your Entitlement will be set out in the personalised Entitlement and Acceptance Form which accompanies this Prospectus which can be accessed at www.computersharecas.com.au/LBT-RR.</p>	<p>See Entitlement and Acceptance Form and section 2.1.5</p>

Topic	Summary	Further information
How can I accept my Entitlement?	<p>You can apply for your Entitlement if you are an Eligible Shareholder by paying your Application Monies via BPAY® or EFT, so that payment is received by no later than 5:00pm (ACDT) on 9 November 2023.</p> <p>The Prospectus and your personalised Entitlement and Acceptance Form can be accessed at www.computersharecas.com.au/LBT-RR1.</p>	See section 2.7
Can I withdraw my application?	<p>There are no cooling off rights with respect to the Entitlement Offer. As such, to the extent permitted by law, once you have paid your Application Monies, your application will be irrevocable.</p>	See section 6.11
What happens if I choose to do nothing?	<p>If you take no action, you will not be allocated New Securities and your Entitlement will lapse.</p> <p>Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up. However, Eligible Shareholders should be aware that as the Entitlement is renounceable, the Entitlement may have value if some or all of the Entitlement is traded on the ASX or other than on the ASX.</p>	See section 2.10
How much will I pay per New Share?	\$0.005.	
What are the rights and liabilities attaching to New Securities under the Entitlement Offer?	<p>The New Shares to be issued pursuant to this Prospectus will rank equally in all respects with Existing Shares in LBT.</p> <p>Full details of the rights attaching to LBT's Shares are set out in its Constitution, a copy of which can be inspected at LBT's registered office. Further, a summary of those rights is set out in section 6.5.</p> <p>50% of the Attaching Options issued to an Eligible Shareholder will be exercisable at \$0.005 each and will expire 10 months from their date of issue, and the other 50% of Attaching Options issued to an Eligible Shareholder will be exercisable at \$0.008 each and will expire 24 months from their date of issue, and are otherwise on the terms and conditions in section 6.6.</p>	See section 6.5
What happens if I am not an Eligible Shareholder?	<p>If you are not an Eligible Shareholder, you will not be entitled to subscribe for New Securities under the Entitlement Offer.</p> <p>The Company has appointed Candour Advisory Pty Ltd (Nominee) as nominee to sell the Entitlements which would be offered to Ineligible Shareholders if they were Eligible Shareholders and to account to the Ineligible Shareholders their portion of the sale proceeds net of expenses.</p> <p>Notwithstanding that the Nominee will use its best endeavours to sell Ineligible Shareholders' Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds. In addition, there is no guarantee the Nominee will be able to sell Ineligible Shareholders' Entitlements.</p>	See sections 2.1.2 and 2.1.3

Topic	Summary	Further information
What is my Entitlement if I become a Shareholder after the Record Date?	You have no Entitlement to subscribe for New Securities under the Entitlement Offer.	See section 7 (Definition of an Eligible Shareholder)
Can I trade my Entitlement?	<p>Yes.</p> <p>Eligible Shareholders who wish to sell all or part of their Entitlement on the ASX should provide instructions to their stockbroker. The Rights Trading Period will commence on 17 October 2023 and is expected to end on 2 November 2023.</p> <p>The Company does not guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on the ASX or that any particular price will be paid for the Entitlements sold on the ASX.</p> <p>If Eligible Shareholders wish to sell all or part of their Entitlement other than on the ASX and the purchaser of the Entitlement is an Ineligible Shareholder or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to accept the purchase of the Entitlement.</p>	See sections 2.8 and 2.9
Is the Entitlement Offer subject to Shareholder approval?	No, the Entitlement Offer is not subject to Shareholder approval.	-

1.3. Key risks associated with an investment in LBT

There are risks involved with investing in New Securities and in LBT. Many of these risks are outside of the control of LBT, its directors and senior management. These risks include those described in section 5 and other matters referred to in this Prospectus. These risks may affect the future strategy, operating and financial performance of LBT and the value of LBT Shares. Before making any investment decision, you should read the entire Prospectus and carefully consider these risk factors.

Below is a summary of some of the key risks associated with an investment in Shares in LBT. This summary is not exhaustive or comprehensive. Before making any investment decision, you should read all the risks described in section 5.

Topic	Summary	Further information
Clinical market – sales risk	<p><u>United States:</u></p> <p>The Group works closely with its exclusive distributor in the US, Thermo Fisher Scientific Inc to progress identified sales opportunities. Sales achievement during FY23 was slower than expected. Whilst the Group has reasonable expectations of increasing sales in the US on the basis of the established qualified pipeline of sales opportunities, there is a risk that the expected increase in sales may not be achieved or may not be achieved in the timeframe expected. Sales are impacted by a number of risks including the commercial appeal of the APAS® instrument, performance by the Company's distributor and general economic</p>	See section 5

Topic	Summary	Further information
	<p>and other conditions impacting end customers (including pathology laboratories and hospitals), including the potential re-emergence of a pandemic.</p> <p><u>Europe:</u></p> <p>The Group appointed Thermo Fisher Scientific Inc as exclusive distributor for Europe in December 2022, replacing the existing marketing agent in the EU of Beckman Coulter Inc. (Beckman Coulter). While the new distribution agreement with Thermo Fisher Scientific Inc is expected to improve the commercial go-to-market operations in the region, there is a risk that the expected increase in sales may not be achieved or may not be achieved in the timeframe expected. Sales are impacted by a number of risks including performance by the Company's new distributor, and general economic and other conditions impacting end customers (including pathology laboratories and hospitals), including the potential re-emergence of a pandemic.</p>	
Funding risk	<p>The future viability of the Group is largely dependent on the number and timing of sales, and on its ability to raise capital to finance its operations, including payment(s) of any debt. An inability to achieve the Group's expected level of sales and raise capital as and when needed could have a negative impact on its financial condition and its ability to pursue its business strategies. If adequate funds are not available to the Group, through the Offers or other means, the Group may be required to delay, reduce or eliminate research and development programs, reduce costs, reduce or eliminate commercialisation efforts, obtain funds through arrangements with collaborators, pursue merger or acquisition strategies or cease operations. The occurrence of any of these events could have a material adverse effect on the Company's operations, financial performance and financial position.</p>	See section 5
Risks relating to expansion into the pharmaceutical market	<p>In January 2023, the Group signed an agreement with AstraZeneca for the development of an Analysis Module for the reading and interpretation of culture plates routinely used for microbial quality control testing. This is an essential quality control process required in pharmaceutical manufacturing. Under the project, AstraZeneca will fund the development of the APAS® PharmaQC Analysis Module and validate the final product for their processes. The Company expects to continue this collaboration through to the development and validation of a new Analysis Module which would extend the use of the existing instrument to the broader pharmaceutical, biotech and drug manufacturing industry. The development of this Analysis Module is expected to contribute to sales opportunities in the 2024 calendar year. If the collaboration does not progress as expected, the Group would need to find additional collaboration partners and funding to progress this initiative. If this risk eventuates, this may delay the development of an Analysis Module for the pharmaceutical industry which would impact expectations for sales in 2024 and following years, including possible reputational risks for the APAS® PharmaQC platform.</p> <p>. There is a risk that the Group's commercialisation strategy for the pharmaceutical market is not effective, resulting in less sales conversion opportunities than expected. There is a risk that the expected increase in sales in 2024 and following years may not be achieved or may not be achieved in the timeframe expected. Sales</p>	See section 5

Topic	Summary	Further information
	are impacted by a number of risks including the commercial appeal of the APAS® instrument, and general economic and other conditions impacting end customers, including the potential re-emergence of a pandemic.	
Development risk	The Group is executing the development of an Analysis Module for use in microbial quality control ('clean rooms' environmental monitoring) in the pharmaceutical industry. While the development risk has been partially mitigated through early proof of concept testing and recent positive performance data from AstraZeneca, there is a remaining inherent risk that the desired level of accuracy takes longer than expected, or is not achieved. There is also a risk that changing regulatory requirements may influence the testing requirements resulting in additional work and time to achieve regulatory clearances for both clinical and pharmaceutical microbiology markets. If this risk eventuates, it may delay anticipated sales growth.	See section 5
Supply chain risk	The COVID-19 pandemic has resulted in continuing supply chain disruption. The Group is reliant on domestic and international supply chains for the parts used in the manufacture of the APAS® instrument. At this point in time, this disruption has resulted in prolonged lead times for specific parts. The Group has mitigated this disruption by increasing its inventory of these known long lead time parts. Despite this mitigation strategy there remains an inherent risk that lack of availability or delays in parts may impact the Group's ability to manufacture to fulfill sales demand, resulting in reduced or delayed sales, or may result in increased cost of parts. Constraints in the supply chain in addition to instrument sales expectations not being met, place additional pressure on overall manufacturing (component parts sitting on shelf longer than expected, manufacturing lines being stopped, started, paused), creating a risk of potentially more costly manufacturing terms being imposed, including the Group's current manufacturer withdrawing its support to manufacture the instrument.	See section 5
Competitor risk	<p>The APAS® technology platform remains the only automated reading and interpretation of culture plates without integrated incubation in clinical microbiology known to the Company. The Group's competitors in clinical microbiology to date have chosen different approaches to providing automation solutions including onscreen viewing and interpretation of culture plates by a microbiologist. As sales of the APAS® instrument continue to grow, it becomes more likely that the Group's competitors will seek to develop similar technologies that may compete directly or indirectly with the Group's products. This has the potential to impact the future growth prospects of the APAS® instrument. If competitors develop products or technologies that are more effective, the Group's current or future products may become obsolete or uncompetitive.</p> <p>The pharmaceutical microbiology market for environmental monitoring lacks broad adoption of automation and has limited competitive automation solutions. The Group's competitors to date have chosen different approaches to providing automation solutions, including (but not limited to), requiring proprietary culture media, integrated incubation and reading, have an established brand and reputation within the market. Competitors in this market are more commercially progressed and established than APAS</p>	See section 5

Topic	Summary	Further information
	technology approaches, and therefore the barrier for entry may be commercially more difficult for the Group.	

2. Details of the Offers and How to Apply

References to “you” in this section 2 are references to Eligible Shareholders.

2.1. Entitlement Offer

This Prospectus invites Eligible Shareholders to participate in the Entitlement Offer which is a pro rata renounceable entitlement offer of 900,000,000 New Shares on the basis of 4 New Shares for every 1 Existing Share held at 7.00pm (ACDT) on the Record Date at an Offer Price of \$0.005 per New Share, for the purpose of raising up to \$4.5 million, and 900,000,000 Attaching Options on the basis of 1 free Attaching Option for every 1 New Shares subscribed for. 50% of the Attaching Options issued to an Eligible Shareholder will be exercisable at \$0.005 each and will expire 10 months from their date of issue, and the other 50% of Attaching Options issued to an Eligible Shareholder will be exercisable at \$0.008 each and will expire 24 months from their date of issue.

If the total applications for the Offer exceeds \$4.5 million, the Company reserves the right to scale back applications in its absolute and sole discretion.

The Underwriter to the Entitlement Offer is Candour Advisory Pty Ltd, who has agreed to partially underwrite the Entitlement Offer to approximately \$3 million. A summary of the Underwriting Agreement is set out in section 6.1.

The Entitlement Offer opens on 23 October 2023 and closes on 9 November 2023.

As at the date of this Prospectus, the Company has 355,900,323 Shares on issue.

In addition, the Company has on issue 32,834,841 unlisted Options with various expiry dates and vesting conditions.

On the assumption that no Options are exercised before the Record Date, and subject to rounding, the Entitlement Offer is for a maximum of 900,000,000 New Shares to raise up to \$4.5 million (before costs) and 900,000,000 Attaching Options.

You should note that not all Shareholders will be eligible to participate in the offer of New Securities. Please see section 1 and the associated definitions in the glossary in section 7 of this Prospectus for more details.

Eligible Shareholders will be allotted Entitlements under the Entitlement Offer which can be taken up in whole or in part. Entitlements are also renounceable.

All of the New Shares offered under this Prospectus will rank equally with the Existing Shares on issue as at the date of this Prospectus. Please refer to section 6.5 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares. The terms and conditions of the Attaching Options are in section 6.6. Shares issued upon the exercise of the Attaching Options will be fully paid and will rank equally with the Company's existing Shares on issue at the date of this Prospectus.

There are no minimum or maximum amounts of New Securities which must be subscribed for under the Entitlement Offer.

You should read this Prospectus carefully before making any decisions in relation to your Entitlement.

Please consider the Entitlement Offer in light of your particular investment objectives and circumstances.

Please consult with your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you have any queries or are uncertain about any aspects of the Entitlement Offer. You should also refer to the risks associated with investment in LBT and the New Securities which are set out in section 5 of this Prospectus.

An investment in the New Securities is subject to investment and other known and unknown risks, some of which are beyond the control of LBT, including possible loss of income and principal invested. LBT does not guarantee any particular rate of return or the performance of LBT, nor does it guarantee the repayment of capital from LBT or any particular tax treatment.

2.1.1. Eligible Shareholders

If you are an Eligible Shareholder, you are eligible to participate in the Entitlement Offer.

An Eligible Shareholder under this Prospectus is a Shareholder as at the Record Date and who:

- a) has a registered address in Australia or New Zealand, or is located in France, Germany or Singapore (subject to the foreign jurisdictions restrictions set out in this Prospectus);
- b) is not a Foreign Shareholder; and
- c) is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such a person holds Shares in LBT and is acting for the account or benefit of a person in the United States).

If you are a Shareholder on the Record Date who is not an Eligible Shareholder, then you are an Ineligible Shareholder.

2.1.2. Ineligible Shareholders

Ineligible Shareholders are not entitled to participate in the Entitlement Offer. If you receive this Prospectus and a personalised Entitlement and Acceptance Form but you are an Ineligible Shareholder, please disregard.

LBT has determined that it would be unreasonable on this occasion to extend the Entitlement Offer to Ineligible Shareholders, having regard to the number of Ineligible Shareholders, the number and value of New Securities the Ineligible Shareholders would have been offered, and the cost of complying with the legal and regulatory requirements which would apply to an offer of securities to Ineligible Shareholders in those places.

2.1.3. Sale of Ineligible Shareholders' rights

For the purpose of Listing Rule 7.7.1(c), the Company has appointed Candour Advisory Pty Ltd (**Nominee**) as nominee to sell the Entitlements which would be offered to Ineligible Shareholders if they were Eligible Shareholders and to account to the Ineligible Shareholders their portion of the sale proceeds net of expenses. The Nominee will not be paid a fee by the Company in respect of its role as nominee, although it will be entitled to commission upon the sale of the Entitlements.

Pursuant to the above arrangement, the Nominee will, during the Rights Trading Period, offer the Entitlements for sale on the market conducted by the ASX as soon as is reasonably practicable following their allotment. In the event the Entitlements are unable to be sold on the ASX (including due to there being no market for the Entitlements), the Nominee may also seek out opportunities to sell the Entitlements off-market. The net proceeds of the sale, after deducting all reasonable costs associated with the sale, will be provided to the Company for the benefit of the Ineligible Shareholders.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, on a pro rata basis, in Australian currency (after deducting brokerage commission and other expenses). If any such net proceeds of the sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the Nominee will use its best endeavours to sell Ineligible Shareholders' Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds. In addition, there is no guarantee the Nominee will be able to sell Ineligible Shareholders' Entitlements.

2.1.4. Underwriting and sub-underwriting

The Entitlement Offer is partially underwritten by the Underwriter. Refer to section 6.1 for details of the material terms of the Underwriting Agreement and total fees payable.

If for any reason the Underwriting Agreement is terminated before completion of the Entitlement Offer, the Company reserves the right to place the Shortfall at its discretion pursuant to the Shortfall Offer.

The Underwriter has appointed a number of sub-underwriters to sub-underwrite the Entitlement Offer to the underwritten commitment of approximately \$3 million, pursuant to separate sub-underwriting agreements. The sub-underwriters include CEO, Brenton Barnes, Chair, Rebecca Wilson and Director, Damian Lismore.

Brenton Barnes (and/or his nominee), a Director of the Company, has agreed to sub-underwrite the Entitlement Offer to the amount of \$350,000. Brenton (and/or his nominee) will be paid a fee of 5.85% of his sub-underwritten amount.

Rebecca Wilson (and/or her nominee), a Director of the Company, has agreed to sub-underwrite the Entitlement Offer to the amount of \$100,000. Rebecca (and/or her nominee) will be paid a fee of 5.85% of her sub-underwritten amount.

Damian Lismore (and/or his nominee), a Director of the Company, has agreed to sub-underwrite the Entitlement Offer to the amount of \$25,000. Damian (and/or his nominee) will be paid a fee of 5.85% of his sub-underwritten amount.

The sub-underwriting agreements may be terminated if the Company withdraws the Entitlement Offer (including in relation to a termination event detailed in section 6.1). Any New Securities will be issued to the sub-underwriters in accordance with the sub-underwriting agreements and, in any event, within 15 business days after the Closing Date in accordance with the Listing Rules.

No sub-underwriter will increase their shareholding to above 19.99% as a direct result of the issue of New Securities under the Entitlement Offer. Where Shares are issued pursuant to the exercise of Attaching Options, the voting power of the sub-underwriters who exercise their Attaching Options will increase. The likelihood of Attaching Options being exercised is dependent on the price of Shares from time to time until the Attaching Options expire.

2.1.5. Your Entitlement under the Entitlement Offer

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 4 New Shares for every 1 Existing Share you hold as at the Record Date. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number of New Securities.

If you have more than one registered holding of Existing Shares, you will be given access to more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding. New Shares issued under the Entitlement Offer will be fully paid and from allotment rank equally in all respects with Existing Shares and will be entitled to dividends on the same basis as Existing Shares. The rights and liabilities attaching to the New Shares are set out in the Constitution, which can be inspected at LBT's registered office.

Please also refer to section 6.5 which contains a summary of the rights and liabilities attaching to the New Shares.

2.1.6. Allotment of New Securities under the Entitlement Offer

New Securities under the Entitlement Offer will be allotted on the Allotment Date (expected to be 15 November 2023). No certificates will be issued in respect of New Securities. Following allotment, Eligible Shareholders who accept their Entitlement will be sent a holding statement which sets out the number of New Securities allotted to them. Applicants may contact the Registry after the Allotment Date on the LBT Entitlement Offer Information

Line on 1300 729 063 (within Australia) or +61 3 9415 4675 (outside Australia), between 8:30am and 5:00pm (AEDT) Monday to Friday to seek confirmation of their allocation.

2.2. Shortfall Offer

Any Entitlements not taken up pursuant to the Entitlement Offer will form the Shortfall Offer.

Allocation of the Shortfall Securities will be at the discretion of the Board and will otherwise be subject to the terms of the Underwriting Agreement, the key terms of which are set out in section 6.1. Under the terms of the Underwriting Agreement, the underwriting can only be called upon if Shareholders have been offered an opportunity to take up their Entitlements and to participate in the Shortfall Offer.

Eligible Shareholders may apply for Securities in excess of their Entitlements under the Shortfall Offer subject to such applications being received by the Closing Date.

The Shortfall Offer is a separate offer made pursuant to this Prospectus. The issue price of Shares offered under the Shortfall Offer will be \$0.005 each, which is the issue price at which Shares have been offered to Eligible Shareholders under the Entitlement Offer. Attaching Options will be issued on the basis of 1 Attaching Option for every 1 New Share subscribed for under the Shortfall Offer, on the same basis as the Entitlement Offer.

Shortfall Securities will only be issued if the Entitlement Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions.

The Directors reserve the right to issue Shortfall Securities at their absolute discretion within 3 months after the Closing Date. The Directors will take into consideration the allocation policy described in this section.

The allocation of Shortfall Securities by the Board will be influenced by factors including:

- a) the timing of the relevant Application; and
- b) the size of the Application for Shortfall Securities relative to the Shareholder's Entitlement.

No Shares will be issued to an Applicant under this Prospectus or via the Shortfall Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Securities will be issued via the Shortfall Offer to any Directors or other related parties of the Company unless prior Shareholder approval is received, or as a result of that Director or related party being a sub-underwriter of the Shortfall Offer.

The Directors reserve the right to issue to an Applicant a lesser number of Securities pursuant to the Shortfall Offer than the number for which the Applicant applies, or to reject an Application, or to not proceed with the Shortfall Offer. In that event, Application Monies for Securities pursuant to the Shortfall Offer will be refunded by the Company (without interest) in accordance with the provisions of the Corporations Act.

Should the Company scale back applications for Securities under the Shortfall Offer, the Applicant will be bound to accept such lesser number allocated to them. There is no guarantee that Applicants will receive Securities applied for under the Shortfall Offer.

A summary of the rights and liabilities attaching to the Shares offered under the Shortfall Offer is in section 6.5. The terms and conditions of the Attaching Options are in section 6.6. Shares issued upon exercise of the Attaching Options will be fully paid and will rank equally with the Company's existing Shares on issue at the date of this Prospectus.

Directors cannot be issued Shares under the Shortfall without prior Shareholder approval, except as a result of that Director being a sub-underwriter of the Shortfall Offer.

2.3. Placement of Shortfall

The Company may seek to place any remaining Shortfall Securities with Institutional Investors. Directors are unable to participate in any placement of the Shortfall without prior Shareholder approval, except as a result of that Director being a sub-underwriter of the Shortfall Offer.

2.4. Foreign shareholders

The Entitlement Offer is only being extended to Shareholders with registered addresses in Australia or New Zealand, or is located in France, Germany or Singapore (subject to the foreign jurisdictions restrictions set out in this Prospectus). All other Shareholders (**Foreign Shareholders**) will not be offered Entitlements under this Prospectus.

LBT has determined in accordance with the Listing Rules, that it would be unreasonable to make the Entitlement Offer under this Prospectus to Foreign Shareholders having regard to:

- a) the number of Shareholders in the places where the Entitlement Offer would be made;
- b) the number of Entitlements that would be offered; and
- c) the cost of complying with the legal requirements of those places.

No Entitlement and Acceptance Forms will be made available to Foreign Shareholders.

The distribution of this Prospectus and Entitlement and Acceptance Form in jurisdictions outside Australia, New Zealand, France, Germany or Singapore may be restricted by law. If you are a Shareholder in any jurisdiction outside these jurisdictions and you come into possession of this Prospectus, then you should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus, however, does not constitute an offer or invitation to potential investors to whom it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the New Securities or otherwise permit a public offering of the New Securities in any jurisdiction other than Australia, New Zealand, France, Germany or Singapore. In particular, the New Securities have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States, and may not be offered, sold or resold in the United States.

Nominees, trustees and custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder. See section 2.5 for further information.

LBT reserves the right to reject any application which it believes comes from a person who is not an Eligible Shareholder.

IMPORTANT INFORMATION FOR NEW ZEALAND INVESTORS

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars. If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

France and Germany

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares or the Attaching Options be offered for sale, in France or Germany except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (Prospectus Regulation).

In accordance with Article 1(4) of the Prospectus Regulation, an offer of New Shares and Attaching Options to shareholders of the Company in France and Germany is limited:

- to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation);
- to fewer than 150 natural or legal persons (other than qualified investors) in Germany; or
- in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

Singapore

This document and any other materials relating to the New Shares and the Attaching Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document relating to the New Shares and the Attaching Options may not be issued, circulated or distributed, nor may such securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (SFA) or another exemption under the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. If you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares or the Attaching Options being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire such securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United States

This Prospectus, any accompanying ASX announcements relating to the Offers and the Entitlement and Acceptance Form do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person holds Shares in LBT and is acting for the account or benefit of a person in the United States).

The New Securities have not been, and will not be, registered under the US Securities Act 1933 (US Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Securities may not be offered, sold, resold or otherwise transferred, directly or indirectly, in the United States or to persons acting for the account or benefit of a person in the United States (to the extent such persons hold Shares in LBT and are acting for the account or benefit of a person in the United States).

The New Securities may only be offered and sold to certain investors that are outside of the United States, in selected jurisdictions in reliance on Regulation S under the US Securities Act and the applicable laws of the jurisdiction in which the New Securities are being offered and sold.

2.5. Notice to nominees and custodians

Nominees and custodians may not distribute this document, and may not permit any beneficial shareholder to participate in the Offers, in any country outside Australia, New Zealand and Singapore except, with the consent of the Company, to beneficial shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the Offers.

If LBT believes you hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Entitlement Offer is not available to Ineligible Shareholders.

Persons acting as nominees for other persons may not take up Entitlements on behalf of, or send any documents relating to the Entitlement Offer to, any person in the United States or any person who is acting for the account or benefit of a person in the United States (to the extent such person holds Shares in LBT and is acting for the account or benefit of a person in the United States).

LBT is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of Existing Shares or Entitlements.

2.6. Options available to you

If you are an Eligible Shareholder, you may take either of the following actions:

- a) take up all or part of your Entitlement (see section 2.7); or
- b) sell part or all your Entitlement on the ASX (see section 2.8); or
- c) deal with part or all of their Entitlement other than on the ASX (see section 2.9); or
- d) do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements (see section 2.8).

If you wish to apply for Securities in excess of your Entitlement under the Entitlement Offer by applying for Shortfall Securities, you may do so by following the instructions set out in the personalised Entitlement and Acceptance Form.

The Entitlement Offer is a pro rata offer to Eligible Shareholders only (as defined in section 7).

Eligible Shareholders who take up their Entitlements in full will not have their percentage shareholding in LBT diluted by the Entitlement Offer. Eligible Shareholders who take up their Entitlement in full may have their percentage shareholding in LBT (held at the Record Date) increased if other Eligible Shareholders do not take up their Entitlements.

Ineligible Shareholders who are not eligible to take up their Entitlements will also have their percentage shareholding in LBT (held at the Record Date) diluted.

2.7. How to Apply under the Entitlement Offer

If you wish to take up all or part of your Entitlement, please pay your Application Monies via BPAY® or EFT by following the instructions set out on the personalised Entitlement and Acceptance Form, so that payment is received by no later than 5:00pm (ACDT) on the Closing Date.

If you wish to apply for Securities in excess of your Entitlement under the Entitlement Offer by applying for Shortfall Securities, you may do so by following the instructions set out in the personalised Entitlement and Acceptance Form.

Any Shortfall Securities will be issued at the discretion of the Board and will otherwise be subject to the terms of the Underwriting Agreement, noting that no shareholder will be issued Shortfall Securities to the extent that such issue would result in a breach of the takeovers prohibition in section 606(1) of the Corporations Act.

If you take up and pay for all or part of your Entitlement before the close of the Entitlement Offer, it is expected that you will be issued New Securities on 15 November 2023. If your application for New Securities under the Shortfall Offer is accepted in whole or in part, your New Securities will be issued to you at the same time that other New Securities are issued under the Entitlement Offer. LBT's decision on the number of New Securities to be issued to you will be final. There is no guarantee that you will be allocated any additional New Securities.

LBT also reserves the right (in its absolute discretion) to reduce the number of New Securities issued to an Eligible Shareholder if LBT believes that Shareholder's claims to be overstated or if it or its nominees fail to provide information to substantiate its claims to LBT's satisfaction (see section 2).

A copy of the Prospectus and your personalised Entitlement and Acceptance Form can be accessed at www.computersharecas.com.au/LBT-RR1. You will receive a letter containing instructions on how to access the Prospectus and your personalised Entitlement and Acceptance Form through this link.

2.8. Sell part or all of your Entitlement on the ASX

Eligible Shareholders who wish to sell all or part of their Entitlement on the ASX should provide instructions to their stockbroker. The Rights Trading Period will commence on 17 October 2023 and is expected to end on 2 November 2023.

The Company does not guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on the ASX or that any particular price will be paid for the Entitlements sold on the ASX.

2.9. Sell part or all of your Entitlement other than on the ASX

If Eligible Shareholders wish to sell all or part of their Entitlement other than on the ASX and the purchaser of the Entitlement is an Ineligible Shareholder or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to accept the purchase of the Entitlement.

2.10. If you wish to do nothing

If you take no action, you will not be allocated New Securities and your Entitlement will lapse.

Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements that they do not take up. However, Eligible Shareholders should be aware that as the Entitlement is renounceable, the Entitlement may have value if some or all of the Entitlement is traded on the ASX or other than on the ASX.

Eligible Shareholders who do not participate fully in the Entitlement Offer will have their percentage holding in LBT reduced.

2.11. Payment

You can pay by BPAY®. Cash or cheque payments will not be accepted. Receipts for payment will not be issued.

LBT will treat you as applying for as many New Securities as your payment will pay for in full.

Any Application Monies received for more than your final allocation of New Securities will be refunded as soon as practicable after the close of the Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

Eligible Shareholders who are unable to access BPAY® can pay via EFT. The Electronic Funds Transfer Form can be accessed at www.investorcentre.com/au. Click on 'Single holding' and follow the prompts. The Form is located with your Entitlement and Acceptance Form under 'Documents'.

2.11.1. Payment by BPAY

For payment by BPAY, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (CRN) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive access to more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

Please note that should you choose to pay by BPAY®:

- a) you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in section 6.11; and
- b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Securities which is covered in full by your Application Monies.

Should you choose to pay with BPAY®, it is your responsibility to ensure that your BPAY® payment is received by the LBT Registry by no later than 5:00pm (ACDT) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

LBT takes no responsibility for any failure to receive Application Monies or payment by BPAY® before the Entitlement Offer closes arising as a result of, amongst other things, delays in postage or processing of payments by financial institutions.

2.12. Making a BPAY® or EFT payment

By making a payment by BPAY® or EFT you will be deemed to have given certain representations and warranties to LBT. Please see section 6.11 for further information.

2.13. Issue of New Securities

New Securities issued under the Entitlement Offer are expected to be issued on or around 15 November 2023. Fractional entitlements to New Shares will be rounded up to the nearest whole number of New Shares.

2.14. ASX quotation and trading of New Securities

LBT will apply to ASX for the New Securities (i.e. New Shares and Attaching Options) to be quoted on ASX within 7 days after the date of the Prospectus. While LBT is not aware of any reason why quotation would be denied, there is no assurance that the application will be granted. If ASX does not grant quotation of the New Shares, LBT will refund all Application Monies in accordance with the Corporations Act and without payment of interest. There is no guarantee that the Company will be able to fulfil the ASX's requirements in relation to quotation of the Attaching Options. If so, the Attaching Options will not be tradeable on ASX. If approval for quotation of the New Shares is not granted within 3 months after the date of this Prospectus (or any later time permitted by law), the Company will not issue any New Shares under the Entitlement Offer.

The fact that ASX may grant quotation of the New Securities is not to be taken as an indication of the merits of LBT or the New Securities issued under the Entitlement Offer. Subject to approval being granted, it is expected that normal trading of the New Securities allotted under the Entitlement Offer will commence on 20 November 2023.

Holding statements are expected to be dispatched by the Registry to Eligible Shareholders on 20 November 2023. It is the responsibility of each Applicant to confirm their holding before trading in New Securities. Any Applicant who sells New Securities before receiving confirmation of their holding in the form of their holding statement will do so at their own risk. LBT, its respective related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents disclaim all liability whether in negligence or otherwise (and to the maximum extent permitted by law) to persons who trade New Securities before receiving their holding statement from the Registry, whether on the basis of confirmation of the allocation provided by LBT or the Registry.

2.15. CHES and issuer sponsored holdings

New Shares will participate from the date of commencement of quotation in CHES. New Shares must be held in uncertificated form (i.e. no share certificate will be issued) on the CHES sub register normally under sponsorship of a participant (usually a broker) or on the issuer-sponsored sub register. Arrangements can be made at any subsequent time, through your controlling participant, to convert your holding from the issuer-sponsored sub register to the CHES sub register or vice versa.

2.16. Application Monies and interest

Application Monies received from an Applicant will, until New Securities in respect of the Application Monies are issued, be held by LBT in a trust account. If you are allotted less than the number of New Securities you applied for, you will be sent a refund cheque for the relevant amount of Application Monies (without interest) not applied towards the issue of New Securities, as soon as practicable after the Allotment Date. Any balance of Application Monies that is remaining as a result of rounding will be refunded to you except where the amount is less than \$2, in which instance it will be retained by LBT or donated to charity.

LBT reserves the right to withdraw or vary all or part of the Entitlement Offer at any time, subject to Applicable Laws, in which case LBT will refund Application Monies in relation to Entitlements or New Securities not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, each Applicant agrees that such Application Monies shall not bear or earn interest for the Applicant, irrespective of whether or not all or any New Securities applied for by the Applicant are issued to the Applicant, and that any interest earned on Application Monies held by LBT shall be the property of LBT.

2.17. Taxation implications

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

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

2.18. Disclaimer

LBT reserves the right to determine whether a Shareholder is an Eligible Shareholder. Please see sections 2.1.1 of this Prospectus for details of what constitutes an Eligible Shareholder. Please also refer to section 6.11 of this Prospectus which sets out the representations and warranties that accepting Shareholders will be deemed to have given (confirming that they are an Eligible Shareholder) by making a payment by BPAY® or EFT.

LBT, its respective related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents disclaim all liability (to the maximum extent permitted by law) in respect of the determination as to whether a Shareholder is an Eligible Shareholder.

2.19. Enquiries

If you have any questions, please contact the LBT Entitlement Offer Information Line on 1300 729 063 (within Australia) or +61 3 9415 4675 (outside Australia). The LBT Entitlement Offer Information Line will be open from 8:30am and 5:00pm (AEDT, Monday to Friday during the Entitlement Offer period. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

3. Purpose and Effect of the Entitlement Offer

3.1. Sources and uses

LBT is seeking to raise up to \$4.5 million pursuant to the Entitlement Offer.

The total gross proceeds of the Entitlement Offer will be equal to the number of Shares issued under the Entitlement Offer multiplied by the Offer Price.

The following table details the uses of the proceeds of the Entitlement Offer.

Uses	Proceeds (\$m)**
US clinical sales	0.4
EU clinical sales	0.4
Pharma development (product and market development)	0.9
Working capital	1.6
Repayment of Lind facility*	0.9
Offer costs	0.3
Total uses	4.5

Notes:

* LBT was provided with a short-term loan by one of the sub-underwriters to the Entitlement Offer to facilitate the repayment of the Lind placement facility under the terms of the Lind agreement, prior to receipt of the proceeds under the Entitlement Offer. LBT has now repaid the Lind facility in full.

**The offer proceeds have been assumed in respect of the Entitlement Offer on the basis that the Entitlement Offer is subscribed to the maximum of \$4,500,000.

3.2. Capital structure

3.2.1. Current capital structure as at the date of the Prospectus

Current capital structure	
355,900,323 Shares	32,834,841 unlisted Options*

* Comprising:

100,000 unlisted Options with an exercise price of \$0.045 and expiring 11 December 2023

1,040,000 unlisted Options with an exercise price of \$0.237 and expiring 18 November 2024

2,573,174 unlisted Options with an exercise price of \$0.130 and expiring 28 November 2024

8,000,000 unlisted Options with an exercise price of \$0.250 and expiring 31 December 2024

821,667 unlisted Options with an exercise price of \$0.175 and expiring 26 August 2025

6,000,000 unlisted Options with an exercise price of \$0.160 and expiring 25 November 2025

500,000 unlisted Options with an exercise price of \$0.141 and expiring 11 April 2026

3,100,000 unlisted Options with an exercise price of \$0.120 and expiring 14 April 2026

1,500,000 unlisted Options with an exercise price of \$0.157 and expiring 7 August 2026

100,000 unlisted Options with an exercise price of \$0.320 and expiring 22 December 2026

100,000 unlisted Options with an exercise price of \$0.400 and expiring 28 February 2027

500,000 unlisted Options with an exercise price of \$0.080 and expiring 28 November 2029

500,000 unlisted Options with an exercise price of \$0.063 and expiring 28 November 2029

500,000 unlisted Options with an exercise price of \$0.136 and expiring 29 December 2031

7,500,000 unlisted Options with an exercise price of \$0.05 and expiring 23 March 2027

3.2.2. Substantial Shareholders in LBT

Substantial holders in the Company, as disclosed in substantial holding notices given to the Company, are set out below:

Substantial holder	Shares	
	Number	Percentage
Hettich Holding Beteiligungs- und Verwaltungs GmbH*	30,660,337	8.61%

*Hettich Holding Beteiligungs- und Verwaltungs GmbH also holds 8,000,000 unlisted Options with an exercise price of \$0.25 and an expiry date of 31 December 2024.

3.2.3. Effect of the Entitlement Offer on capital structure

The indicative capital structure of the Company following completion of the Entitlement Offer is set out below.

	As at the date of the Prospectus	On issue of New Securities*
Shares	355,900,323	1,255,900,323
Options	32,834,841**	932,834,841

Notes:

*The number of New Securities issued has been assumed in respect of the Entitlement Offer on the basis that the Entitlement Offer is subscribed to the maximum of \$4.5 million. The number of New Securities issued under the Entitlement Offer are estimates only due to the rounding of Entitlements and reconciliations of Entitlement under the Entitlement Offer to Shareholders as at the Record Date. The exact number of New Securities to be issued under the Entitlement Offer will not be known until settlement of the Entitlement Offer.

**Unlisted Options

100,000 unlisted Options with an exercise price of \$0.045 and expiring 11 December 2023

1,040,000 unlisted Options with an exercise price of \$0.237 and expiring 18 November 2024

2,573,174 unlisted Options with an exercise price of \$0.130 and expiring 28 November 2024

8,000,000 unlisted Options with an exercise price of \$0.250 and expiring 31 December 2024

821,667 unlisted Options with an exercise price of \$0.175 and expiring 26 August 2025

6,000,000 unlisted Options with an exercise price of \$0.160 and expiring 25 November 2025

500,000 unlisted Options with an exercise price of \$0.141 and expiring 11 April 2026

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1,500,000 unlisted Options with an exercise price of \$0.157 and expiring 7 August 2026

100,000 unlisted Options with an exercise price of \$0.320 and expiring 22 December 2026

100,000 unlisted Options with an exercise price of \$0.400 and expiring 28 February 2027

500,000 unlisted Options with an exercise price of \$0.080 and expiring 28 November 2029

500,000 unlisted Options with an exercise price of \$0.063 and expiring 28 November 2029

500,000 unlisted Options with an exercise price of \$0.136 and expiring 29 December 2031

7,500,000 unlisted Options with an exercise price of \$0.05 and expiring 23 March 2027

3.2.4. Effect of the Entitlement Offer on capital structure and control of the Company

The Shares issued pursuant to the Entitlement Offer will constitute approximately 253% of the Shares on issue at the date of this Prospectus following completion of the Entitlement Offer (assuming no Shares are issued or Options exercised or converted to Shares prior to the Record Date).

As the Entitlement Offer is structured as a pro rata issue to all Eligible Shareholders, it will not have any material effect or consequence on the control of the Company if all Eligible Shareholders take up their Entitlements. If Shareholders do not take up their Entitlements (whether because they are Ineligible Shareholders or otherwise), their shareholding in the Company will be diluted. The shareholding of Shareholders who only take up part of their Entitlements will also be diluted, but to a lesser extent.

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by up to 71.7%. Examples of how the dilution may impact Shareholders are set out in the table below, assuming \$4.5 million is raised.

Holder	Holding as at Record Date	% as at Record Date	Entitlement to Shares	Shareholding if Entitlement not subscribed	% post Entitlement Offer
Shareholder 1	500,000	0.14%	2,000,000	500,000	0.04%
Shareholder 2	1,000,000	0.28%	4,000,000	1,000,000	0.08%
Shareholder 3	5,000,000	1.40%	20,000,000	5,000,000	0.40%
Shareholder 4	10,000,000	2.81%	40,000,000	10,000,000	0.80%
Shareholder 5	15,000,000	4.21%	60,000,000	15,000,000	1.19%

The dilution effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall is not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

No immediate dilution will occur as a result of the issue of the new Options under this Prospectus. However, subsequent exercise of any or all of the new Options will result in dilution. Assuming all new Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Entitlement Offer, are likely to be diluted by an aggregate of approximately 83.5%.

No Eligible Shareholder will increase their voting power in the Company to 20% or more under the Entitlement Offer.

Notwithstanding that the Nominee has been appointed to deal with Ineligible Shareholders' Entitlements (see section 2.1.3), no nominee has been appointed for Ineligible Shareholders under section 615 of the Corporations Act and, as such, Eligible Shareholders will not be able to rely on the exception for rights issues in item 10 of section 611 of the Corporations Act. Accordingly, when an Eligible Shareholder applies for some or all of their Entitlement or additional Shares under the Shortfall Offer, they will not be permitted to increase their voting power:

- a) from 20% or below 20% to above 20%; or
- b) from a starting point of above 20% and below 90%,

as a result of accepting their Entitlement under the Offer without breaching section 606(1) of the Corporations Act.

As a consequence, the Company will not issue Shares to any applicant or other person if the result of any such issue would result in any person (and that person's associates) acquiring a relevant interest contrary to section 606 of the Corporations Act. This may result in the Company scaling back applications from Eligible Shareholders to ensure that no breach of section 606 of the Corporations Act occurs.

Without limiting the above, it is the responsibility of Eligible Shareholders to ensure that their participation under the Offer does not result in them breaching section 606 of the Corporations Act.

Eligible Shareholders, by lodging applications for Shares, acknowledge and accept the right and obligation of the Company to not allot or issue Shares to them which would result in any breach by them of section 606 of the Corporations Act and direct the Company to so act. Eligible Shareholders who may be at risk of exceeding the 20% voting power threshold in section 606 as a result of acceptance of their Entitlement should seek professional advice before completing and returning their Application Form.

As the Entitlement Offer is renounceable, the Company has appointed the Nominee to arrange for the sale of Entitlements that would have been given to Ineligible Foreign Shareholders and to account to them for the net proceeds of the sale. As at the date of this Prospectus, the Underwriter holds no Shares in the Company (and it has indicated that it has no intention of acquiring Shares in the Company prior to the Record Date). The Underwriter has agreed to partially underwrite the Entitlement Offer for up to approximately \$3 million and will receive 6.5% of the underwritten amount (excluding GST) as part of its fee pursuant to the Underwriting Agreement. Please refer to section 6.1 for a summary of the Underwriting Agreement. No Shares will be issued under this Prospectus if the issue of Shares would contravene the takeover prohibition in section 606(1) of the Corporations Act.

In addition, the Underwriter has appointed sub-underwriters to the full underwritten commitment, which include CEO, Brenton Barnes, Chair, Rebecca Wilson and Director, Damian Lismore.

Brenton Barnes (and/or his nominee), a Director of the Company, has agreed to sub-underwrite the Entitlement Offer to the amount of \$350,000. Brenton (and/or his nominee) will be paid a fee of 5.85% of his sub-underwritten amount. There are no expected control implications of Brenton (and/or his nominee) sub-underwriting the Entitlement Offer to the amount of \$350,000 and/or taking up his Entitlement.

At the date of this Prospectus, Brenton has a Voting Power of 2,121,797 Shares (representing 0.60% of the Company).

In connection with the Offers, Brenton may be issued up to:

- 8,487,188 New Shares and 8,487,188 Attaching Options under the Entitlement Offer; and

- 70,000,000 New Shares and 70,000,000 Attaching Options pursuant to his sub-underwriting agreement.

If Brenton sub-underwrites the Entitlement Offer to the amount of \$350,000 and takes up his Entitlement, his Voting Power will increase to 6.4%, assuming the Entitlement Offer is fully subscribed up to the maximum of \$4.5 million.

Rebecca Wilson (and/or her nominee), a Director of the Company, has agreed to sub-underwrite the Entitlement Offer to the amount of \$100,000. Rebecca (and/or her nominee) will be paid a fee of 5.85% of her sub-underwritten amount. There are no expected control implications of Rebecca (and/or her nominee) sub-underwriting the Entitlement Offer to the amount of \$100,000 and/or taking up her Entitlement.

At the date of this Prospectus, Rebecca has no Voting Power.

In connection with the Offers, Rebecca may be issued up to 20,000,000 New Shares and 20,000,000 Attaching Options pursuant to her sub-underwriting agreement.

If Rebecca sub-underwrites the Entitlement Offer to the amount of \$100,000 and takes up her Entitlement, her Voting Power will increase to 1.6%, assuming the Entitlement Offer is fully subscribed up to the maximum of \$4.5 million.

Damian Lismore (and/or his nominee), a Director of the Company, has agreed to sub-underwrite the Entitlement Offer to the amount of \$25,000. Damian (and/or his nominee) will be paid a fee of 5.85% of his sub-underwritten amount. There are no expected control implications of Damian (and/or his nominee) sub-underwriting the Entitlement Offer to the amount of \$25,000 and/or taking up his Entitlement.

At the date of this Prospectus, Damian has a Voting Power of 539,494 Shares (representing 0.15% of the Company).

In connection with the Offers, Damian may be issued up to:

- 2,157,976 New Shares and 2,157,976 Attaching Options under the Entitlement Offer; and
- 5,000,000 New Shares and 5,000,000 Attaching Options pursuant to his sub-underwriting agreement.

If Damian sub-underwrites the Entitlement Offer to the amount of \$25,000 and takes up his Entitlement, his Voting Power will increase to 0.6%, assuming the Entitlement Offer is fully subscribed up to the maximum of \$4.5 million.

3.2.5. Measures taken to mitigate potential control issues

In accordance with Takeover Panel Guidance Note 17, the Company has implemented the following measures to mitigate any potential control effects as outlined in section 3.2.4 above:

- a) opted to undertake a renounceable entitlement offer, rather than a non-renounceable entitlement offer (and the Board considers there may be an active market for trading of Entitlements);
- b) implemented a dispersion strategy, including that the Underwriter has agreed with a number of sub-underwriters for them to sub-underwrite the Entitlement Offer to the underwritten commitment of approximately \$3 million, and that sufficient time (with an offer period of over 2 weeks) and disclosure is being given to shareholders to assess the Securities being offered; and
- c) will ensure that no shareholder, through participation in the Entitlement Offer or the Shortfall Offer, breaches the takeover prohibition under section 606(1) of the Corporations Act.

4. Financial information

4.1. Preparation of Pro forma historical balance sheet

The historical financial information (**Financial Information**) contained in this section 4, which has been prepared for inclusion in this Prospectus, includes a Historical Consolidated Balance Sheet at 30 June 2023 and a Historical Consolidated Pro forma Balance Sheet at 30 June 2023.

All amounts disclosed in the tables are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest thousand dollars.

4.2. Basis of preparation and presentation of Financial Information

The Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding the historical financial position of the Company, together with the effect of the Offers.

The Directors are responsible for the preparation of the Financial Information.

The Financial Information presented in this section is not audited. The Financial Information is presented in an abbreviated form and does not contain all of the presentation, disclosures, statements and comparative information as required by Australian Accounting Standards that are usually provided in an annual or interim financial report prepared in accordance with the Corporations Act.

The Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards as issued by the Australian Accounting Standards Board and LBT's accounting policies and prevailing as at 30 June 2023. The accounting policies as at 30 June 2023 are set out in LBT's Annual Report 2023 which can be found on LBT's website, <https://www.lbtinnovations.com/>.

4.3. Pro forma consolidated statement of financial position

Set out below is:

- a) a summary of the Company's historical consolidated balance sheet as at 30 June 2023, derived from the Company's published annual accounts (**Historical Balance Sheet**);
- b) the unaudited effects of the Offers (assuming the Offers are subscribed to the maximum of \$4.5 million); and
- c) the Historical Balance Sheet with pro forma adjustments as at 30 June 2023 that assume the Offers raise \$4.5 million less \$0.29 million costs associated with the Offers.

Consolidated Statement of Financial Position				
As at 30 June 2023				
	Reported	Maximum Rights Issue proceeds	Less Rights Issue costs	Proforma (Adjusted)
	\$ 000's	\$ 000's	\$ 000's	\$ 000's
ASSETS				
Current Assets				
Cash and Cash Equivalents	2,020	4,500	-302	6,218
Trade and Other Receivables	482			482
Inventory	1,490			1,490
Current Tax Asset	849			849
Total Current Assets	4,841			9,039
Non-Current Assets				
Property Plant and Equipment	51			51
Right of Use Assets	1,622			1,622
Deferred Tax Assets	856			856
Total Non-Current Assets	2,529			2,529
Total Assets	7,370			11,568
LIABILITIES				
Current Liabilities				
Trade and Other Payables	1,165			1,165
Lease Liabilities	208			208
Other Financial Liabilities	2,816			2,816
Total Current Liabilities	4,189			4,189
Non-Current Liabilities				
Lease Liabilities	1,436			1,436
Other Financial Liabilities	757			757
Deferred Tax Liabilities	856			856
Provisions	237			237
Total Non-Current Liabilities	3,286			3,286
Total Liabilities	7,475			7,475
Net Assets	-105			4,093
Equity				
Issued Capital	47,017	4,500	-302	51,215
Reserves	1,947			1,947
Accumulated Losses	-49,069			-49,069
Total Equity	-105			4,093

5. Key Risks

This section includes details of the key risks attaching to an investment in Shares in LBT. These risks may affect the future strategy, operating and financial performance of LBT and the value of LBT Shares. The key risks are not set out in any particular order.

Additional risks and uncertainties that LBT is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect LBT's strategy, operating and financial performance. You should note that the occurrence or consequences of some of the risks described in this section are partially or completely outside the control of LBT, its directors and senior management. Further, you should note that this section focuses on the potential key risks and does not purport to list every risk that LBT may have now or in the future. It is also important to note that there can be no guarantee that LBT will achieve its stated objectives or that any forward-looking statements or forecasts contained in this Prospectus will be realised or otherwise eventuate. All potential investors should satisfy themselves that they have a sufficient understanding of these matters, including the risks described in this section, and have regard to their own investment objectives, financial circumstances and taxation position.

This section contains an outline of the material business risks that may impact on LBT achieving its strategic objectives and business operations and should be read in conjunction with LBT's Annual Report 2023, which is available at www.asx.com.au (search by reference to LBT's ASX ticker which is "LBT").

Investors should note that past performance may not be a reliable indicator of future performance. Before deciding whether to invest in New Securities, you should consider whether such an investment is suitable for you having regard to publicly available information (including this Prospectus), your personal circumstances and following consultation with a financial or other professional adviser.

5.1. Business Specific Risks

Key risks relating to LBT are set out below. It is not, however, possible to describe all the risks to which LBT and its business may become subject and which may impact adversely on LBT's prospects and performance. Specific risk factors which may have a significant impact on the future performance of LBT include the following:

5.1.1. Clinical market - sales risk

US Sales

The Group works closely with its exclusive distributor in the US, Thermo Fisher Scientific Inc to progress identified sales opportunities. Sales achievement during FY23 was slower than expected. Whilst the Group has reasonable expectations of increasing sales in the US on the basis of the established qualified pipeline of sales opportunities, there is a risk that the expected increase in sales may not be achieved or may not be achieved in the timeframe expected. Sales are impacted by a number of risks including the commercial appeal of the APAS[®] instrument, performance by the Company's distributor and general economic and other conditions impacting end customers (including pathology laboratories and hospitals), including the potential re-emergence of a pandemic.

EU Sales

The Group appointed Thermo Fisher Scientific Inc as exclusive distributor for Europe in December 2022, replacing the existing marketing agent in the EU of Beckman Coulter Inc. (**Beckman Coulter**). While the new distribution agreement with Thermo Fisher Scientific Inc is expected to improve the commercial go-to-market operations in the region, there is a risk that the expected increase in sales may not be achieved or may not be achieved in the timeframe expected. Sales are impacted by a number of risks including performance by the Company's new distributor, and general economic and other conditions impacting end customers (including pathology laboratories and hospitals), including the potential re-emergence of a pandemic.

5.1.2. Funding risk

The future viability of the Group is largely dependent on the number and timing of sales, and on its ability to raise capital to finance its operations, including payment(s) of any debt. An inability to achieve the Group's expected level of sales and raise capital as and when needed could have a negative impact on its financial condition and its ability to pursue its business strategies. If adequate funds are not available to the Group,

through the Offers or other means, the Group may be required to delay, reduce or eliminate research and development programs, reduce costs, reduce or eliminate commercialisation efforts, obtain funds through arrangements with collaborators, pursue merger or acquisition strategies or cease operations. The occurrence of any of these events could have a material adverse effect on the Company's operations, financial performance and financial position.

5.1.3. Risks relating to expansion into the pharmaceutical market

In January 2023, the Group signed an agreement with AstraZeneca for the development of an Analysis Module for the reading and interpretation of culture plates routinely used for microbial quality control testing. This is an essential quality control process required in pharmaceutical manufacturing. Under the project, AstraZeneca will fund the development of the APAS® PharmaQC Analysis Module and validate the final product for their processes. The Company expects to continue this collaboration through to the development and validation of a new Analysis Module which would extend the use of the existing instrument to the broader pharmaceutical, biotech and drug manufacturing industry. The development of this Analysis Module is expected to contribute to sales opportunities in the 2024 calendar year. If the collaboration does not progress as expected, the Group would need to find additional collaboration partners and funding to progress this initiative. If this risk eventuates, this may delay the development of an Analysis Module for the pharmaceutical industry which would impact expectations for sales in 2024 and following years, including possible reputational risks for the APAS® PharmaQC platform.

. There is a risk that the Group's commercialisation strategy for the pharmaceutical market is not effective, resulting in less sales conversion opportunities than expected. There is a risk that the expected increase in sales in 2024 and following years may not be achieved or may not be achieved in the timeframe expected. Sales are impacted by a number of risks including the commercial appeal of the APAS® instrument, and general economic and other conditions impacting end customers, including the potential re-emergence of a pandemic.

5.1.4. Development risk

The Group is executing the development of an Analysis Module for use in microbial quality control ('clean rooms' environmental monitoring) in the pharmaceutical industry. While the development risk has been partially mitigated through early proof of concept testing and recent positive performance data from AstraZeneca, there is a remaining inherent risk that the desired level of accuracy takes longer than expected, or is not achieved. There is also a risk that changing regulatory requirements may influence the testing requirements resulting in additional work and time to achieve regulatory clearances for both clinical and pharmaceutical microbiology markets. If this risk eventuates, it may delay anticipated sales growth.

5.1.5. Supply chain risk

The COVID-19 pandemic has resulted in continuing supply chain disruption. The Group is reliant on domestic and international supply chains for the parts used in the manufacture of the APAS® instrument. At this point in time, this disruption has resulted in prolonged lead times for specific parts. The Group has mitigated this disruption by increasing its inventory of these known long lead time parts. Despite this mitigation strategy there remains an inherent risk that lack of availability or delays in parts may impact the Group's ability to manufacture to fulfill sales demand, resulting in reduced or delayed sales, or may result in increased cost of parts. Constraints in the supply chain in addition to instrument sales expectations not being met, place additional pressure on overall manufacturing (component parts sitting on shelf longer than expected, manufacturing lines being stopped, started, paused), creating a risk of potentially more costly manufacturing terms being imposed, including the Group's current manufacturer withdrawing its support to manufacture the instrument.

5.1.6. Competitor risk

The APAS® technology platform remains the only automated reading and interpretation of culture plates without integrated incubation in clinical microbiology known to the Company. The Group's competitors in clinical microbiology to date have chosen different approaches to providing automation solutions including onscreen viewing and interpretation of culture plates by a microbiologist. As sales of the APAS® instrument continue to grow, it becomes more likely that the Group's competitors will seek to develop similar technologies that may compete directly or indirectly with the Group's products. This has the potential to impact the future growth prospects of the APAS® instrument. If competitors develop products or technologies that are more effective, the Group's current or future products may become obsolete or uncompetitive.

The pharmaceutical microbiology market for environmental monitoring lacks broad adoption of automation and has limited competitive automation solutions. The Group's competitors to date have chosen different approaches to providing automation solutions, including (but not limited to), requiring proprietary culture media, integrated incubation and reading, have an established brand and reputation within the market. Competitors in this market are more commercially progressed and established than APAS technology approaches, and therefore the barrier for entry may be commercially more difficult for the Group.

5.1.7. Pandemic risk

The recent COVID-19 pandemic evidenced the negative impact on the Company's ability to close sales and generate new sales leads, with the target customers being hospitals and pathology laboratories which were significantly impacted by demands for COVID-19 testing, and due to the inability to travel and engage in 'face to face' meetings. This impact has now largely abated; however the risk remains should a new pandemic arise, including a new COVID-19 variant requiring reimplementing of travel restrictions, together with significant testing and isolation requirements.

5.1.8. Exchange rate risk

LBT operates internationally and therefore fluctuations in prevailing exchange rates may negatively affect LBT's profitability and financial position. Unhedged and unfavourable movements in foreign exchange rates may have an adverse effect on the Company's revenue and/or cost of operating and therefore affect the market price of Shares. The most common foreign currencies to be used for sales are US dollars and the Euro.

5.1.9. Regulatory risk – clinical microbiology

The Group's APAS instrument and each Analysis Module is subject to regulatory clearance and registration in its key markets of the EU and the US.

Although the APAS instrument and certain Analysis Modules are already appropriately cleared and registered for sale in its key markets, there is a risk that regulatory requirements may change, increasing the costs and resources associated with regulatory compliance. In addition, if regulators took the view that the Group had failed to comply with regulatory requirements, this could lead to enforcement action resulting in public warnings, infringement notices or the imposition of a pecuniary penalty. This could lead to significant damage to the Group's reputation and consequently impact on its income.

Regulatory changes may also increase the cost and resources associated with obtaining regulatory clearance and registration for Analysis Modules under development or to be developed in the future. This could increase the costs and resources associated with obtaining regulatory compliance and may delay or jeopardise regulatory clearance which would negatively impact the Group's expectations for sales growth.

5.1.10. Labour market risk

The current labour market conditions pose an increased risk of staff turnover and impact the ability to quickly replace staff. Current labour shortages may result in increased costs of labour. Staff turnover and delays in recruitment have the potential to delay the expected development timelines for Analysis Modules which may delay expected sales growth.

Labour shortages in many countries, including the US, are also strengthening the case for automation. However, it also means it is more difficult to gain the attention of potential new customer sites while they are coping with staff shortages, which may reduce sales. The key mitigation strategy adopted by the Company remains the identification and engagement of the right decision makers at potential customer sites, particularly through the established relationships of the Thermo Fisher Scientific Inc. sales force in the US and EU.

5.1.11. Intellectual property risk

The Group seeks to protect its intellectual property through patents, trademarks, trade secrets, copyright and know-how. In particular, the Group has registered patents over the core APAS technology for image capture and AI assisted software development for image reading and interpretation (Analysis Modules).

Whilst the Group protects its intellectual property through these measures, there can be no guarantee that there will not be any unauthorised use or misuse of its intellectual property or reverse engineering of its software by competitors. If the Group fails to protect its intellectual property, competitors may gain access to proprietary information which could harm the Group's business.

There is a risk that the Group will not be able to register or otherwise protect new intellectual property it develops in the future. Competitors may be able to work around any of the applications or other intellectual property rights used by the Group, or independently develop technologies or competing products that are not covered by the Group's intellectual property rights. This may materially adversely impact the Group's revenue, legal expenses and profitability.

If the Group believes its intellectual property rights have been infringed, it may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of the Group's rights. Any litigation, whether or not successful, could result in significant expense to the Group and divert the efforts of its personnel. In addition, any infringement could result in revenue loss and may be detrimental to LBT's reputation and brand value.

LBT's commercial success is, to a large extent, reliant upon its intellectual property being suitably protected and providing the Group with enforceable rights (through the registration of patents and trade marks). The Group cannot give assurance that the patents, trade marks or other intellectual property in existence today or created in the future will be able to be adequately protected.

5.2. General Risks

5.2.1. Economic and government risks

The future viability of the Company is also dependent on a number of other factors affecting performance of all industries including, but not limited to, the following:

- a) general economic conditions in jurisdictions in which the Company operates;
- b) changes in government policies, taxation and other laws in jurisdictions in which the Company operates;
- c) the interpretation of taxation laws by the relevant taxation authority differing from the Company's interpretation;
- d) the strength of the equity and share markets in Australia and throughout the world;
- e) movement in, or outlook on, exchange rates, interest rates and inflation rates in jurisdictions in which the Company operates; and
- f) natural disasters, industrial disputes, social upheaval or war in jurisdictions in which the Company operates.

5.2.2. Financial markets risks

Share market conditions may affect the value of the Company's quoted Shares regardless of the Company's operating performance. Share market conditions may be affected by many factors including, but not limited to, the following:

- a) general economic outlook;
- b) interest rates and inflation rates;
- c) currency fluctuations;
- d) changes in investor sentiment toward particular market sectors;
- e) the demand for, and supply of, capital; and
- f) terrorism or other hostilities.

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

5.2.3. Reputational risk

Issues of a varying nature may arise that would give rise to reputational risk and cause harm to LBT's business dealings and prospects. These issues include appropriately dealing with potential conflicts of interest, legal and regulatory requirements, issues of ethics, money laundering laws, trade sanctions legislation, privacy, information security policies, sales and trading practices and conduct by companies in which LBT holds strategic interests. Failure to address these issues appropriately could give rise to additional legal risk, subject entities within the Company to regulatory actions, fines and penalties, or harm the reputation of LBT or the Company among its shareholders, customers and investors.

5.2.4. Risk of litigation, claims and disputes

The Company is exposed to the risk of actual or threatened litigation or legal disputes in the form of claims by shareholders, regulatory authorities, employees, customers, competitors or partners, personal injury and property damage claims, environmental and indemnity claims, employee claims and other litigation and disputes. The Company may also need to institute proceedings from time to time, such as to defend a proprietary right. There is a risk that such litigation, claims and disputes could materially and adversely affect the Company's operating and financial performance due to the cost of defending and/or settling such claims, and could affect the Company's reputation.

5.2.5. Investment risk

An investment in the Shares to be issued pursuant to this Prospectus should be considered speculative. They carry no guarantee as to payment of dividends, return of capital or the future market value of the Shares. The prices at which an investor may be able to trade the Shares may be above or below the price paid for the Shares. Prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

5.2.6. Legislative risk

Changes in government regulations and policies, including potential changes to Australia's tax laws and foreign tax laws relevant to the Company, may adversely affect the financial performance or the current and proposed operations of the Company.

5.2.7. Force majeure

Events may occur within or outside Australia that could impact upon the Australian economy, LBT's operations and the price of the Shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on LBT's ability to conduct business.

5.3. General Risks associated with Equity Investments

5.3.1. There is a risk of shareholder dilution

In the future, LBT may elect to issue new Shares in connection with future fundraising. While LBT will be subject to the constraints of the Listing Rules regarding the percentage of its capital it is able to issue within a rolling 12-month period (other than where certain exceptions apply), there is a risk that the future issue of additional equity could result in dilution for Shareholders.

5.3.2. Taxation changes may occur

Future changes in tax laws, including changes in interpretation or application of those laws by a court or tax authority may affect the tax treatment of an investment in LBT Shares, or the holdings and disposal of those Shares. Tax considerations may differ between LBT Shareholders. Therefore, prospective investors are encouraged to seek professional tax advice in connection with any investment in LBT Shares.

Tax rules or their interpretation for both LBT and its Shareholders may change. There is a risk that both the level and basis of taxation may change both in Australia and in foreign jurisdictions where LBT currently transacts, as well as new markets it may enter in the future. The tax considerations of investing in the Shares may differ for each Shareholder. Each prospective investor is encouraged to seek professional tax advice in connection with any investment in LBT.

5.3.3. Trading and liquidity in Shares

Even though the New Shares are to be quoted on the ASX, there can be no guarantee of an active trading market for such Shares or that the price of those Shares will increase following completion of the Offers. There may be relatively few potential buyers or sellers of these Shares on ASX at any given time. This may increase the volatility of the market price for their Shares that is less or more than the price that Shareholders paid for their New Shares under the Offers.

5.3.4. Inability to pay dividends or make other distributions or potential for dividends paid not to be franked

LBT does not currently pay a dividend. LBT's dividend policy is at the discretion of the Board and may change over time.

There is no guarantee that dividends will be paid on Shares in the future, as this is a matter to be determined by the Board in its discretion and the Board's decision will have regard to, amongst other things, free cash flow generation, profit generation and availability of franking credits.

To the extent to which a dividend can be franked will depend on LBT's franking account balance and its level of distributable profits. LBT's franking account balance is contingent on LBT making Australian taxable profits and will depend on the amount of Australian income tax paid by LBT on those Australian taxable profits.

5.4. Entitlement Offer Risks

5.4.1. Equity raising dilution risk

If shareholders do not participate in the Entitlement Offer then their percentage shareholding in LBT will be significantly diluted.

5.4.2. Attaching Options

There is no guarantee that the market price of the underlying Shares will trade above the exercise price of the Attaching Options. Accordingly, there is a risk that the Attaching Options could expire out of the money.

6. Additional Information

This section sets out a number of matters of which you should be aware that have not been addressed in detail elsewhere in this Prospectus. It gives details of the availability of certain other important documents and a summary of some of these documents that are relevant for your investment decision. In addition, certain other prescribed details in respect of the Offers have been set out in this section 6.

6.1. Underwriting Agreement

The Offer is being partially underwritten by Candour Advisory Pty Ltd (**Underwriter**), pursuant to an underwriting agreement between the Underwriter and the Company (**Underwriting Agreement**). Pursuant to the terms of the Underwriting Agreement, the Underwriter has agreed to partially underwrite the Offer up to approximately \$3 million.

Underwriter fees and expenses

The Company has agreed to pay the Underwriter an underwriting fee of 6.5% of the underwritten amount (exclusive of GST).

The Underwriter is responsible for any fees payable to sub-underwriters in relation to the Offer.

Termination rights

The Underwriter may terminate the Underwriting Agreement without cost or liability by notice to the Company if any of the following events occurs:

- a) **failure to lodge documents:** the Company fails to lodge an ASX announcement regarding the appointment of the Underwriter in respect of the Offer (**ASX Announcement**), this Prospectus or any other document required to be lodged with ASIC or the ASX in a form approved by the Underwriter on the relevant dates set out in the timetable contained in the Underwriting Agreement;
- b) **misleading statement in the Prospectus:** a material statement in the Prospectus is found to be untrue, misleading or deceptive or it is found that the Prospectus contains a material omission or a new circumstance arises after the lodgement date which would be required under the Corporations Act to have been included in the Prospectus if it had arisen before the lodgement date;
- c) **documents to not comply:** the ASX Announcement, Prospectus, or any other document required to be lodged with ASX do not comply with the Corporations Act, the Listing Rules or any other applicable law;
- d) **change in prospects of the Company:** any adverse change occurs in the condition, financial position or prospects of the Company or a related body corporate that is, in the Underwriter's reasonable opinion, material;
- e) **breach of constitution:** the Company or any of its subsidiaries (if any) breaches its constitution which would, in the Underwriter's reasonable opinion, materially and adversely affect the Company or the Offer;
- f) **breach of law or regulation:** the Company or any of its subsidiaries or any officer of the Company or a related body corporate of the Company contravenes any provision of the Corporations Act, the Listing Rules or any other legislation of the Commonwealth of Australia or any State or Territory of Australia which would, in the Underwriter's reasonable opinion, materially and adversely affect the Company or the Offer;
- g) **Prescribed Occurrence:** except for the issue of Shares upon the exercise of the Company's existing Options, a Prescribed Occurrence (any event listed in section 652C(1) or (2) of the Corporations Act but substituting the 'Company' for 'target') occurs in relation to the Company or any of the Company's subsidiaries which would, in the Underwriter's reasonable opinion, materially and adversely affect the Company or the Offer;
- h) **insolvency:** any of the following events occurs:
 - i. execution or other process of a court or authority or distress is levied for an amount exceeding \$10,000 upon any of the property of the Company or a related body corporate and is not satisfied, set aside or withdrawn within seven days of its issue;

- ii. an order for payment is made or judgment for an amount exceeding \$10,000 is entered or signed against the Company or a related body corporate which is not satisfied within seven days;
 - iii. the Company or a related body corporate suspends payment of its debts;
 - iv. the Company or a related body corporate becomes an 'externally-administered body corporate' within the meaning of the Corporations Act;
 - v. steps are taken by any person towards making the Company or a related body corporate an 'externally-administered body corporate' within the meaning of the Corporations Act (but not where the steps taken consist of making an application to a court and the application is withdrawn or dismissed within 14 days);
 - vi. a controller (as defined in section 9 of the Corporations Act) is appointed to, or acts in relation to, any of the property of the Company or a related body corporate or any steps are taken for the appointment of a controller (but not where the steps taken are reversed or abandoned within 14 days);
 - vii. the Company or a related body corporate is taken to have failed to comply with a statutory demand within the meaning of section 459F of the Corporations Act;
 - viii. a resolution is passed for the reduction of capital of the Company or a related body corporate or notice of intention to propose such a resolution is given, without the prior written consent of the Underwriter; or
 - ix. an event happens analogous to an event specified above to which the law of another jurisdiction applies and the event has an effect in that jurisdiction similar to the effect which the event would have had if the law of Australia applied;
- i) **breach of the Underwriting Agreement:** the Company or any of its subsidiaries is in breach of any provision of the Underwriting Agreement that, in the Underwriter's reasonable opinion, is material. Without limiting what else may be material, a breach of any of the following provisions is deemed to be material for these purposes:
- i. any warranty or undertaking;
 - ii. the Company's obligation to give the shortfall notice; and
 - iii. the Company's obligation to give the closing certificate;
- j) **breach of laws:** there occurs a contravention by the Company of any applicable laws in relation to the Offer including without limitation the Corporations Act, the constitution of the Company or any of the Listing Rules which would, in the Underwriter's reasonable opinion, materially and adversely affect the Company or the Offer;
- k) **no quotation:** approval for the quotation of all of the New Shares on the ASX is refused, not granted or granted subject to any condition which is unacceptable to the Underwriter (acting reasonably) or is subsequently withdrawn;
- l) **breach of warranty:** any warranty given by the Company under the Underwriting Agreement is not true or has ceased to be true in any respect which would, in the Underwriter's reasonable opinion, materially and adversely affect the Company or the Offer;
- m) **conviction of officers:** any officer of the Company or any of its subsidiaries is charged with or convicted of any criminal offence involving fraudulent or dishonest conduct;
- n) **unapproved alteration of capital:** the Company alters, or announces an intention to alter, its capital structure or its constitution without the prior written consent of the Underwriter (such consent not to be unreasonably withheld or delayed) which would, in the Underwriter's reasonable opinion, materially and adversely affect the Company or the Offer;
- o) **unapproved encumbrances:** the Company or any of its subsidiaries gives security in favour of any person who is not a security holder at the date of the Underwriting Agreement which would, in the Underwriter's reasonable opinion, materially and adversely affect the Company or the Offer;
- p) **false or misleading information given to the Underwriter:** any information that is, in the Underwriter's reasonable opinion, material that was supplied at any time by or on behalf of the

Company to the Underwriter in respect of any aspect of the Company or any of its subsidiaries or the Offer is or becomes misleading or deceptive or contains a material omission;

- q) **commencement of hostilities:** an outbreak of hostilities not presently existing or an escalation of hostilities occurs (whether war has been declared or not) or a terrorist act is committed involving any one or more of Australia, New Zealand, the United Kingdom, the United States of America, the People's Republic of China (including the Special Administrative Region of Hong Kong), the countries of the former Union of Soviet Socialist Republics (excluding wars or hostilities within those countries), Indonesia or Japan which would, in the Underwriter's reasonable opinion, materially and adversely affect the Company or the Offer;
- r) **changes of law:** the Australian Government adopts or announces any change in any applicable laws or governmental policies which would, in the Underwriter's reasonable opinion, materially and adversely affect the Company or the Offer;
- s) **quotation on the ASX:** unconditional approval (or conditional approval subject only to standard conditions) to the official quotation of all of the New Shares under the Offer on ASX is refused or not granted by ASX on or before the date specified in the Underwriting Agreement, or if granted, the approval is subsequently withdrawn, qualified (other than by standard conditions) or withheld or ASX indicates to the Company or the Underwriter that approval is likely to be withdrawn, qualified (other than by standard conditions) or withheld;
- t) **grant by the ASX:** any grant by the ASX of quotation of the New Shares is withdrawn or is made subject to any conditions other than the standard conditions;
- u) **statements issued in breach of the Underwriting Agreement:** during the term of the Underwriting Agreement, the Company or an officer of the Company knowingly makes a statement or communicates, publishes, broadcasts or issues any notice, circular or advertisement relating to the Company or its activities or the Offer which is prejudicial or which the Company might reasonably expect to be prejudicial to the prospects of the Offer being fully subscribed by persons other than the Underwriter, unless that statement or communication is required by law or by the Listing Rules and made with the approval of the Underwriter;
- v) **withdrawal of Offer:** the Company withdraws the Offer;
- w) **significant change to management or board:** there is a significant change to the composition of the senior executives of the Company or of its board of directors, including any requisitions by shareholders to remove a member of the board pursuant to sections 203D and 249D of the Corporations Act (without the written approval of the Underwriter);
- x) **sections 203D and 249D notices:** the receipt by the Company of a valid notice from shareholders pursuant to sections 203D or 249D of the Corporations Act which in the Underwriter's reasonable opinion is prejudicial to the Offer;
- y) **judgment:** a judgment in an amount exceeding \$250,000 is obtained against the Company or any related body corporate of the Company and is not set aside or satisfied within five business days;
- z) **requirement to repay Application Money:** any circumstance arises after the Prospectus is lodged a consequence of which is either that the Company is required to repay the money received from Applicants or to offer Applicants an opportunity to withdraw their applications and receive a refund of their Application Money;
- aa) **movement in the All Ordinaries Index or the Small Ordinaries Index:** the All Ordinaries Index or the Small Ordinaries Index is at any time on any two consecutive business days prior to allotment of the New Shares 80% or less of the level that index attained at the close of trading on the business day before the date of the Underwriting Agreement;
- bb) **failure to provide financial information:** the Company failing to provide the Underwriter with financial information, capital expenditure and other financial reports as may be requested, in a form acceptable to the Underwriter; or
- cc) **failure to provide copies of draft announcements:** the Company failing to provide the Underwriter with a copy of any draft announcement as to the progress or the result of the Offer or in respect of the Company generally prior to the making of such announcement.

Indemnity

Subject to certain exclusions relating to, amongst other things, the wilful misconduct, fraud or negligence of the Underwriter, its related bodies corporate or their representatives, the Company agrees to keep the Underwriter, its related bodies corporate and their representatives indemnified from and against all losses suffered or incurred in connection with the Offer, the Prospectus or a breach of the Underwriting Agreement.

Conditions Precedent

The Underwriting Agreement contains usual conditions precedents for an agreement of its nature, including:

- a) (**ASX Announcement**) the Company lodges an Appendix 3B, the Prospectus and the ASX Announcement, in a form and substance acceptable to the Underwriter (acting reasonably), with ASIC (in the case of the Prospectus) and the ASX (in respect of all documents) before 9:00am on the date that the Offer is announced, and none of those documents are amended or varied without the consent of the Underwriter (which consent cannot be unreasonably withheld or delayed);
- b) (**Prospectus**) the Company despatching the Prospectus and application form (and all correspondence to Ineligible Shareholders) on or before the date that the Offer is open, each in a form and substance satisfactory to the Underwriter (acting reasonably);
- c) (**ASX approval**) the Company has, by 9:00am on the date specified in the Underwriting Agreement as the last date for the Company to procure approval for official quotation of the new Securities under the Offer, received approval (subject only to any standard conditions as are reasonably acceptable to the Underwriter) from the ASX that the New Shares will be granted official quotation on the securities market operated by the ASX;
- d) (**certificate and shortfall notice**) the Underwriter receiving the duly executed closing certificate and shortfall notice in accordance with the Underwriting Agreement;
- e) (**results of Offer**) the results of the Offer being announced to ASX by the Company within five business days after the Closing Date; and
- f) (**documentation prior to allotment**) any documentation that the Company provides to its shareholders prior to the Allotment Date is satisfactory to the Underwriter (acting reasonably).

Warranties, undertakings and other provisions

The Underwriting Agreement contains other standard representations, warranties and undertakings given by the Company in favour of the Underwriter.

Sub-underwriting agreements

The Underwriter has entered into sub-underwriting agreements with a number of sub-underwriters, including Director, Brenton Barnes, Chair, Rebecca Wilson and Director, Damian Lismore pursuant to which each of them have agreed to sub-underwrite the Entitlement Offer (**Sub-Underwriting Agreements**) on the following material terms:

- Brenton Barnes (and/or his nominee) has agreed to subunderwrite to the amount of \$350,000 (70,000,000 Shares and 70,000,000 Attaching Options);
- Rebecca Wilson (and/or her nominee) has agreed to sub-underwrite to the amount of \$100,000 (20,000,000 Shares and 20,000,000 Attaching Options); and
- Damian Lismore (and/or his nominee) has agreed to sub-underwrite to the amount of \$25,000 (5,000,000 Shares and 5,000,000 Attaching Options).

Each of Brenton Barnes, Rebecca Wilson and Damian Lismore will receive a sub-underwriting fee from the Underwriter of 5.85% of their underwritten commitment.

The Sub-Underwriting Agreements shall terminate if the Underwriters' obligations under the Underwriting Agreement cease or are terminated. The Sub-Underwriting Agreements are otherwise made on terms and conditions considered standard for an agreement of this nature.

6.2. Nature of this Prospectus

This Prospectus is a prospectus for continuously quoted securities and options to acquire continuously quoted securities to which the special content rules under section 713 of the Corporations Act apply. This provision allows the issue of a more concise prospectus in relation to offers of securities in a class which have been continuously quoted on ASX for the three months prior to the date of this Prospectus.

Shares in LBT have been continuously quoted by ASX for the three months prior to the date of this Prospectus.

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 and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus contains information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in it. It 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.

As an ASX listed company, LBT has provided ASX with a substantial amount of information regarding its activity and that information is publicly available. This Prospectus is intended to be read in conjunction with that publicly available information. Investors should therefore have regard to the other publicly available information in relation to LBT before making a decision whether or not to invest.

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

6.3. Reporting and disclosure obligations

LBT 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 the regime of continuous disclosure and periodic reporting requirements. Specifically, as a listed company, LBT is subject to the Listing Rules which require continuous disclosure to the market of any information possessed by LBT which a reasonable person would expect to have a material effect on the price or value of its Shares, subject to certain exemptions.

LBT is also required to prepare and lodge with ASIC and ASX both yearly and half-yearly financial statements accompanied by a Directors' declaration and report, and an audit or review report.

6.4. Availability of other documents

The ASX maintains files containing publicly disclosed information about all listed companies. LBT's file is available for inspection at ASX during normal working hours, and LBT's announcements may be viewed on the ASX website (www.asx.com.au). In addition, copies of documents lodged by, or in relation to, LBT with ASIC may be obtained from, or inspected at, an ASIC office.

LBT will provide a copy of any of the following documents electronically, free of charge, to any investor who so requests during the application period under this Prospectus:

- a) the annual financial report for the year ended 30 June 2023; and
- b) the half year financial report for the half year ended 31 December 2022; and
- c) any other document used to notify ASX of information relating to LBT under the continuous disclosure provisions of the Listing Rules and the Corporations Act after the date of the annual financial report referred to above and before lodgement with ASIC of this Prospectus.

All requests for copies of the above documents should be sent by email to info@lbtinnovations.com or addressed to:

The Company Secretary
LBT Innovations Limited
16 Anster Street
Adelaide, SA 5000

LBT lodged its last annual report (being the annual report for the year ended 30 June 2023) with ASX on 29 September 2023.

Since then, LBT has made the following announcements to the ASX, shown in the table below.

Date	Description of Announcement
5/10/2023	APAS PharmaQC Exhibited at Pharmaceutical Conference

All documents are also available on the ASX website (www.asx.com.au).

6.5. Rights and liabilities attaching to Shares

The New Shares to be issued pursuant to this Prospectus will rank equally in all respects with existing Shares in LBT.

Full details of the rights attaching to LBT's Shares are set out in its Constitution, a copy of which can be inspected at LBT's registered office.

The following is a summary of the principal rights which attach to LBT's Shares.

Share Capital

The Directors may allot, issue or otherwise dispose of Shares to any persons, on any terms and conditions. The Directors have full power to give any person a call or option over any Shares. The Directors may issue Shares with any preferential, deferred or special rights, privileges or conditions or with any restrictions (whether in regard to dividend, voting, return of Share capital or otherwise) as the Directors determine. The Company may not issue any preference Shares unless the rights and restrictions attaching to those preference Shares are set out in the Constitution or in a special resolution.

Transfer of Shares

Subject to the Constitution, the Corporations Act, the Listing Rules and the ASX Settlement Operating Rules, a Shareholder may transfer all or any Shares by a transfer document duly stamped (if necessary) and delivered to the Company. The transfer document must be in writing in the usual or common form or in any other form as the Directors may from time to time prescribe.

At the Directors' absolute discretion, a holding lock or refusal to register a paper-based transfer of a Share may apply where: (a) the Company has a lien on the Shares the subject of the transfer; (b) the Company is served with a court order that restricts a Shareholder's capacity to transfer the Shares; (c) registration of the transfer may break an Australian law and the ASX has agreed in writing to the application of a holding lock or that the Company may refuse to register a transfer; (d) during the escrow period of restricted securities (as defined in the Listing Rules); (e) if the transfer is paper-based, either a law related to stamp duty prohibits the Company from registering it or the Company is otherwise allowed to refuse to register it under the Listing Rules; or (f) the transfer does not comply with the terms of any employee incentive scheme of the Company.

Alteration of capital

The Company may, by resolution passed at a general meeting: (a) consolidate all or any of its Shares into Shares of a larger amount; (b) subdivide its Shares or any of them into Shares of a smaller amount, but so that in the subdivision the proportion between the amount paid and the amount (if any) unpaid on

each subdivided Share is the same as it was for the Share from which the subdivided Share is derived; or (c) cancel Shares which have been forfeited, subject to the requirements of the Listing Rules.

Subject to the Corporations Act and the Listing Rules, the Company may reduce its capital in any manner. The Company may, in accordance with the Corporations Act and the Listing Rules, buy its own Shares on any terms and conditions determined by the Directors.

Variation or cancellation of rights

Subject to the Corporations Act and the Listing Rules, all or any of the rights and privileges attached to any class of Shares (unless otherwise provided by the terms of issue of the Shares of that class) may be varied or cancelled with the consent in writing of the holders of at least 75% of the Shares issued in that class or with the sanction of a special resolution passed at a meeting of holders of the Shares of that class. In relation to any meeting to approve that resolution: (a) the necessary quorum is the holders present personally or by proxy attorney or representative and entitled to vote in respect of at least 5% of the issued Shares of the class; and (b) the provisions contained in the Constitution relating to notice of meetings, the appointment of a chair and of proxies, attorneys and representatives, the depositing and form and validity of proxies and the conduct of general meetings will otherwise apply to any meeting of a class.

The rights conferred upon the holders of the Shares of any class is not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking equally in respect of those rights.

Unmarketable parcels

The Company may give written notice to an Unmarketable Parcel Holder advising of the Company's intention to sell its Unmarketable Parcel, unless the Unmarketable Parcel Holder, within 6 weeks from the date the notice is sent by the Company, gives written notice to the Company that it wishes to retain its Shares in which case, these provisions will not apply to the Shares held by that Unmarketable Parcel Holder.

General Meetings

The Directors may convene a general meeting of the Company whenever they think fit. Shareholders may requisition the holding of a general meeting in accordance with the Corporations Act and the Directors must convene a general meeting as soon as practicable after receiving that requisition. Notice of every annual general meeting, general meeting or meeting of any class of Shareholders must be given in the manner provided by this Constitution and the Corporations Act (which at the date on which the Constitution was adopted is 28 days) to the Shareholders and those persons who are otherwise entitled under this Constitution to receive notices.

No business may be transacted at any general meeting unless a quorum is present at the commencement of the business. A quorum is 3 Shareholders present in person or by attorney or proxy.

Voting

At a general meeting all resolutions submitted to the meeting will be decided by a simple majority of votes except where a greater majority is required by the Constitution, the Corporations Act or the Listing Rules. In the case of an equality of votes, the chair will have a casting vote in addition to the vote or votes to which the chair may be entitled as a Shareholder.

Every resolution submitted to the meeting, in the first instance, will be determined by a show of hands unless a poll is demanded. A poll may be demanded on any resolution by: (a) the chair; (b) at least 5 Shareholders present in person or by attorney or proxy or by representative; or (c) any 1 or more Shareholders holding Shares conferring not less than 5% of the total voting rights of all Shareholders having the right to vote on the resolution.

Subject to the Constitution, the Listing Rules and the rights or restrictions on voting which may attach to or be imposed on any class of Shares: (a) on a show of hands every Shareholder (including each holder of preference Shares who has a right to vote) present in person or by proxy or attorney or representative will have 1 vote; and (b) on a poll every Shareholder (including each holder of preference Shares who has a right to vote) present in person or by proxy, attorney or representative will have 1 vote for each

fully paid Share held by that Shareholder and a fraction of a vote for each partly paid Share, equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) for that Share, ignoring any amounts paid in advance of a call.

An objection may be raised with the chair of a general meeting as to the qualification of a purported voter or the admission or rejection of a vote by any person present and entitled (or claiming to be entitled) to vote but that objection may be made only at the general meeting or adjourned meeting at which the purported voter wishes to vote or the vote objected to is given or tendered and, in relation to that objection: (a) the decision of the chair is final and conclusive; and (b) a vote not disallowed as a result is valid and effective for all purposes.

Directors

The number of the Directors must not be less than 3, nor, until otherwise determined by the Company in general meeting, more than 6. The election of Directors must be by resolution of the Company in general meeting. The Company may by resolution remove any Director at any time.

The Directors may from time to time at their discretion borrow or raise any sum or sums of money or obtain other financial accommodation for the purposes of the Company and may grant security for the repayment of that sum or sums or the payment, performance or fulfilment of any debts, liabilities, contracts or obligations incurred or undertaken by the Company in any manner and upon any terms and conditions as they think fit and in particular by the issue or re-issue of bonds, perpetual or redeemable debentures or any mortgage, charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled or unpaid capital for the time being.

Dividends

The power to determine that a dividend is payable and to declare dividends (including interim dividends) is vested in the Directors who may fix the amount and the timing for payment and the method of payment of any dividend in accordance with this Constitution.

Capitalisation of profits

The Directors may resolve to capitalise any sum for the time being standing to the credit of any of the Company's reserve accounts, profit and loss account, arising from a revaluation or sale of assets or otherwise available for distribution to Shareholders.

Winding up

If in a winding up, there remains any assets available for distribution to Shareholders, then subject to the rights of the holders of Shares issued upon special terms and conditions, this Constitution, the Corporations Act and the Listing Rules, those assets will be distributed amongst the Shareholders in returning capital paid up on their Shares and distributing any surplus in proportion to the amount paid up (not credited) on Shares held by them.

6.6. Terms and conditions of Attaching Options

The terms and conditions of the Attaching Options are as follows.

Class 1 of Attaching Options

Entitlement

- a) Each Option entitles the holder of the Option (**Holder**) to subscribe for one fully paid ordinary share in the issued capital of the Company (**Share**) upon exercise.

Exercise Price and Expiry Date

- b) Each Option has an exercise price of A\$0.005 (**Exercise Price**).
- c) Each Option expires at 5:00pm (Adelaide time) on the date that is 10 months after the date of issue of that Option (**Expiry Date**).

Exercise Period

- d) Each Option is exercisable at any time prior to 5:00pm (Adelaide time) on the Expiry Date. After this time, any unexercised Options will automatically lapse.

Notice of exercise

- e) The Options may be exercised by notice in writing to the Company (**Option Exercise Form**) and payment of the applicable Exercise Price for each Option being exercised. Any Option Exercise Form for an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

Minimum exercise

- f) Options must be exercised in multiples of two hundred thousand 200,000 unless fewer than two hundred thousand 200,000 Options are held by a Holder.

Shares issued on exercise

- g) Shares issued on exercise of the Options rank equally with the then Shares of the Company and are free of all encumbrances, liens and third party interests.

Quotation of Options

- h) An application for quotation of the Options will be made, subject to the Options meeting the requirements of the Listing Rules and the Corporations Act.

Quotation of Shares

- i) If admitted to the official list of ASX at the time, the Company will apply to ASX for official quotation of the Shares issued upon the exercise of the Options.

Participation in new issues

- j) A Holder who holds Options is not entitled to:
 - i. notice of, or to vote or attend, a meeting of the shareholders;
 - ii. receive any dividends declared by the Company; or
 - iii. participate in any new issues of securities offered to shareholders during the term of the Options,

unless and until the Options are exercised and the Holder holds Shares.

Adjustment for bonus issues of Shares

- k) If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):
- l) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Holder would have received if the Holder of an Option had exercised the Option before the record date for the bonus issue; and
- m) no change will be made to the Exercise Price.

Adjustment for rights issue

- n) If the Company makes an issue of Shares pro rata to existing shareholders (other than an issue in lieu of or in satisfaction of dividends or by way of dividend reinvestment) there will be no adjustment to the Exercise Price of an Option.

Adjustment for reorganisation

- o) If there is any reconstruction of the issued share capital of the Company, the rights of the Holder will be varied to comply with the Listing Rules that apply to the reconstruction at the time of the reconstruction.

Options transferable

- p) The Options are freely transferable.

Class 2 of Attaching Options

Entitlement

- a) Each Option entitles the holder of the Option (**Holder**) to subscribe for one fully paid ordinary share in the issued capital of the Company (**Share**) upon exercise.

Exercise Price and Expiry Date

- b) Each Option has an exercise price of A\$0.008 (**Exercise Price**).
- c) Each Option expires at 5:00pm (Adelaide time) on the date that is 24 months after the date of issue of that Option (**Expiry Date**).

Exercise Period

- d) Each Option is exercisable at any time prior to 5:00pm (Adelaide time) on the Expiry Date. After this time, any unexercised Options will automatically lapse.

Notice of exercise

- e) The Options may be exercised by notice in writing to the Company (**Option Exercise Form**) and payment of the applicable Exercise Price for each Option being exercised. Any Option Exercise Form for an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

Minimum exercise

- f) Options must be exercised in multiples of two hundred thousand 200,000 unless fewer than two hundred thousand 200,000 Options are held by a Holder.

Shares issued on exercise

- g) Shares issued on exercise of the Options rank equally with the then Shares of the Company and are free of all encumbrances, liens and third party interests.

Quotation of Options

- h) An application for quotation of the Options will be made, subject to the Options meeting the requirements of the Listing Rules and the Corporations Act.

Quotation of Shares

- i) If admitted to the official list of ASX at the time, the Company will apply to ASX for official quotation of the Shares issued upon the exercise of the Options.

Participation in new issues

- j) A Holder who holds Options is not entitled to:
 - i. notice of, or to vote or attend, a meeting of the shareholders;
 - ii. receive any dividends declared by the Company; or
 - iii. participate in any new issues of securities offered to shareholders during the term of the Options,

unless and until the Options are exercised and the Holder holds Shares.

Adjustment for bonus issues of Shares

- k) If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):
- l) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Holder would have received if the Holder of an Option had exercised the Option before the record date for the bonus issue; and
- m) no change will be made to the Exercise Price.

Adjustment for rights issue

- n) If the Company makes an issue of Shares pro rata to existing shareholders (other than an issue in lieu of or in satisfaction of dividends or by way of dividend reinvestment) there will be no adjustment to the Exercise Price of an Option.

Adjustment for reorganisation

- o) If there is any reconstruction of the issued share capital of the Company, the rights of the Holder will be varied to comply with the Listing Rules that apply to the reconstruction at the time of the reconstruction.

Options transferable

- p) The Options are freely transferable.

6.7. Information excluded from continuous disclosure notices

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

6.8. Determination by ASIC

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

6.9. Directors' interests

6.9.1. Interests

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

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

6.9.2. Directors' Holdings

Set out in the table below are details of Directors' relevant interests in the securities of the Company at the date of this Prospectus:

Director	Shares		Options	TOTAL	
	Number	Percentage of Shares	Number	Number	Percentage (on a fully diluted basis)
Brenton Barnes	2,121,797 ¹	0.60%	7,500,000 ²	9,621,797	2.48%
Damian Lismore	539,494 ³	0.15%	525,691 ⁴	1,065,185	0.27%
Brian O'Dwyer	280,674 ⁵	0.08%	500,000 ⁶	780,674	0.20%
Rebecca Wilson ⁷	-	-	- ⁷	-	-

Directors cannot be issued Shares under the Shortfall without prior Shareholder approval.

Notes:

1. Brenton Barnes holds 1,408,191 Shares in his personal capacity and 713,606 Shares through his company Barnes' Love Work Live Pty Ltd. Brenton Barnes (and/or his nominee) has agreed to sub-underwrite the Entitlement Offer to the amount of \$350,000. In connection with the Offers, Brenton may be issued up to:

- a) 8,487,188 New Shares and 8,487,188 Attaching Options under the Entitlement Offer; and
- b) 70,000,000 New Shares and 70,000,000 Attaching Options pursuant to his sub-underwriting agreement.

If Brenton sub-underwrites the Entitlement Offer to the amount of \$350,000 and takes up his Entitlement, his Voting Power will increase to 6.4%, assuming the Entitlement Offer is fully subscribed up to the maximum of \$4.5 million.

2. 1,500,000 unlisted Options expiring 7 August 2026 and 6,000,000 unlisted Options expiring 25 November 2025.

3. 539,494 Shares held by Damian Lismore's spouse. Damian Lismore (and/or his nominee), a Director of the Company, has agreed to sub-underwrite the Entitlement Offer to the amount of \$25,000. In connection with the Offers, Damian may be issued up to:

- a) 2,157,976 New Shares and 2,157,976 Attaching Options under the Entitlement Offer; and
- b) 5,000,000 New Shares and 5,000,000 Attaching Options pursuant to his sub-underwriting agreement.

If Damian sub-underwrites the Entitlement Offer to the amount of \$25,000 and takes up his Entitlement, his Voting Power will increase to 0.6%, assuming the Entitlement Offer is fully subscribed up to the maximum of \$4.5 million.

4. The Options comprise 500,000 unlisted Options expiring 28 November 2029 and 25,691 unlisted Options expiring 28 November 2024.

5. Note that Brian O'Dwyer is not eligible to participate in the Entitlement Offer as he resides in the US.

6. Unlisted Options expiring 28 November 2031.

7. Appointed as Chair and Non-Executive Director on 1 July 2023. Rebecca Wilson (and/or her nominee) has agreed to sub-underwrite the Entitlement Offer to the amount of \$100,000. In connection with the Offers, Rebecca may be issued up to 20,000,000 New Shares and 20,000,000 Attaching Options pursuant to her sub-underwriting agreement. If Rebecca sub-underwrites the Entitlement Offer to the amount of \$100,000 and takes up her Entitlement, her Voting Power will increase to 1.6%, assuming the Entitlement Offer is fully subscribed up to the maximum of \$4.5 million.

6.9.3. Remuneration of Directors

In accordance with the Constitution, the Shareholders have approved an aggregate amount of up to \$285,000 per annum to be paid as non-executive Directors' fees.

It is currently resolved that Directors' fees are \$89,000 per annum for the Chairman and \$54,000 per annum for Non-Executive Directors (inclusive of statutory superannuation contributions as applicable). Payments of Directors' fees will be in addition to any payments to Directors in any employment or consultancy capacity.

Members of the Audit and Risk Committee currently receive \$7,000 and the Chair \$10,000 (inclusive of statutory superannuation contributions as applicable).

Members of the Nomination and Remuneration Committee currently receive \$7,000 and the Chair \$10,000 (inclusive of statutory superannuation contributions as applicable).

The Company requires Directors to hold the equivalent of one year's fees calculated at the time of appointment in Shares. These Shares may be purchased on-market or accumulated from a reduction in non-executive director fees over a 4 year period and subject to shareholder approval at each AGM.

The table below sets out the remuneration provided to the Directors or their related entities for the preceding two financial years prior to this Prospectus.

Director	Financial Year	Salary and Fees (\$000)	Superannuation (\$000)	Cash Bonus (\$000)	Shares (\$000)	Options (\$000)	Total (\$000)
J Moss*	2023	25	9	-	62	-39	57
	2022	67	8	-	7	39	121
B Barnes	2023	302	28	-	25	122	477
	2022	317	28	-	60	123	528
S Arkell**	2023	23	-	-	23	0	46
	2022	43	-	-	14	13	70
D Lismore	2023	43	-	-	31	0	74
	2022	49	4	-	18	14	85
B O'Dwyer	2023	15	-	-	41	16	72
	2022	27	-	-	14	12	53

Notes:

Ms Wilson is not included in the above table, as Ms Wilson was appointed as Chair and Non-Executive Director on 1 July 2023.

* Ms Moss retired as Chair and Non-Executive Director on 30 June 2023.

** Mr Arkell retired as a Non-Executive Director on 30 March 2023.

For further notes in relation to the above remuneration table, refer to the Remuneration Report commencing on page 11 of the Company's Annual Report lodged with the ASX on 29 September 2023.

6.10. Interests of Named Persons

Except as disclosed in this Prospectus, no director, proposed director, or promoter of the Company, other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus, or underwriter to the issue or sale or financial services licensee named in the Prospectus as a financial services licensee involved in the issue or sale:

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

Thomson Geer has acted as solicitors to the Offers and will be paid approximately \$70,000 (plus GST) for services related to this Prospectus. Further amounts will be paid to Thomson Geer in accordance with its normal time-based charges.

6.11. Representations by acceptance

By making a payment by BPAY® or EFT as outlined in section 2.7, you will be deemed to have represented to LBT that you are an Eligible Shareholder and:

- a) acknowledge that you have read and understand this Prospectus and your personalised Entitlement and Acceptance Form in their entirety;
- b) agree to be bound by the terms of the Offers, the provisions of this Prospectus, and LBT's Constitution;
- c) authorise LBT to register you as the holder(s) of New Securities allotted to you;
- d) declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- e) declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- f) acknowledge that once LBT receives any payment of Application Monies via BPAY® or EFT, you may not withdraw your application or funds provided except as allowed by law;
- g) agree to apply for and be issued up to the number of New Securities for which you have submitted payment of any Application Monies via BPAY® or EFT, at the Offer Price per New Share;
- h) authorise LBT, the LBT Registry and their respective officers or agents to do anything on your behalf necessary for New Securities to be issued to you, including to act on instructions of the LBT Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- i) 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 LBT; and
 - ii. LBT, its related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents disclaim any duty or liability (including negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- j) declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- k) acknowledge that the information contained in this Prospectus and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Securities are suitable for you given your investment objectives, financial situation or particular needs;
- l) acknowledge the statement of risks included in section 5 of this Prospectus, and that investments in LBT are subject to risk;
- m) acknowledge that none of LBT, its related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of LBT, nor do they guarantee the repayment of capital;
- n) 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) authorise LBT to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- p) represent and warrant (for the benefit of LBT and its related bodies corporate and affiliates) that you are not an Ineligible Shareholder and are otherwise eligible to participate in the Entitlement Offer;

- q) represent and warrant that the law of any place does not prohibit you from being given this Prospectus and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Securities and that you are otherwise eligible to participate in the Entitlement Offer;
- r) represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States (to the extent such person holds Shares in LBT and is acting for the account or benefit of a person in the United States);
- s) you understand and acknowledge that the Entitlements and the New Securities under the Entitlement have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States. Accordingly, the Entitlements under the Entitlement Offer may not be taken up, or exercised by, and the New Securities to be offered or sold in the Entitlement Offer may not be offered or sold to persons in the United States or persons who are acting for the account or benefit of a person in the United States (to the extent such person holds Shares in LBT and is acting for the account or benefit of a person in the United States). You further understand and acknowledge that the Entitlements and the New Securities under the Entitlement Offer may only be offered, sold and resold outside the United States in “offshore transactions” in reliance on Regulation S under the US Securities Act;
- t) represent and warrant that you are subscribing for or purchasing New Securities outside the United States in an “offshore transaction” in reliance on Regulation S under the US Securities Act;
- u) declare that if in the future you decide to sell or otherwise transfer any New Securities, you will only do so in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act, including in a standard (regular way) brokered transaction on the ASX, where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States, in accordance with Regulation S under the US Securities Act;
- v) represent and warrant that you have not and will not send this Prospectus, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any person in the United States or any other country outside Australia; and
- w) declare that if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting an application is resident in Australia, New Zealand or Singapore, except, with the consent of the Company, in certain other countries where the Company may determine it is lawful and practical to make the Offers, and is not in the United States and is not acting for the benefit of a person in the United States (to the extent such person holds Shares in LBT and is acting for the account or benefit of a person in the United States), and you have not sent this Prospectus, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person.

6.12. Consents

Each of the parties referred to in the following table:

- 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; and
- c) does not cause, permit or authorise the issue or lodgement, submission, dispatch or provision of the Prospectus.

Name of person	Named as
Candour Advisory Pty Ltd	Underwriter and Nominee
Thomson Geer	Australian legal advisor
Computershare Investor Services Pty Limited	Registry

Each of the persons referred to above:

- a) 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
- b) 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.

Each of Brenton Barnes, Damian Lismore and Rebecca Wilson has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn their written consent to be named in the Prospectus as a sub-underwriter to the Offer in the form and context in which they are named.

6.13. Transaction costs of the Offers

The Offer raising costs include underwriting fees of \$197,000, legal costs of \$70,000 and administrative fees and other expenses (\$30,000) relating to this Prospectus. Total costs are expected to be approximately \$300,000.

6.14. Withdrawal of the Offers

LBT and the Directors reserve the right to withdraw or vary all or part of the Offers and this Prospectus at any time prior to the issue of New Securities, in which case LBT will refund Application Monies in relation to New Securities not already issued in accordance with the Corporations Act and without payment of interest.

6.15. Privacy

As a Shareholder, LBT and the Registry have already collected certain personal information from you. If you apply for New Securities, LBT and the Registry may update that personal information or collect, hold and use additional personal information about you. Such information may be used to assess your acceptance of New Securities, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration.

To do that, LBT and the Registry may disclose your personal information, for purposes related to your shareholding, to their agents, contractors or third party service providers to whom they outsource services in order to assess your acceptance of New Securities, the Registry for ongoing administration of the register, printers and mailing houses for the purposes of preparation and distribution of Shareholder information and for handling of mail, or as otherwise authorised under the *Privacy Act 1988 (Cth)*.

Company and tax laws require some personal information to be collected. If you do not provide us with your personal information, we may not be able to process your application.

In most cases you can gain access to your personal information held by (or on behalf of) LBT or the Registry. LBT aims to ensure that the personal information it retains about you is accurate, complete and up to date. To assist with this, please contact the Registry if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information LBT or the Registry have about you, they will take steps to correct it. You can request access to your personal information by telephoning or writing to LBT through the Registry as follows:

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace, PERTH, WA, AUSTRALIA, 6000
Phone: 1300 850 505 (within Australia)
Phone: + 61 3 9415 4000 (outside Australia)

6.16. Litigation

The Company is not presently party to any legal proceedings that, in the opinion of the Company, would reasonably be expected to have a material adverse effect on its business, financial condition, operating results or cash flows if determined adversely against the Company.

6.17. Governing Law

This Prospectus and the contracts which arise on acceptance of Entitlement and Acceptance Forms are governed by the law applicable in South Australia, Australia and each applicant submits to the non-exclusive jurisdiction of the courts of South Australia, Australia.

6.18. Consent to lodgement and authorisation

Each Director of LBT has authorised and consented to the lodgement of this Prospectus with ASIC under the Corporations Act and has not withdrawn that consent prior to its lodgement with ASIC.

This Prospectus is signed for and on behalf of Company by:

A handwritten signature in black ink, appearing to read 'R. Ridge', written in a cursive style.

Ray Ridge, Chief Financial Officer and Company Secretary

Dated: 13 October 2023

7. Glossary

Term	Definition
ACCC	Australian Competition and Consumer Commission.
ACDT	Australian Central Daylight Time.
AEDT	Australian Eastern Daylight Time.
Allotment Date	15 November 2023.
Applicable Laws	All laws of jurisdictions applicable to the Offers and/or LBT within or outside Australia, including the Listing Rules and applicable policies, guidelines, official directives, class orders or requests of or by any Governmental Agency, whether or not having the force of law, except to the extent compliance is duly modified, waived or exempted in favour of a person in the relevant circumstances.
Applicant	A Shareholder who submits a valid application for New Securities pursuant to this Prospectus.
Application Monies	Monies received from Applicants in respect of their application for New Securities.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited (ABN 98 008 624 691) or the securities exchange operated by it (as the case requires).
ASX Settlement	ASX Settlement Pty Limited (ABN 49 008 504 532).
ASX Settlement Operating Rules	The operating rules of ASX Settlement as amended or replaced from time to time, except to the extent of any express written waiver by ASX Settlement.
Attaching Options	Up to approximately 900,000,000 Options which are offered under this Prospectus pursuant to the Entitlement Offer, with the terms set out in section 2.1
ATO	Australian Taxation Office.
Australian Accounting Standards	Australian International Financial Reporting Standards, as issued by the Australian Accounting Standards Board.
Board	Board of directors of LBT from time to time.
CHESS	Clearing House Electronic Subregister System operated by ASX Settlement.
Closing Date	5.00pm on 9 November 2023, being the latest time and day by which BPAY® or EFT payments of Application Monies will be accepted (subject to variation).
Constitution	Constitution of LBT, as amended from time to time.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A member of the Board from time to time.

Term	Definition
Eligible Shareholder	A Shareholder at the Record Date who: <ul style="list-style-type: none"> a) has a registered address in Australia or New Zealand, or is located in France, Germany or Singapore (subject to the foreign jurisdictions restrictions set out in this Prospectus); b) is not a Foreign Shareholder; and c) is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such a person holds Shares in LBT and is acting for the account or benefit of a person in the United States).
Entitlement	The number of New Securities for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 4 New Shares for every 1 Existing Share held as at the Record Date, subject to rounding up and to the terms of the Entitlement Offer, and 1 free Attaching Option for every 1 New Share issued.
Entitlement and Acceptance Form	The entitlement and acceptance form which can be accessed at www.computersharecas.com.au/LBT-RRRI .
Entitlement Offer or Offer	The pro rata renounceable entitlement offer of 900,000,000 New Shares on the basis of 4 New Shares for every 1 Existing Share held at 7.00pm (ACDT) on the Record Date at an Offer Price of \$0.005 per New Share, for the purpose of raising up to \$4.5 million, and 1 free Attaching Option for every 1 New Share issued. ¹
Existing Share	A Share on issue at the Record Date.
Financial Information	Has the meaning given in section 4.1.
Foreign Shareholder	A Shareholder who, as at the Record Date, has a registered address other than in Australia, New Zealand, France, Germany or Singapore.
Governmental Agency	Any government or any government department or governmental agency including without limitation any semi-governmental, administrative, fiscal, judicial, investigative, review or regulatory body, department, commission (including ASIC, ATO, ACCC), authority, tribunal, agency, stock exchange (including the ASX) or entity in any jurisdiction relevant to the Offers.
Group	The Company and its 100% owned subsidiary Clever Culture Systems AG.
GST	The goods and services tax imposed under the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
IFRS	International Financial Reporting Standards.
Ineligible Shareholder	A Shareholder on the Record Date who does not satisfy the criteria to be an Eligible Shareholder.
Institutional Investor	An investor who, if located in Australia, is a professional or sophisticated investor as defined in sections 708(8) and (11) of the Corporations Act and if located in any other jurisdiction, is entitled to participate in the relevant offer pursuant to the laws of the jurisdiction in which they are located and to whom New Shares and Options can lawfully be offered and issued without registration, lodgement or other formality.
Listing Rules	The listing rules of ASX as amended or varied from time to time.
LBT or Company	LBT Innovations Limited (ACN 107 670 673).
LBT Entitlement Offer Information Line	1300 729 063 (within Australia) or +61 3 9415 4675 (outside Australia).

Term	Definition
Marketable Parcel	A number of Shares equal to a marketable parcel as defined in the Listing Rules.
New Securities	The New Shares and the Attaching Options.
New Shares	The Shares offered under the Offers.
Offer Price	A\$0.005 per New Share.
Offers	The Entitlement Offer and the Shortfall Offer.
Option	The right to acquire one Share in the capital of the Company.
Prospectus	This prospectus dated 13 October 2023.
Record Date	The time and date for determining which Shareholders are entitled to the Entitlement, being 7.00pm (ACDT) on 18 October 2023.
Registry	Computershare Investor Services Pty Limited (ABN 48 078 279 277).
Rights Trading Period	The period from 17 October 2023 to 2 November 2023 within which Eligible Shareholders who do not wish to take up some or all of their Entitlements may sell or otherwise transfer all or part of their Entitlements.
Securities	Any securities including Shares or Options issued or granted by the Company.
Share or LBT Share	A fully paid ordinary share in the capital of LBT.
Shareholder	A holder of one or more Shares.
Shortfall or Shortfall Securities	Entitlements not subscribed for under the Entitlement Offer.
Underwriter or Nominee	Candour Advisory Pty Ltd.
Underwriting Agreement	The underwriting agreement between the Underwriter and the Company, as summarised in section 6.1.
Unmarketable Parcel	A number of Shares which is less than a Marketable Parcel.
Unmarketable Parcel Holder	A Shareholder holding less than a number of Shares equal to a Marketable Parcel.
US Securities Act	<i>US Securities Act 1933.</i>
Voting Power	Has the meaning given to that term in section 610 of the Corporations Act.

8. Corporate Directory

LBT Innovations Limited

ACN 107 670 673
16 Anster Street
Adelaide, SA 5000

Directors

Rebecca Wilson (Chair)
Brenton Barnes (Chief Executive Officer and Managing Director)
Damian Lismore (Non-Executive Director)
Brian O'Dwyer (Non-Executive Director)

Company Secretary

Ray Ridge (Chief Financial Officer and Company Secretary)

LBT Entitlement Offer Information Line

1300 729 063 (within Australia)
+61 3 9415 4675 (outside Australia)

Open between 8:30am to 5:00pm (AEDT) Monday to Friday during the Entitlement Offer period.

LBT Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace, PERTH, WA, AUSTRALIA, 6000
Phone: 1300 850 505 (within Australia)
Phone: +61 3 9415 4000

Australian Legal Advisor

Thomson Geer
Level 14, 60 Martin Place
Sydney NSW 2000

Stock Exchange Listing

ASX Code: **LBT**