

Visionflex Group

VISIONFLEX GROUP LIMITED
ACN 138 897 533

PROSPECTUS

This Prospectus is being issued for the offer of:

- (a) approximately 1.417 billion New Shares on the basis of 1 New Share for every Existing Share held by Eligible Shareholders at the Record Date at an offer price of \$0.005 per New Share, together with 1 free attaching New Option for every 3 New Shares subscribed for and issued under the Entitlement Offer;
- (b) up to 27.67 million free attaching New Options under the Placement Option Offer issued to participants in the Placement on the basis of 1 New Option for every 3 New Shares issued under the Placement; and
- (c) 7 million New Options to the Lead Manager (**Lead Manager Offer**).

The Entitlement Offer and Lead Manager Offer are currently expected to close at 5.00pm (Sydney time) on Friday, 19 July 2024. Valid Applications must be received before that time. Please read the instructions in this Prospectus and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement under the Entitlement Offer.

Eligible Shareholders may also participate in the Oversubscription Facility for any Shortfall Securities.

The Placement Option Offer is expected to close at 5.00pm (Sydney time) on Friday, 28 June 2024.

The Entitlement Offer is fully underwritten.

THIS IS AN IMPORTANT DOCUMENT WHICH REQUIRES YOUR IMMEDIATE ATTENTION AND SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR STOCKBROKER, ACCOUNTANT, SOLICITOR, OR OTHER PROFESSIONAL ADVISOR.

AN INVESTMENT IN THE SECURITIES OFFERED BY THIS PROSPECTUS SHOULD BE CONSIDERED HIGHLY SPECULATIVE IN NATURE.

THIS PROSPECTUS IS NOT FOR RELEASE TO US WIRE SERVICES NOR FOR DISTRIBUTION IN THE UNITED STATES.

IMPORTANT INFORMATION

General

This Prospectus is dated and was lodged with ASIC on 26 June 2024.

Neither ASIC, ASX nor their respective officers 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 any later than 13 months after the Prospectus Date (being the expiry date of this Prospectus).

The Company will apply to ASX within seven (7) days of the Prospectus Date for Quotation by ASX of the New Shares offered under this Prospectus.

The Company does not intend to apply for Quotation by ASX of the New Options offered under this Prospectus.

The Company will provide a copy of this Prospectus to any person upon request. Eligible Shareholders will be able to access a copy of this Prospectus and a personalised Entitlement and Acceptance Form from the Automic Investor Portal at <https://investor.automic.com.au/#/home>. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Offers are only available to those who are entitled to participate in the Offers. Applications for New Securities offered under to this Prospectus can only be submitted on in accordance with the applicable Application Form which accompanies this Prospectus. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is attached to a copy of this Prospectus or it is accompanied by a complete and unaltered copy of this Prospectus.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Transaction Specific Prospectus

This Prospectus is a 'transaction specific' prospectus to which the special content rules under section 713 of the Corporations Act apply.

This allows the issue of a concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus and options to acquire those quoted securities. In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX.

This Prospectus does not include all of the information that would be included for an initial public offering of securities.

ASX maintains a database of publicly available information issued by the Company as a disclosing entity, which is available at www.asx.com.au.

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 New Options issued under this Prospectus. The

Company will only distribute this Prospectus to those investors who fall within the target market determination as set out on the Company's website at www.vfx-group.com/investor-reports.

Overseas Shareholders

This Prospectus does not, and is not intended to, constitute an offer of securities in any place or jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or to issue this Prospectus. This Prospectus has not been, nor will it be lodged, filed or registered with any regulatory authority under the securities laws of any other country.

The Offers are not being extended, and New Securities will not be issued, to Shareholders with a registered address which is outside Australia and New Zealand.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand is restricted by law and persons outside of those jurisdictions should observe such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

Nominees and custodians may not distribute this Prospectus and may not permit any beneficial shareholder in any country outside Australia and New Zealand to participate in the Offers except where the Company has determined it is lawful and practical to make the Offers and has provided its written consent.

New Zealand

The Entitlement Offer is not being made to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the Entitlement Offer is being made in reliance on the *Financial Markets Conduct Act 2013* (NZ) and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (NZ).

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

In accordance with the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (NZ), a person who, at the Record Date was registered as a holder of Shares with a New Zealand address but who, as at the time the Entitlement Offer opens no longer holds Shares, is not eligible to participate in the Entitlement Offer.

Speculative Investment

An investment in the New Securities should be considered highly speculative.

Eligible investors should be aware that subscribing for New Securities involves a number of risks. The key risk factors of which investors should be aware are set out in the Risks at Section 6. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the New Securities in the future.

Eligible investors wishing to apply for New Securities should read this Prospectus in its entirety, along with the publicly available information in relation to the Company which has been notified to ASX in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company and the rights and liabilities attaching to the New Securities.

This Prospectus does not take into account the investment objectives, financial or taxation or particular needs of any eligible investor. Before making any investment in the Company, each eligible investor should consider whether such an investment is appropriate to their particular needs, their individual risk profile for speculative investments, investment objectives and individual financial circumstances. If persons considering applying for New Securities have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser.

There is no guarantee that the New Securities will make a return on the capital invested, that dividends will be paid to investors, or that there will be an increase in the value of the New Securities in the future.

Statement of Past Performance

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

Forward-looking Statements

This Prospectus contains forward-looking statements which may be identified by words such as 'believes', 'estimates', 'expects', 'intends', 'may', 'will', 'would', 'could', or 'should' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the Prospectus Date, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risks associated with an investment in the Company are detailed in Risks at Section 6. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Pro-forma financial information provided in this Prospectus is for illustrative purposes only and is not represented as being indicative of the Company's view on its future financial condition and/or performance.

Disclaimer

No person or entity is authorised to give any information or to make any representation in connection with the Offers which is not contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offers.

Financial Forecasts

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

Website

No document or information included on the Company's website <https://www.vfx-group.com> is incorporated by reference into this Prospectus unless specifically referenced.

Data

Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Prospectus Date.

Currency

All financial amounts contained in this Prospectus are expressed as Australian dollars unless otherwise stated.

Rounding

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

Time

All references to time in this Prospectus are references to Sydney time, unless otherwise stated.

Glossary

Defined terms and abbreviations used in this Prospectus are detailed in the glossary in Section 11.

Enquiries

If you have any questions in relation to the Offers, please contact the Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (from outside Australia) between 8:00am and 5:00pm (Sydney time) Monday to Friday until the Closing Date or by emailing the Share Registry hello@automicgroup.com.au. Alternatively, consult your stockbroker, solicitor, accountant or other professional adviser.

CORPORATE DIRECTORY

Directors

Christopher Whitehead	Non-executive Chairman
Brook Adcock	Non-executive Director
John Nantes	Non-executive Director
Geoff Neate	Non-executive Director

Company Secretary

Maria Clemente	Company Secretary
----------------	-------------------

Registered Office

c/o Automic Group
Level 5, 126 Phillip Street
Sydney NSW 2000
Australia

Tel: 1300 288 664 (within Australia)
+61 2 9698 5414 (from outside Australia)
Email: info@visionflex.com.au
Website: <https://www.vfx-group.com>

Share Registry*

Automic Group
Level 5, 126 Phillip Street
Sydney NSW 2000
Australia

Tel: 1300 288 664 (within Australia)
+61 2 9698 5414 (from outside Australia)
Email: hello@automicgroup.com.au

Lawyers

Lander & Rogers
Level 15, 477 Collins Street
Melbourne VIC 3000
Australia

Lead Manager and Underwriter

Henslow Pty Ltd
Level 7, 333 Collins Street
Melbourne, VIC 3000
Australia

Auditor*

PKF (NS) Audit & Assurance Limited
Partnership

Level 8, 1 O'Connell Street
Sydney NSW 2000
Australia

Stock Exchange

The Company is listed on the ASX
with the ticker code: **VFX**

*These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

TABLE OF CONTENTS

1.	Chairman's Letter.....	8
2.	Investment Overview	10
3.	Company Overview	21
4.	Details of the Offers	25
5.	Effect of the Offers	36
6.	Risks	42
7.	Actions required by Eligible Shareholders.....	47
8.	Rights attaching to New Shares and New Options	52
9.	Additional information	57
10.	Authorisation.....	76
11.	Glossary.....	77

INDICATIVE TIMETABLE FOR OFFERS

Event	Date*
Company enters into trading halt	Monday, 24 June
Placement opens	Monday, 24 June
Placement closes	Tuesday, 25 June
Announcement of completion Placement and trading halt lifted	Wednesday, 26 June
Lodgement of Prospectus with ASIC and ASX	Wednesday, 26 June
Placement Option Offer and Lead Manager Offer opens	Wednesday, 26 June
Placement Option Offer closes	Friday, 28 June
Record date for the Entitlement Offer (7.00pm (Sydney time))	Monday, 1 July
Settlement Date under the Placement	Monday, 1 July
Allotment and quotation for New Shares issued under the Placement, and allotment of New Options issued under the Placement Option Offer	Tuesday, 2 July
Entitlement Offer opens	Thursday, 4 July
Despatch of the Prospectus and Entitlement and Acceptance Form to Eligible Shareholders	Thursday, 4 July
Closing Date for Entitlement Offer and Lead Manager Offer (5.00pm (Sydney time))	Friday, 19 July
Announcement of results of Entitlement Offer	Wednesday, 24 July
Settlement Date under the Entitlement Offer	Thursday, 25 July
Allotment and issue date under the Entitlement Offer and Lead Manager Offer	Thursday, 25 July
Commencement of trading of New Shares issued under the Entitlement Offer	Friday, 26 July
Despatch of holding statements for New Shares and New Options issued under the Entitlement Offer and New Options issued under the Lead Manager Offer	Friday, 26 July

* The above timetable is indicative only and subject to change. Subject to the Corporations Act and Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice. Any extension of the Closing Date of an Offer may have a consequential effect on the issue date of respective New Securities under that Offer. The Directors also reserve the right not to proceed with the whole or part of any of the Offers at any time prior to allotment of the New Securities under that Offer.

1. Chairman's Letter

26 June 2024

Dear Shareholder,

As announced by the Visionflex Group Ltd (**Company**) to ASX today, 26 June 2024, the Company intends to raise up to approximately \$7.5 million by way of:

- (a) the Placement, being a placement of approximately 83 million new fully paid ordinary shares (**New Shares**) in the Company to institutional and sophisticated investors at \$0.005 (**Offer Price**) per New Share together with 1 free attaching option for every 3 New Shares issued (**New Options**) to raise up to approximately \$0.4 million (**Placement**); and
- (b) the Entitlement Offer, being a fully underwritten pro rata non-renounceable entitlement offer of 1 New Share for every share currently held (**Existing Shares**) in the Company (**Entitlement**) as at 7:00pm 1 July 2024 (**Record Date**) at the Offer Price per New Share together with 1 free attaching New Option for every 3 New Shares issued to raise up to approximately \$7.1 million (**Entitlement Offer**),

(together, the **Equity Raising**).

The Entitlement Offer is fully underwritten by Henslow Pty Ltd who is also acting as lead manager for the Equity Raising (**Henslow**).

The Entitlement Offer has also been well supported by the Company's major shareholders. Mr John Plummer has agreed to sub-underwrite up to 916 million shares (\$4.58 million) of the Entitlement Offer and Adcock Private Equity Pty Ltd has given a commitment to take up \$1.74 million of its Entitlement, while directors Geoff Neate and Chris Whitehead who have also committed to take up their full Entitlements.

On behalf of the Board of the Company, I would like to invite Eligible Shareholders (defined below) to participate in the Entitlement Offer.

The Offer Price represents a:

- nil% discount to the last closing price of \$0.005 on 21 June 2024;
- 15.7% discount to the 30 day VWAP of \$0.0059; and
- nil% discount to the Theoretical Ex-Rights Price of \$0.005.

The proceeds from the Entitlement Offer and Placement are intended to be used for the Company to expand its sales and product development teams, general working capital purposes and to redeem in part the existing convertible debt facilities with Mr John Plummer and Adcock Private Equity.

The number of New Securities you are entitled to subscribe for under the Entitlement Offer is will be out in your personalised Entitlement and Acceptance Form that is attached to or accompanying this Prospectus (including being available for download with the Prospectus from the Investor Portal). You can request a paper copy of this Prospectus and your personalised Entitlement and Acceptance Form by calling the Share Registry during the Offer Period on 1300 288 664 (within Australia) and +61 2 9698 5414 (from outside Australia).

As an Eligible Shareholder you can choose to take up all, part or none of your Entitlement. If you choose to take up your full Entitlement, you may also apply for additional New Securities in excess of your Entitlement (**Oversubscription Facility**).

Participation in the Entitlement Offer is completely optional. However, an Eligible Shareholder's Entitlement to participate in the Entitlement Offer is non-renounceable meaning that this Entitlement cannot be transferred to anyone else. If you do not take up your Entitlement, you will not be allocated New Securities and your Entitlement will lapse and your proportionate equity interest in the Company will be diluted as a result of the Entitlement Offer.

The Entitlement Offer is scheduled to open at 10:00am (Sydney time) on Thursday, 4 July 2024 and close at 5.00pm (Sydney time) on Friday, 19 July 2024.

If you are eligible and wish to participate in the Entitlement Offer, you should submit a BPAY® or EFT payment in accordance with the instructions on the accompanying personalised Entitlement and Acceptance Form. New Zealand holders will not be able to make a payment using BPAY® and should contact the Share Registry to obtain payment details. Your application and payment must be received by no later than 5.00pm (Sydney time) on Friday, 19 July 2024.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.

Further information on the Entitlement Offer is detailed in this Prospectus. You should read the entirety of this Prospectus carefully, and the Company's ASX announcements before deciding whether to participate in the Entitlement Offer.

For further information about the Entitlement Offer, please call the Share Registry, Automatic Registry Services, on 1300 288 664 (within Australia) and +61 2 9698 5414 (from outside Australia).

You should also consult your broker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

On behalf of the Board, I encourage you to consider this investment opportunity and thank you for your ongoing support.

Yours faithfully



Christopher Whitehead
Non-executive Chairman
Visionflex Group Limited

2. Investment Overview

The below information is a selective overview of the Entitlement Offer, Placement Option Offer and Lead Manager Options Offer only. Participants should read the Prospectus in full before deciding to invest in New Securities.

2.1 Entitlement Offer

Topic	Summary	Further information
<p>What is the Entitlement Offer?</p>	<p>The Entitlement Offer provides Eligible Shareholders with the opportunity to subscribe for 1 New Share for every 1 Existing Share held on the Record Date at the Offer Price of \$0.005 per New Share, with 1 free attaching New Option for every 3 New Shares issued, free of brokerage or other transaction costs.</p> <p>The Offer is free of brokerage or other transaction costs for Eligible Shareholders</p> <p>The Entitlement Offer is non-renounceable. This means that Eligible Shareholders who do not take up their Entitlements by 5.00pm (Sydney time) on Friday, 19 July 2024, will not receive any payment or value for those Entitlements, and their proportionate equity interest in the Company will be diluted.</p> <p>The Company reserves the right to modify or terminate the Entitlement Offer at any time including varying the Closing Date (see Section 4.1).</p> <p>The Company will notify the ASX of any modification to, or termination of, the Entitlement Offer.</p>	<p>Section 4.1</p>
<p>Will there be an Oversubscription Facility?</p>	<p>Yes.</p> <p>Eligible Shareholders who take up their full Entitlement may also apply for additional New Shares at the Offer Price of \$0.005 per New Share, with 1 free attaching New Option for every 3 New Shares issued (Oversubscription Facility).</p> <p>There is no limit to the amount of New Shares you may subscribe for under the Oversubscription Facility.</p> <p>The Company will allocate Shortfall Securities according to the following priority:</p> <ul style="list-style-type: none"> • to each Eligible Shareholder who has applied for Shortfall Securities through the Oversubscription Facility, and amongst each other, pro rata based on their Entitlement; and • if following the allocation above there remains available Shortfall Securities, to those investors who apply for Shortfall Securities following an invitation from the Company or the Lead Manager, and amongst each other, by the decision of the Company and Lead Manager based on the aim to 	<p>Section 4.1.5</p>

Topic	Summary	Further information
	<p>introduce long term material investors into the Company.</p> <p>The Company may refuse to allocate Shortfall Securities to a person if to do so would cause a person to acquire a relevant interest in more than 20% of the issued Shares of the Company, unless an exception in section 611 of the Corporations Act applies to that acquisition.</p>	
What is the Offer Price?	<p>The Offer Price is \$0.005 per New Share, being the same price per New Share under the Placement.</p> <p>The New Options will be issued for nil consideration.</p>	Section 4.1.1
Am I eligible to participate in the Entitlement Offer?	<p>Only Eligible Shareholders are entitled to participate in the Entitlement Offer. An Eligible Shareholder is a person who:</p> <ul style="list-style-type: none"> • is registered as the holder of Shares as at 7.00pm (Sydney time) on the Record Date; • has a registered address in Australia or New Zealand as noted on the Company's share register; • if they have a registered address in New Zealand, also hold those Shares on the date the Entitlement Offer opens; • is not in the United States nor acting for the account or benefit of a person in the United States or elsewhere outside Australia or New Zealand; and • is eligible under all applicable securities laws to receive an offer under the Entitlement Offer. <p>Custodians and nominees holding Shares on behalf of one or more beneficial holders should refer to Section 4.4.4.</p>	Section 4.1.3
Is the Entitlement Offer conditional?	<p>The issue of New Securities under the Entitlement Offer is not conditional on Shareholder approval and will not count towards the Company's placement capacity in Listing Rule 7.1 or 7.1A as it falls under an exemption in Listing Rule 7.2.</p>	Section 4.1.1
Is the Entitlement Offer subject to a minimum subscription?	<p>No.</p>	Section 4.1.7
Is the Entitlement Offer underwritten?	<p>The issue of New Securities under the Entitlement Offer is fully underwritten by the Underwriter in accordance with the Underwriting Agreement.</p>	Section 4.1.9

Topic	Summary	Further information
<p>Do I have to participate in the Entitlement Offer?</p>	<p>No.</p> <p>Participation in the Entitlement Offer is optional.</p> <p>The Entitlement Offer is non-renounceable. This means that Eligible Shareholders who do not take up their Entitlements by 5.00pm (Sydney time) on Friday, 19 July 2024, will not receive any payment or value for those Entitlements, and their proportionate equity interest in the Company will be diluted.</p>	<p>Section 4.1.3</p>
<p>Can I transfer my Entitlement to participate in the Entitlement Offer?</p>	<p>No.</p> <p>You cannot transfer your Entitlement to purchase New Securities under the Entitlement Offer to anyone else</p>	<p>Section 4.1.1</p>
<p>How many New Securities will I receive if I participate in the Entitlement Offer?</p>	<p>Under the Entitlement Offer, Shareholders may subscribe for 1 New Share for every 1 Existing Share held on the Record Date, and will receive 1 free attaching New Option for every 3 New Shares subscribed for.</p> <p>Eligible Shareholders who take up their full Entitlement may also apply for additional New Shares at the same Offer Price of \$0.005 per New Share under the Oversubscription Facility.</p> <p>Further details on how to take up your Entitlement and additional New Shares under the Oversubscription Facility are contained in Section 4.1.7 and the personalised Entitlement and Acceptance Form.</p>	<p>Section 4.1.1</p>
<p>How many New Options will I receive if I participate in the Entitlement Offer?</p>	<p>You will receive 1 New Option for every 3 New Shares issued to you under the Entitlement Offer (both in respect of your Entitlement and any participation in the Oversubscription Facility).</p>	<p>Sections 4.1.1 and 4.1.5</p>
<p>What are the terms of the New Options?</p>	<p>Each New Option is offered for no additional consideration and is exercisable at a price of \$0.007 until the expiry date of 5.00pm (Sydney time) on the date that is 18 months from the issue date.</p> <p>The Company will not apply for quotation of the New Options on ASX.</p> <p>The full terms of the New Options are set out in Section 8.2.</p>	<p>Section 8.2</p>
<p>What is the purpose of the funds raised under the Entitlement Offer?</p>	<p>The Entitlement Offer is being undertaken to raise capital of approximately \$7.1 million.</p> <p>The funds are intended to be used for the Company to expand its sales and product development teams, general working capital purposes and to redeem in part the existing</p>	<p>Section 3.3</p>

Topic	Summary	Further information
	<p>convertible debt facilities with Mr John Plummer and Adcock Private Equity.</p> <p>The proposed use of funds is further detailed in Section 3.3.</p>	
<p>Do I have to pay brokerage on the New Securities?</p>	<p>No brokerage, commission or other participation costs are payable by you in respect of the acquisition of New Securities under the Entitlement Offer</p>	<p>Section 7.9</p>
<p>What are the risks of subscribing for New Securities under this Prospectus?</p>	<p>The list of risks is not exhaustive and further details of these risks and other risks associated with an investment in the Company are detailed in Section 6.</p> <p>New Securities offered under this Prospectus should be considered speculative and an investment in the Company is subject to a range of risks, including (but not limited to):</p> <ul style="list-style-type: none"> • Commercialisation: The Company may not be successful in developing effective and safe new products to market in time to be effectively commercialised, or in obtaining any required regulatory approvals or funding, which may impact its growth initiatives relating to product development with an associated material adverse effect on its prospects. • Sufficiency of funding: The failure to raise the necessary funding, whether as debt or equity, could result in the delay or indefinite postponement of the Company's business expansion. • Products: The Company's products and services may encounter design and manufacturing defects, whether real or perceived, which could have adverse effects on its business and damage its reputation. Quality problems could also adversely affect the user's experience, and result in harm to the Company's brand or reputation, loss of competitive advantage, poor market acceptance, reduced demand for its products, delay in new product introductions, and lost revenue and adversely impact the Company's future prospects. • Material Customer Contracts: A breach, termination, or non-renewal of these material customer contracts or loss of business may have a material adverse effect on the Company's future financial position, brand and reputation and financial performance and therefore the value of its securities. • Cybersecurity: The Company and its customers are dependent on the performance, reliability and availability of its platforms, data centres and communications systems (including servers, the internet, hosting services and the cloud environments in which the Company provides its solutions). Disruptions to these services and platforms may lead to prolonged disruption to the Company's products and platform, or operation or 	<p>Section 6</p>

Topic	Summary	Further information
	<p>business delays and damage to the Company's reputation.</p> <ul style="list-style-type: none"> • Intellectual Property and Software Development: A failure by the Company to protect its intellectual property successfully may lead to a loss of opportunities and adversely impact on the value of the Company's proprietary technology or the Company's operating results and financial position. • Supply Chain: Any significant interruption or negative change in the availability or economics of the Company's supply chain for key inputs could materially impact its business, its financial position, financial performance and/or prospects. • Foreign Exchange: Changes in exchange rates can impact the value of revenue, expenses, assets, liabilities when those components are denominated in foreign currencies through either transaction or translation risk. • Regulatory and Compliance: There is potential for adverse consequences arising from a failure by the Company to adhere to laws, regulations, and industry standards that govern the Company's operations, including retaining registrations of these products and components. Additionally, if any of the products produced by the Company were subject to recall or a suspension, the reputation and goodwill of that product and/or the Company could be harmed. • Reliance on Key Personnel: If any key employees or skilled workers resign or become unable to continue in their present role, there is no guarantee that they will be adequately replaced in a timely manner (if at all), and as a result, business operations and the ability to implement the Company's strategies could be materially disrupted. The loss of a number of key personnel or the inability to attract additional personnel may have an adverse impact on the Company's financial and operating performance. • Dependence on Key Suppliers: Loss or impairment of any of these relationships could have a material adverse effect on the Company's results of operations, financial condition and prospects, at least until alternative arrangements can be implemented. • Strategic: There can be no guarantee that the Company's strategic decisions, in particular the exit of the PetYeti GoBookings businesses, made now or in the future will have the anticipated positive effect on the Company's business, financial condition and results of operations. • Competition: The Company is potentially much smaller and less well resources than some of these competitors. The Company may face more competition from new or existing market players who offer similar products and services to the 	

Topic	Summary	Further information
	<p>Company's current or potential clients at a lower price. This may reduce the Company's market share.</p> <p>The Company is also exposed to certain industry-specific risks, including (but not limited to):</p> <ul style="list-style-type: none"> • Technology: The Company may face negative outcomes or problems that result from the use, adoption, or dependence on technology within the Company. Technology risk can affect different parts of the Company, such as its cybersecurity, data management, operational effectiveness and marketability of the Company's products and solutions. • Input Price: The Company is subject to the possibility of fluctuations in the input cost of goods or services. For the Company this mainly involves the price that suppliers charge for input components to the hardware that the Company builds and sells, which can be affected by factors like global demand and supply chain issues. • Litigation: Being in the healthcare and medical equipment and technology industry, the Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, privacy claims for breach of data and privacy, work health and safety claims, product liability and employee claims. • Changing Consumer Preferences: Should a significant proportion of the Company's targeted end users (i.e. patients) or clients including practitioners or other medical service providers exhibit a preference for attending or delivering medical examinations and treatment in-person or through other means not catered for by the Company's solutions, this would likely result in a lower demand for its products or services which in turn would have a negative impact on the Company's revenues and prospects. • Change in Law and Healthcare Policy: The Company's business and the business of its customers are subject to the laws and regulations in a number of jurisdictions. Unforeseen changes in healthcare laws and government policy in those jurisdictions could materially impact the Company's operations, products, contracts and profitability and its future prospects. <p>The Company is also exposed to general risks, including (but not limited to) the following:</p> <ul style="list-style-type: none"> • Market Conditions: General economic factors such as interest rates, exchange rates, inflation, business and consumer confidence and general market factors may have an adverse impact on the Company's performance, prospects or the value of its assets. The market price of the Company's 	

Topic	Summary	Further information
	<p>shares will fluctuate due to various factors, many of which are non-specific to the Company.</p> <ul style="list-style-type: none"> • Economic Risk: Changes in Australian and world economic conditions may adversely affect the financial performance of the Company. • Government Policy Changes: The Company's operations and activities may be impacted by unfavourable changes in government policies or laws. • Taxation: The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. • Force Majeure: There are risks that the Company cannot control, now or later, that may have a negative impact on the Company, such as strikes, riots, wars, attacks or sabotage, severe weather, fires, floods, explosions or other disasters, pandemics, epidemics or quarantine measures all of which may impact adversely on the Company's operations, financial performance and financial position. 	
<p>What do I do if I receive more than one Entitlement and Acceptance Form?</p>	<p>Eligible Shareholders who receive more than one Entitlement and Acceptance Form under the Entitlement Offer or who are able to participate in the Entitlement Offer as an underlying beneficial owner of a custodian or nominee (e.g. where an Eligible Shareholder holds Shares in more than one capacity) may apply on different Entitlement and Acceptance Forms in relation to their respective Entitlements.</p>	<p>Section 7.7</p>
<p>How do I participate in the Entitlement Offer</p>	<p>If you are an Eligible Shareholder and wish to take up your Entitlement under the Entitlement Offer, you need to pay by BPAY® or EFT so that your payment is received by the Company before 5.00pm (Sydney time) on the Closing Date.</p> <p>If you are paying by BPAY® or EFT you do not need to submit the accompanying personalised Entitlement and Acceptance Form. It is the responsibility of the Applicant to ensure that funds submitted through BPAY® or EFT are received by the Closing Date.</p> <p>Applicants should be aware that their own financial institution may implement earlier cut-off times with regards to electronic payment, and should therefore take that into consideration when making payment.</p> <p>New Zealand resident Shareholders without an Australian bank account will not be able to make a payment using BPAY® and should contact the Share Registry to obtain payment details.</p>	<p>Section 7</p>
<p>When will I receive my New Securities?</p>	<p>New Securities issued under the Entitlement Offer are expected to be issued on Thursday, 25 July 2024.</p> <p>Holding statements are expected to be sent to successful Applicants shortly after the issue of the New Securities.</p>	<p>Section 4.1.11</p>

Topic	Summary	Further information
When can I trade my New Securities?	<p>It is expected that New Shares issued under the Entitlement Offer will commence trading on ASX on Friday, 26 July 2024.</p> <p>You should confirm your shareholding before trading any New Shares you believe you have acquired under this Prospectus.</p> <p>New Options are not tradeable.</p>	Section 4.1.11
What are the rights and liabilities attaching to the New Shares issued under this Prospectus?	<p>New Shares issued under the Entitlement Offer will rank equally in all respects with Existing Shares.</p> <p>The rights and liabilities attaching to the New Shares are set out in Section 8.1.</p>	Section 8.1
What are the rights and liabilities attaching to the New Options issued under this Prospectus?	<p>The rights and liabilities attaching to the New Options are set out in Section 8.2.</p>	Section 8.2
Who is the Lead Manager and Underwriter	Henslow Pty Ltd (ACN 605 393 137) (AFSL: 483168)	Section 4.3
How can Eligible Shareholders obtain further information?	<p>Enquiries relating to this Prospectus and the Entitlement Offer should be directed to the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) between 8:00am and 5:00pm (Sydney time) Monday to Friday until the Closing Date or by emailing Visionflex's Share Registry at hello@atomicgroup.com.au.</p>	Section 4.4.8

2.2 Placement Option Offer

Topic	Summary	Further information
What is the Placement Option Offer?	<p>Participants in the Placement will receive 1 New Option for every 3 New Shares issued to that participant under the Placement free of brokerage or other transaction costs.</p>	Section 4.2.1
What is the offer price for the Placement Option Offer?	<p>The New Options issued under the Placement Option Offer will be issued for nil additional consideration.</p>	Section 4.2.2
Am I eligible to participate in the Placement Option Offer?	<p>Only participants in the Placement are entitled to participate in the Placement Option Offer.</p>	Section 4.2.5

Topic	Summary	Further information
Is the Placement underwritten?	The Placement is not underwritten.	Section 4.2.8
Can I transfer my entitlement to participate in the Placement Option Offer?	No. You cannot transfer your right to acquire New Options under the Placement Option Offer to anyone else.	Section 4.2.1
How many New Options will I Receive if I Participate in the Placement Option Offer?	Participants in the Placement will receive 1 New Option for every 3 New Shares subscribed for and issued under the Placement.	Section 4.2.1
What are the terms of the New Options?	Each New Option is offered for no additional consideration and is exercisable at a price of \$0.007 until the expiry date at 5.00pm (Sydney time) on the date that is 18 months from the issue date. The Company will not apply for quotation of the New Options on ASX. The full terms of the New Options are set out in Section 8.2	Section 4.2.1
How do I participate in the Placement Options Offer?	If you participated in the Placement no action is required from you to take up the New Options under the Placement Option Offer. The Lead Manager will make your application on your behalf.	Section 4.2.6
Are the New Options issued under the Placement Option Offer conditional?	New Options to be issued under the Placement Option Offer are not conditional.	Section 4.2.4
When will I receive my New Options?	New Options issued under the Placement Option Offer are expected to be issued to successful participants on 2 July 2024. Holding statements are expected to be sent to successful Applicants shortly after the issue of the New Options.	Section 4.2.10
What are the rights and liabilities attaching to the New Options?	The rights and liabilities attaching to the New Options are set out in Section 8.2.	Section 8.2

Topic	Summary	Further information
How can participants in the Placement Options Offer obtain further information?	Enquiries relating to this Prospectus and the Placement Options Offer should be directed to the Lead Manager via email at info@henslow.com	Section 4.3

2.3 Lead Manager Offer

Topic	Summary	Further information
What is the Lead Manager Offer?	By this Prospectus the Company is offering 7,000,000 New Options to the Lead Manager.	Section 4.3
What is the offer price for Lead Manager Offer?	The New Options issued to the Lead Manager will be issued for nil cash consideration as part of their consideration for their lead manager services to the Company in relation to the Capital Raising described in Section 9.3.1	Section 9.3.1
Am I eligible to participate in the Lead Manager Offer?	Only the Lead Manager is eligible to participate in the Lead Manager Offer.	Section 4.3
Can I transfer my entitlement to participate in the Lead Manager Offer?	No. The Lead Manager cannot transfer its right to acquire New Options to anyone else.	Section 4.3
How many New Options will I Receive if I Participate in the Lead Manager Offer?	The Lead Manager may not apply for (and the Company will not issue) more than 7,000,000 New Options under the Lead Manager Offer.	Section 4.3
What are the terms of New Options under the Lead Manager Offer?	Each New Option is offered for no additional consideration and is exercisable at a price of \$0.007 until the expiry date at 5.00pm (Sydney time) on date that is 18 months from the issue date. The Company will not apply for quotation of the New Options on ASX. The full terms of the New Options are set out in Section 8.2.	Section 4.3
How do I participate in the Lead Manager Offer?	Only the Lead Manager may apply for New Options under the Lead Manager Offer by completing the Lead Manager Application Form.	Section 4.3

Topic	Summary	Further information
Are the New Options under the Lead Manager Offer conditional?	No, the New Options under the Lead Manager Offer are not subject to shareholder approval	Sections 4.3 and 9.3.1
When will I receive my New Options under the Lead Manager Offer?	The New Options are expected to be issued on 25 July 2024.	Section 4.3

3. Company Overview

3.1 Overview

The Company is a clinical virtual care technology company that enables medical professionals to virtually diagnose, monitor and treat patients. To date, the Company has advanced the care of patients in segments including the primary healthcare networks, aged care, aboriginal health organisations, hospitals, corrective services, and the resource sectors.

The Company is committed to empowering health practitioners worldwide with advanced technologies, enhancing patient outcomes through innovative virtual healthcare solutions.

3.2 Strategic Plan

The Company aims to become a leader in the virtual healthcare landscape by executing strategic expansion initiatives, providing innovative solutions, and focusing on client satisfaction. Our comprehensive strategic plan is designed to propel us towards becoming a global leader in virtual healthcare technology, ensuring we continue to deliver exceptional value to our clients, stakeholders, and the broader healthcare community.

We aim to ensure that our solutions integrate effortlessly with existing healthcare infrastructures which will ease the transition to virtual care for providers, reinforcing our commitment to innovation and user-centric service.

Our commitment to advancing SaaS functionalities and tailoring our platform to meet the varied demands of healthcare environments underscores our dedication to setting benchmarks for patient-centred technology solutions. We plan to enhance our SaaS software, integrating advanced features and seamless electronic health record interoperability to become essential for healthcare providers.

Operationally, we aim to refine our processes to bolster sustainable profitability, ensuring alignment with our ambitious revenue growth targets.

In pursuit of these objectives, our strategic initiatives are multifaceted and include the following:

Market Penetration and Expansion

- Deepen market penetration in existing markets by identifying and leveraging new opportunities within those regions to expand our client base.
- Target to establish a significant presence in new international markets through a strategic reseller or distribution model.

Revenue Growth

- Target to increase our current annual recurring revenue, leveraging our innovative ProEx and Vision SaaS solutions.
- Develop a diversified revenue model that includes hardware sales and SaaS subscriptions, to ensure multiple revenue streams.

Product Innovation and Development

- Continuously enhance our SaaS offerings by incorporating advanced features and functionalities that cater to the evolving needs of the healthcare sector.

- Invest in research and development to innovate new products and services that align with emerging healthcare trends and technologies.

Operational Excellence

- Streamline our operations to improve efficiency and reduce costs, ensuring our business model is scalable and adaptable to changing market dynamics.
- Enhance our supply chain and logistics frameworks to ensure timely and efficient delivery of our hardware solutions to clients.

Client Engagement and Satisfaction

- Implement comprehensive education programs and support services to ensure clients can maximise the benefits of our solutions.
- Develop a client feedback mechanism to gather insights and inform continuous product and service improvement.

Strategic Partnerships and Alliances

- Forge partnerships with key players in the healthcare and technology sectors to expand our reach and enhance our product offerings.
- Collaborate with healthcare providers and institutions to co-develop solutions that address specific industry challenges and opportunities.

Brand Positioning and Thought Leadership

- Establish enduring partnerships with key healthcare entities to ensure a consistent revenue flow and bolster the Company's market presence. A continuous feedback loop will inform our product and service evolution, ensuring they resonate with user needs.
- Invest in targeted marketing campaigns to build brand awareness and recognition in key markets, emphasising our commitment to innovation and quality.

3.3 Purpose of the Offers and Use of Funds

The funds raised from the Placement and the Offers are intended to be used for the Company to expand its sales and product development teams, general working capital purposes and to redeem the existing convertible debt facilities with Mr John Plummer and Adcock Private Equity, currently drawn down to \$6.825 million.

The Company proposes to use the funds raised through the Offers as set out in Table 3.3.1 below.

The key objective of the Placement and the Offers is to raise the additional capital necessary to drive the Company towards achieving its mission of becoming a leader in virtual healthcare technology, ensuring the company's growth and sustainability while delivering significant value to stakeholders and improving healthcare outcomes globally.

The funds raised will assist the Company in achieving the following objectives:

- **(Sales and Marketing):** Grow the Company's market presence both in existing verticals and markets, and new international territories, targeting regions with high growth potential in the virtual healthcare sector. It is expected that we will initially target the United States and European markets. We plan to strengthen relationships

with existing clients and attract new ones by enhancing client support, education, and engagement, and by executing targeted marketing strategies.

- **(Product Development):** Enhance the SaaS offerings across ProEx and Vision, focusing on developing advanced features that specifically address the needs of government and private enterprise healthcare providers.
- **(Inventory Build):** A portion of the funds raised from this capital raise will be allocated towards the strategic buildup of our inventory. This investment is aimed at ensuring that the Company can maintain an agile and responsive supply chain, thereby enhancing our ability to promptly meet the growing demand for our virtual solutions. By bolstering our inventory levels, we will be well-positioned to rapidly fulfill new product orders, minimising lead times and improving customer satisfaction. This proactive approach will enable us to leverage market opportunities, manage supply chain disruptions, and sustain our competitive edge in the healthcare technology sector. The allocated funds will be used to procure critical components and finished goods necessary for the production of our flagship products, ensuring their availability and readiness to meet the anticipated surge in market demand.

The table below is a statement of the proposed application of the funds from the Placement and Entitlement Offer as at the Prospectus Date.

Table 3.3.1 - Use of Funds¹

Use of Funds	Full Entitlement Offer take-up ²	50% shortfall	100% shortfall ³	Description
Debt (incl accrued interest) repayment ⁴	\$5.0 million	\$5.6 million	\$6.3 million	Significant debt reduction
Inventory build	\$0.3 million	\$0.3 million	\$0.3 million	To ensure agile delivery for new product orders
Working capital to expand its sales, marketing and product development teams and including costs of the Offer	\$2.2 million	\$1.6 million	\$0.9 million	Near term trading losses, until reaching profitability early in FY25 plus estimate of various costs (legal, advisory, registry) in undertaking the capital raise
Total	\$7.5 million	\$7.5 million	\$7.5 million	

1. The above table represents a statement of the Company's current intentions as at the Prospectus Date. As with any budget, new circumstances have the potential to affect the manner in which the funds are ultimately applied. Investors should therefore note that this information may change depending on a number of factors, including the changes in the competitive environment, business performance, strategic and operational considerations, regulatory developments, and market and general economic conditions. The Board reserves the right to alter the way funds are applied on this basis.
2. This assumes 100% take up of the Entitlement Offer, but noting that Mr John Plummer has committed to provide a sub-underwriting of \$4.58 million rather than take up his Entitlement of \$1.4 million.

3. This assumes 100% shortfall of the Entitlement Offer but noting that Adcock Private Equity and certain directors have committed to take up their Entitlements in the amount \$1.74 million as described in Section 9.7 and the Nominee will acquire interests of Ineligible Shareholders.
4. The amount of debt repayment increases with the amount of sub-underwriting which Mr John Plummer is required to deliver, as his subscription for New Shares will be satisfied by the redemption of convertible debt bonds owed to him. See Section 9.4 for more details.

3.4 Future of the Company

The Company aims to become a global leader in virtual healthcare technology, focusing on sustained profitability and setting industry standards for innovative, patient-centric solutions. Our strategic approach is centred on harnessing hardware sales and increasing annual recurring SaaS revenue to drive revenue growth and operational efficiency.

The virtual healthcare sector is expanding rapidly, driven by technological advancements and an increasing demand for remote healthcare services. The Company firmly believes that the proceeds from the Placement and Offers will enable it to strategically position itself to be at the forefront of this expansion, targeting key industry sectors to capture substantial market share and establish a commanding global presence.

4. Details of the Offers

The Company is making separate Offers pursuant to this Prospectus. The Offers are made with disclosure under this Prospectus and are made on the terms, and are subject to the conditions, set out in this Prospectus. The purpose of the Offers and the use of funds raised under the Offers are set out in Section 3.

4.1 The Entitlement Offer

4.1.1 Entitlement Offer Details

The Entitlement Offer is being made as a pro-rata non-renounceable entitlement offer of 1 New Share at the Offer Price for every 1 Existing Share held by Eligible Shareholders on the Record Date and 1 free attaching New Option for every 3 New Shares subscribed for and issued under the Entitlement Offer.

New Shares issued under the Placement and Entitlement Offer will be issued at the same Offer Price, being \$0.005.

The Offer Price represents a discount of:

- nil to the closing Share price (as quoted on ASX) of \$0.005 on 21 June 2024 (being the last day on which a trade in Shares occurred prior to the Prospectus Date);
- 15.7% to the 30-day VWAP of \$0.0059 up to and including 21 June 2024; and
- nil to the 'theoretical ex-right price' (TERP) at which Shares should trade immediately after the ex-date of the Capital Raising and is adjusted for Shares to be issued under the Placement. TERP is a theoretical calculation only and the actual price at which Shares trade at that time will depend on many factors and may not be equal to the TERP.

The New Options are issued for nil consideration.

Under the Entitlement Offer, the Company is seeking to raise approximately \$7.1 million through the issue to Eligible Shareholders of approximately 1.417 billion New Shares, with approximately 472 million free attaching New Options. Any fractional entitlements will be rounded to the nearest whole number of New Shares or New Options (as applicable).

Under this Prospectus, the Company invites each Eligible Shareholder to subscribe for 1 New Share for every 1 Existing Share held on the Record Date and receive 1 free attaching New Option for every 3 New Shares issued, free of brokerage or other transaction costs.

The Entitlement Offer is non renounceable. This means that Eligible Shareholders who do not take up their Entitlements by 5.00pm (Sydney time) on Friday, 19 July 2024, will not receive any payment or value for those Entitlements, and their proportionate equity interest in the Company will be diluted.

Under this Prospectus, only Eligible Shareholders (as set out in Section 4.1.3) are eligible to participate in the Entitlement Offer.

Eligible Shareholders who take up their full Entitlement may also apply for additional New Securities under the Oversubscription Facility. Further details on how to take up your Entitlement and additional New Securities under the Oversubscription Facility are contained in Section 4.1.7 and your personalised Entitlement and Acceptance Form.

All New Shares offered under this Prospectus will rank equally with the Existing Shares on issue as at their date of issue. The material rights and liabilities attaching to the New Shares and New Options are set out in Section 8.1 and Section 8.2 respectively.

Under the Entitlement Offer, Eligible Shareholders are invited to:

- take up all, part or none of their Entitlement; and
- if you accept all of your Entitlement, apply for Additional Securities in excess of their Entitlements under the Oversubscription Facility, further details of which are contained in Section 4.1.5,

in each case, at the Offer Price.

If you are an Eligible Shareholder, a personalised Entitlement and Acceptance Form setting out your Entitlement will be provided to you via the Investor Portal or you may request that a paper Entitlement and Acceptance Form and Prospectus be mailed to you.

If you have more than one registered holding of Shares, you will have access to Entitlement and Acceptance Forms equal to your number of registered holdings of Shares on the Investor Portal and you will have separate Entitlements for each separate holding.

The Entitlement Offer opens Thursday, 4 July and closes on Friday, 19 July 2024, or such later date as determined by the Company, with the consent of the Lead Manager, in its discretion, subject to compliance with the Listing Rules.

The New Securities subscribed for under the Entitlement Offer are expected to be issued on Thursday, 25 July 2024 and the New Shares issued under the Entitlement Offer are expected to commence trading on ASX on Friday, 26 July 2024.

4.1.2 Entitlement Offer Period

The Entitlement Offer opens on 9.00am (Sydney time) on Thursday, 4 July and is scheduled to close at 5.00pm (Sydney time) on Friday, 19 July 2024.

The Company reserves the right to:

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

at any time.

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

4.1.3 Participation in the Entitlement Offer

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

An Eligible Shareholder is a person who:

- is registered as the holder of Shares as at 7.00pm (Sydney time) on the Record Date;
- has a registered address in Australia or New Zealand as noted on the Company's share register;

- if has a registered address in New Zealand, also holds their Shares on the date the Entitlement Offer opens;
- is not in the United States nor acting for the account or benefit of a person in the United States or elsewhere outside Australia or New Zealand; and
- is eligible under all applicable securities laws to receive an offer under the Entitlement Offer,

(Eligible Shareholder).

Shareholders who are not Eligible Shareholders are **Ineligible Shareholders**.

The Company reserves the right to determine whether a Shareholder is an Eligible Shareholder or an Ineligible Shareholder. Joint holders of Shares will be taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder.

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

The Company reserves the right to reject any Application under the Entitlement Offer and this Prospectus to the extent it considers that the Application (whether alone or in conjunction with other Applications) does not comply with these requirements.

If you are in any doubt about the Entitlement Offer, whether you should participate in the Entitlement Offer or how such participation will affect you, you should seek independent financial and taxation advice before making a decision as to whether or not to take up any New Securities under the Entitlement Offer.

Ineligible Shareholders will have a reduced (i.e.diluted) percentage shareholding in the Company after implementation of the Entitlement Offer. See Section 5 for further information on the effect on Shareholdings of the Offers but may receive an amount as set out in Section 4.1.4.

4.1.4 Nominee for Ineligible Shareholders

The Company has appointed the Nominee for the purposes of section 615 of the Corporations Act to sell the New Securities which would otherwise be offered to Ineligible Shareholders.

The Nominee will have the discretion to determine the timing and price at which the New Securities will be sold and the manner of any such sale. As required by section 615 of the Corporations Act, the Company has obtained approval from ASIC for the appointment of the Nominee. The net proceeds of the sale of these New Securities will be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to the number of New Securities sold (after deducting brokerage and other expenses including the Offer Price).

If any such net proceeds of sale are less than the reasonable costs incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company. Notwithstanding that the Nominee must sell the New Securities, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds. In this regard, the Nominee will not be required to sell the New Securities at a particular price.

The Company will pay the Nominee an administration fee of \$400 and a brokerage fee of 1% of the value of the securities sold by the Nominee (plus GST). The scope of services provided by the Nominee pursuant to the Nominee appointment are described above. The Nominee

appointment is otherwise subject to terms and conditions standard for an agreement of its nature.

4.1.5 Oversubscription Facility

Any New Securities under the Entitlement Offer which are not applied for will form the Shortfall Securities. The offer to issue Shortfall Securities is a separate offer under this Prospectus (**Oversubscription Facility**).

Under this Prospectus, the Company offers to issue the Shortfall Securities to Eligible Shareholders who take up their Entitlement in full at the same Offer Price of \$0.005 per New Share as that offered under the Entitlement Offer, together with 1 free attaching New Option for every 3 New Shares subscribed for and issued under the Oversubscription Facility.

The Shortfall Shares are New Shares with the same rights as detailed in Section 8.1. The Shortfall Options are New Options with the same rights as detailed in Section 8.2.

Eligible Shareholders who take up their Entitlement in full may apply for Shortfall Securities by completing the relevant section of their Entitlement and Acceptance Form or by providing additional Application Monies (refer to Section 7.3 for further details).

Upon invitation from the Company or the Lead Manager, other sophisticated or professional investors may also apply for Shortfall Securities by completing the relevant Application Form as determined by the Company or Lead Manager.

An Application for Shortfall Securities accompanied by payment of Application Monies does not guarantee the allotment of any Shortfall Securities. The Shortfall Securities will be allocated and allotted at the same time as New Securities under the Entitlement Offer.

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

4.1.6 Shortfall Allocation Policy

The Company will allocate Shortfall Securities according to the following priority:

- (a) to each Eligible Shareholder who has applied for Shortfall Securities through the Oversubscription Facility, and amongst each other, pro rata based on their Entitlement; and
- (b) if following the allocation in paragraph (a) there remains available Shortfall Securities, to those investors who apply for Shortfall Securities following an invitation from the Company or the Lead Manager, and amongst each other, by the decision of the Company and Lead Manager based on the aim to introduce long term material investors into the Company.

The Company may refuse to allocate Shortfall Securities to a person if to do so would cause a person to acquire a relevant interest in more than 20% of the issued Shares of the Company, unless an exception in section 611 of the Corporations Act applies to that acquisition.

4.1.7 Acceptance and How to Apply

The number of New Securities to which each Eligible Shareholder is entitled is calculated as at the Record Date of 7.00pm (Sydney time) on 1 July 2024. and is shown on the personalised Entitlement and Acceptance Form accompanying this Prospectus. If you have more than one registered holding of Shares, you will be provided with more than one Entitlement and

Acceptance Form on the Investor Portal and you will have separate Entitlements for each separate holding.

Applications for the Entitlement Offer may only be made by Eligible Shareholders during the Entitlement Offer Period on, or in accordance with, an Entitlement and Acceptance Form attached to or accompanying this Prospectus. A personalised Entitlement and Acceptance Form together with a copy of this Prospectus will be available to Eligible Shareholders on the Investor Portal.

Eligible Shareholders can download a copy of this Prospectus and a personalised Entitlement and Acceptance Form during the Offer Period through the Investor Portal. Eligible Shareholders can request a paper copy of this Prospectus and personalised Entitlement and Acceptance Form by calling the Share Registry during the Offer Period on 1300 288 664 (within Australia) and +61 2 9698 5414 (from outside Australia).

If you are an Eligible Shareholder you may participate in the Entitlement Offer as follows:

- take up all of your Entitlement (see Section 7.2);
- take up all of your Entitlement (see Section 7.2) and apply for Additional Securities (see Section 7.3);
- take up part of your Entitlement and allow the balance to lapse (see Section 7.4); or
- take no action and allow all of your Entitlement to lapse (see Section 7.5).

There is no minimum subscription you are required to apply for.

The Company reserves the right to reject any Application that is received after the Closing Date. Unless varied at the discretion of the Company in consultation with the Lead Manager (and subject to the Corporations Act and the ASX Listing Rules), the Closing Date for acceptance of the Entitlement Offer is 5.00pm (Sydney time) on Friday, 19 July 2024.

4.1.8 Entitlement Not Taken Up

If you are an Eligible Shareholder and you do not wish to take up your Entitlement, do nothing. If you do nothing, the New Securities representing your Entitlement will form part of the Shortfall Securities.

Eligible Shareholders who do not take up their Entitlements in full will not receive any amounts in respect of the Entitlements that they do not take up, and will have a reduced (i.e. diluted) percentage shareholding in the Company after implementation of the Entitlement Offer.

See Section 5 for further information on the effect on Shareholdings of the Offers. If you have any doubt about how you should deal with your Entitlements, you should seek professional advice from an adviser who is licensed by ASIC to give that advice before making any investment decision.

4.1.9 Underwriting

The issue of New Securities under the Entitlement Offer is fully underwritten by the Lead Manager, subject to the terms and conditions of the Underwriting Agreement. Please refer to Section 9.3.2 for further details in relation to the Underwriting Agreement.

The Underwriter will, subject to the Underwriting Agreement not being terminated, subscribe for (or nominate other persons, including sub-underwriters to subscribe for) the New Securities under the Entitlement Offer not otherwise subscribed for by Eligible Shareholders, either under the Entitlement Offer or the Oversubscription Facility, or by investors who deliver an Application Form for the Shortfall Securities.

It is important to note that the Underwriter will be acting for, and providing services to, the Company in relation to the Entitlement Offer and will not be acting for or providing services to Shareholders. The engagement of the Underwriter by the Company is not intended to create any agency or other relationship between the Underwriter and Shareholders.

4.1.10 Opening and Closing Dates

The Entitlement Offer is expected to open on Thursday, 4 July 2024 and is scheduled to close at 5.00pm (Sydney time) on Friday, 19 July 2024.

Subject to the Corporations Act and the Listing Rules, the Company, with the consent of the Lead Manager, has the right to vary these dates without prior notice, including to extend a Closing Date, or to accept late Applications, or to delay or withdraw the Offers (or any part of the Offers).

4.1.11 Issue and Dispatch of New Securities

All New Securities under the Entitlement Offer are expected to be issued on or before the dates specified in the Indicative Timetable. It is the responsibility of Applicants to determine their allocation prior to trading in New Shares.

Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

Holding statements for the New Securities issued under the Entitlement Offer will be dispatched as soon as possible after the issue of the New Securities under the Entitlement Offer in accordance with the Corporations Act and the Listing Rules.

4.1.12 Application Monies on Trust

All Application Monies received for the New Securities under the Entitlement Offer will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the relevant New Securities are issued. All Application Monies will be returned without interest if the relevant New Securities are not issued.

4.1.13 Withdrawal

The Directors may at any time decide to withdraw this Prospectus and/or all or part of the Entitlement Offer, in which case, the Company will return all Application Monies (without interest) in accordance with the Corporations Act.

4.1.14 Overseas Applicants

The Entitlement Offer does not, and is 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 offers or to issue this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia and New Zealand, except to institutional and professional investors in transactions exempt from local prospectus or registration requirements or investors who can participate in compliance with applicable securities laws. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The payment of Application Monies in accordance with Sections 7.6 and 7.7 will be taken by the Company to constitute a representation and warranty by you that you have complied with these restrictions.

Further details in respect of participation by investors are set out in the Important Information Section of this Prospectus.

4.2 Placement Option Offer

4.2.1. The Placement Option Offer

Under this Prospectus, participants in the Placement will be offered 1 New Option for every 3 New Shares to be issued to them under the Placement.

The New Options to be issued under the Placement Option Offer are on the same terms as the New Options to be issued under the Entitlement Offer and will be exercisable at \$0.007 on or before 18 months from the date of their issue and will be issued on the terms and conditions as set out in Section 8.2.

Any Shares issued upon the future exercise of a New Option will rank equally with the Shares on issue at the date of issue. Please refer to Section 8.1 for further information regarding the current rights and liabilities attaching to Shares.

4.2.2. Offer Price

The New Options will be issued for nil consideration.

4.2.3. Offer Period

The Placement Option Offer will open on Wednesday, 26 June 2024 and will close on 5.00pm (Sydney time) on Friday, 28 June 2024.

The Company may:

- (a) extend either the Placement Option Offer;
 - (b) close either the Placement Option Offer early; or
 - (c) withdraw either the Placement Option Offer,
- at any time by making an announcement to the ASX.

4.2.4. Conditionality of Placement Options

The issue of the Placement Options is unconditional.

4.2.5. Participation in the Placement Option Offer and How to Apply

The Placement was an offer to investors identified by the Company (and/or their nominees) only and Lead Manager. Only investors who were successful under the Placement and are to be issued New Shares under the Placement are entitled to apply for New Options under the Placement Option Offer.

4.2.6. Action in Relation to Placement Option Offer

No action is required from Placement Participants to take up New Options under the Placement Option Offer. The Lead Manager will complete and deliver the Placement Options Application Form on the Placement Participant's behalf.

Enquiries relating to this Prospectus with respect to the Placement Options Offer should be directed to the Lead Manager via email at info@henslow.com.

4.2.7. Representations by Participants in the Placement Option Offer

If you are issued New Options under the Placement Option Offer, you:

- (a) acknowledge that you have not been provided with investment advice or financial product advice by the Company or its Directors and have made your own enquiries before making an investment decision;
- (b) agree that your Application is made on the terms and conditions of the Placement Option Offer set out in this Prospectus;
- (c) acknowledge that the Company is not liable for any exercise of its discretions referred to in this Prospectus;
- (d) are in compliance with all relevant laws and regulations (including, without limitation, section 1043A of the Corporations Act and laws and regulations designed to restrict terrorism financing and/or money laundering); and
- (e) otherwise repeat the warranties given by you under the Placement Letter.

4.2.8. Underwritten

The Placement Option Offer is not underwritten.

4.2.9. ASX Listing of New Options

The Company will not apply for quotation of the New Options on ASX.

4.2.10. Issue of New Options

The Placement Options will be issued and holding statements will be dispatched shortly alongside the Placement Shares.

4.2.11. Cleansing Notice Relief

A secondary purpose of this Prospectus is to enable the Company to take advantage of *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 (INS 2016/80)* which allows the on-sale of any Shares issued on the exercise of the New Options in the future without the need for the Company to issue a 'cleansing notice' each time such Shares are issued.

4.3 Lead Manager Offer

The Company entered into the Lead Manager Mandate with Henslow Pty Ltd (ACN 605 393 137) (AFSL: 483168) and Underwriting Agreement as described in Section 9.3.

As further described in Section 9.3, part of consideration for the lead manager services provided, the Company agreed to deliver to the Lead Manager (or its nominee/s) up to 7,000,000 New Options (which forms the Lead Manager Options under this Prospectus).

The Lead Manager Options Offer under this Prospectus is only made available to the Lead Manager and a personalised Application Form will be sent to the Lead Manager.

The New Options are be offered to the Lead Manager are on the same terms as the New Options to be issued under the Entitlement Offer and Placement Options Offer and will be exercisable at \$0.007 on or before 18 months from the date of their issue and issued on the terms set out in Section 8.2.

4.4 Matters Relevant to All Offers

4.4.1 Risks of the Offers

As with any investment, there are risks associated with investing in the Company. Having regard to the matters and risks applicable to the Company and its business detailed in Section 6, investors should be aware that an investment in the New Securities offered under this Prospectus should be considered highly speculative and there exists a risk that you may, in the future, lose some or all of the value of your investment.

Before deciding to invest in the Company, investors should read this Prospectus in its entirety, in particular the specific risks associated with an investment in the Company (detailed in Section 6), and should consider all factors in light of their personal circumstances and seek appropriate professional advice.

4.4.2 ASX Quotation

The Company will apply to ASX for quotation of the New Shares on ASX.

If ASX does not grant Official Quotation of the New Shares offered under the Entitlement Offer before the expiration of 3 months after the Prospectus Date (or such period as varied by ASIC), the Company will not issue any New Shares under the Entitlement Offer and will repay all Application Monies for the New Shares within the time prescribed under the Corporations Act, without interest.

The Company does not intend to apply for Quotation by ASX of the New Options offered under this Prospectus.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares.

4.4.3 CHESS and Issuer Sponsorship

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, eligible investors will not receive a certificate but will receive statements of their holding of the New Securities (one for each of New Shares and New Options).

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of New Shares and New Options issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the applicable Securities.

If you are registered on the Issuer Sponsored subregister, your statements will be dispatched by the Share Registry and will contain the number of New Securities issued to you under this Prospectus and your security holder reference number.

CHESS statements or Issuer Sponsored statements will routinely be sent to securityholders at the end of any calendar month during which the balance of their security holding changes. Securityholders may request a statement at any other time, however, a charge may be made for additional statements.

4.4.4 Nominees and Custodians

Nominees and custodians may not distribute this Prospectus, and may not permit any beneficial shareholder to participate in the Offers, in any country outside Australia and New Zealand 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.

4.4.5 Taxation Implications

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the New Securities.

4.4.6 Major Activities and Financial Information

A summary of the major activities and financial information relating to the Company (for the financial year ended 30 June 2023) is contained in the Annual Report which is available on the Company's website at www.vfx-group.com.

A summary of the major activities and financial information relating to the Company for the half year ended 31 December 2023 is contained in the Half Yearly Report which is available on the Company's website at www.vfx-group.com.

The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report (for the year ended 30 June 2023) with ASX on www.vfx-group.com are detailed in Section 9.1.

Copies of these documents are available free of charge from the Company or the Company's website www.vfx-group.com. Directors strongly recommend that eligible investors review these and all other announcements prior to deciding whether or not to participate in the Offers.

4.4.7 Privacy

Persons who apply for New Securities under this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry or the Underwriter. The Company and the Share Registry collect, hold and use that personal information to assess applications for securities to provide facilities and services to holders of Securities, and to carry out various administrative functions.

Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws.

By applying for New Securities, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to the ASX and regulatory authorities.

If the information requested is not supplied, applications for New Securities will not be processed.

In accordance with privacy laws, information collected in relation to specific applicants can be obtained by that applicant through contacting the Company or the Share Registry.

4.4.8 Enquiries Concerning Prospectus

Any questions in relation to this Prospectus or the Application Forms should be directed to the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) between 8:00am and 5:00pm (Sydney time) Monday to Friday until the Closing Date or by emailing the Share Registry at the following email address: hello@atomicgroup.com.au.

5. Effect of the Offers

5.1 The Effect of the Entitlement Offer and Placement on the Capital Structure

The effect of the Offers on the capital structure of the Company (assuming the Placement completes, all Entitlements are accepted (including as a result of the Underwriting Agreement) and no Options are exercised prior to the Record Date is set out in Table 5.1.1 below.

Table 5.1.1 - Effect on Capital Structure

Shares

Shares	Number
Shares on issue as at the Prospectus Date	1,416,991,197
New Shares to be issued pursuant to the Placement	83,008,800
Approximate maximum New Shares to be issued pursuant to the Entitlement Offer	1,416,991,197
Total Shares on issue after completion of the Offers	2,916,991,194

Options

Options	Number
Unquoted Options on issue as at the Prospectus Date	1,320,000
New Options to be issued pursuant to the Placement	27,669,600
Approximate maximum New Options to be issued pursuant to the Entitlement Offer	472,330,400
New Options to be issued pursuant to the Lead Manager Offer	7,000,000
Total Options on issue after completion of the Offers	508,320,000

Other Securities

Securities	Number/Value before the Capital Raising	Number after the Capital Raising
Performance Rights on issue	87,880,082	87,880,082

The Company also has 6,825,000 Converting Notes on issue. As set out in the use of funds at Section 3.3, it is intended that the funds raised from the Offers will be used to redeem part of the existing convertible debt facilities under the Converting Notes. In the event of 100% shortfall under the Entitlement Offer, \$6.3 million of the Convertible Note debt and accrued interest will be redeemed, leaving face value of the Converting Note at \$552,000. In event of full take up under the Entitlement Offer, \$5.0 million of the Convertible Note debt and accrued interest will be redeemed, leaving face value of the Converting Note at \$1.825 million .

5.2 Financial Effect of the Offers

The principal effect of the Offers (assuming the Placement completes, all Entitlements are accepted (including as a result of the underwriting arrangements), and no Options are exercised prior to the Record Date) will be to:

- (a) increase the cash reserves by approximately \$7.5 million (before deducting the estimated expenses of the Offers immediately after completion of the Offers);
- (b) increase the number of Shares on issue from approximately 1,416,991,197 as at the Prospectus Date to approximately 2,916,991,194 Shares following completion of the Offers; and
- (c) increase the number of Options on issue from approximately 1,320,000 as at the Prospectus Date to a maximum of approximately 508,320,000 Options following completion of the Offers.

Note that no consideration is expected to be received initially by the Company on the issue of the New Options. There is no certainty that any of the New Options will be exercised and additional Shares issued as a result and, consequently, no certainty that the Company will receive proceeds from the exercise of the New Options.

5.3 Pro-forma Statement of Financial Position

Set out below in Table 5.3.1 is the auditor reviewed statement of financial position for the Company as at 31 December 2023 (**Statement**) and which have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position as a result of the Offers.

The Statement has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company. The Statements are presented in abbreviated form insofar as they do not include all the disclosures that are present in annual financial reports as required by Australian accounting standards. The significant accounting policies that underpin the Statements are the same policies as those outlined in the Annual Report.

The Statements have been prepared on the basis that there are no material movements in the assets and liabilities of the Company between 31 December 2023 and the completion of the Capital Raising except for:

- (a) at full subscription of the Offers, the issue of 1.5 billion New Shares at \$0.005 each (subject to rounding and assuming that no New Options are exercised before the Record Date) to raise up to approximately \$7.5 million (before associated costs) and issue 507 million New Options; and
- (b) estimated costs and fees of the Offers of \$438,699 assuming the Offers are fully subscribed.

No allowance has been made for expenditure incurred in the normal course of business from the Prospectus Date to the Closing Date.

Table 5.3.1 - Pro-forma Consolidated Statement of Financial Position as at 31 December 2023

	Auditor reviewed 31 December 2023	Adjustments Proforma	Unaudited Proforma as at 31 December 2023
Current Assets			
Cash and cash equivalents	1,754,901	738,554	2,493,455
Trade and other receivables	374,793	-	374,793
Contract assets	10,836	-	10,836
Inventories	691,829	-	691,829
Income tax refund due	294,000	-	294,000
Other	151,385	-	151,385
Total Current Assets	3,277,744	738,554	4,016,298
Non Current Assets			
Property plant and equipment	17,083	-	17,083
Intangible assets	10,691	-	10,691
Total Non-current Assets	27,774	-	27,774
Total Assets	3,305,518	738,554	4,044,072
Current Liabilities			
Trade and other payables	1,746,656	(30,862)	1,715,794
Contract liabilities	2,082,541	-	2,082,541
Borrowings	67,242	-	67,242
Employee benefits	154,750	-	154,750
Total Current Liabilities	4,051,189	(30,862)	4,020,327
Non Current Liabilities			
Borrowings	6,250,000	(5,629,419)	620,581
Employee benefits	8,777	-	8,777
Total Non-current Liabilities	6,258,777	(5,629,419)	629,358
Total Liabilities	10,309,966	(5,660,281)	4,649,685
Net Liabilities	(7,004,448)	6,398,835	(605,613)
Equity			
Issued capital	40,268,657	6,398,835	46,667,492
Reserves	3,032,665	-	3,032,665
Accumulated losses	(50,305,770)	-	(50,305,770)
Total deficiency in equity	(7,004,448)	6,398,835	(605,613)

5.4 Details of Substantial Shareholders Interests in Shares

Based on publicly available information as at the Prospectus Date, those persons which (together with their Associates) have a relevant interest in 5% or more of the Shares on issue

in the Company as at the Prospectus Date, which does not include the New Shares, are set out below:

Table 5.4.1 - Details of Substantial Shareholders Interests in Shares at Prospectus Date

Shareholder	Shares (m)	Voting power
Adcock Private Equity Pty Ltd <Adcock Private Equity A/C> ⁽¹⁾	502,766,004	35.5%
John Plummer ⁽²⁾	281,621,510	19.9%
Harman ⁽³⁾	197,583,046	13.9%

Notes:

- (1) This is an Associate of a related party of the Company, Brook Adcock (Non-executive Director). See also Section 9.6 and 9.7 for interests of Directors.
- (2) Please note that Mr John Plummer is also acting as sub-underwriter to the Entitlement Offer. Refer to Sections 5.6 and 9.4.
- (3) Shares held by Michael John Harman and Elke Christine Harman.

5.5 Potential Dilution Effect

It is important to note that, as a result of the Placement, Eligible Shareholders who participate in the Entitlement Offer will see their percentage holding in the Company reduced even if they take up their Entitlement in full. However, the reduction will be greater if they do not participate in the Entitlement Offer or if they take up only part of their Entitlement (assuming the Entitlement Offer is fully subscribed (on the basis of the Underwriting and Sub-Underwriting) and assuming completion of the Placement).

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

Table 5.5.1 sets out examples of how any dilution may affect you if you do not participate in the Entitlement Offer, assuming the maximum number of New Securities are issued under the Placement and Entitlement Offer:

Table 5.5.1 - Potential Dilution Effect Under the Entitlement Offer

Example Shareholder	Shares held at Record Date	% Shareholding at Record Date	Entitlement under the Entitlement Offer	% Holdings on completion of the Placement	% Holdings if all Entitlement taken up	% Holdings if Entitlement not taken up
1	100,000,000	7.06%	100,000,000	6.67%	6.86%	3.43%
2	10,000,000	0.71%	10,000,000	0.67%	0.69%	0.34%
3	5,000,000	0.35%	5,000,000	0.33%	0.34%	0.17%
4	1,000,000	0.07%	1,000,000	0.07%	0.07%	0.03%
5	500,000	0.04%	500,000	0.03%	0.03%	0.02%
6	100,000	0.01%	100,000	0.01%	0.01%	0.00%

Notes

- (1) This is based on a share capital of 1,416,991,197 Shares as at Prospectus Date and assumes no Options currently on issue or other Shares are issued including New Options or Performance Rights are exercised/converted.
- (2) The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are fully underwritten.

(3) This table does not consider the dilutionary effect that the New Options will have on Shareholders if the New Options are exercised.

5.6 Interests of the Sub-Underwriters

Mr John Plummer, a substantial Shareholder of the Company has agreed to sub-underwrite the Entitlement Offer as described in Section 9.4.

As at the date of his last substantial shareholder filing, Mr Plummer holds 19.87% voting power in the Company. On Completion of the Offers, it is expected that Mr Plummer, will hold a maximum voting power of approximately maximum of 41.1% (excluding the exercise of Options).

5.7 Effect of the Capital Raising on Control of the Company

Section 606 of the Corporations Act provides that a person cannot acquire a 'relevant interest' (i.e. a controlling interest, whether formal or informal) in the issued voting shares of a company which has more than 50 members or is publicly listed if, because of a transaction in relation to securities, a person's 'voting power' in the company increases from 20% or below to more than 20%, or from a starting point that is above 20% and below 90% unless a relevant exception applies.

Item 13 of section 611 of the Corporations Act provides an exception to the takeover restrictions where a person underwrites or sub-underwrites an issue of securities under a prospectus or other disclosure document, and where the prospectus discloses the effect that this would have on the person's voting power in the company. Similarly item 10 of section 611 of the Corporations Act provides an exception to the takeover restrictions where a person acquires a relevant interest in shares under a rights issue, either as shareholder or underwriter/sub-underwriter of the rights issue.

Mr Plummer has entered into a sub-underwriting arrangement with the Underwriter, a summary of which is set out in Section 9.4, with respect to up to 916 million shares (\$4.58 million) of the Entitlement Offer.

Mr Plummer will receive no fees for sub-underwriting the Entitlement Offer.

There are no significant events that could lead to the Sub-Underwriting Agreement being terminated, other than termination of the Underwriting Agreement between the Company and the Underwriter (in circumstances summarised at Section 9.3).

Through any subscription of New Shares as a sub-underwriter of the Entitlement Offer, it is likely that the percentage interest in voting shares of the Company of Mr Plummer will increase above 20% and may reach a maximum of 41.1% (assuming no Options are exercised).

Table 5.7.1 Mr John Plummer's Relevant Interest as a Result of Sub-underwriting

Amount of Shortfall in Entitlement Offer	Relevant interest in Shares on completion of Capital Raising
No Shortfall	9.7%
25% Shortfall	17.5%
50% Shortfall	25.4%
75% Shortfall	33.2%
100% Shortfall	41.1%

Notes:

(1) Assumes Adcock Private Equity Pty Ltd and certain Directors subscribe for their Entitlement as committed and described in Section 9.7.

- (2) Assumes that there is a shortfall placement that results in Mr Plummer's Entitlement being placed.

On that basis, it is anticipated that the Capital Raising could have a material effect and consequence on the control of the Company.

6. Risks

The New Securities are considered highly speculative and carry no guarantee with respect to the payment of dividends or returns of capital. An investment in the Company is not risk free and the Directors strongly recommend that potential investors consult their professional advisers and consider the risks described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for New Securities.

The following list of risks ought not to be taken as exhaustive of all the risks faced by the Company or by Shareholders. The proposed future activities of the Company are subject to a number of risks and other factors which may impact its future performance. These risks may be outside the control of the Company or the Directors and may not be able to be mitigated.

6.1 Risks Specific to the Company

6.1.1. Commercialisation

The Company depends on its partners' capacity to use its products and services to generate revenue. The Company's attempts to generate revenue may fail for various reasons including problems or delays in the further development, testing, manufacturing, supply chain or marketing of these products or services. To the extent that the Company is not able to develop products and services and bring them to market before its competitors, or customers prioritise products or services that are brought to market by competitors before the Company, the Company's business, financial position and financial performance and/or prospects could be adversely affected in a material way.

6.1.2. Sufficiency of Funding

The Company is currently not profitable and does not expect to become profitable until after achieving successful further commercialisation and sale of its products and services to allow sufficient sales revenue to fund on-going company operations. The Company's ability to raise further capital (equity or debt) within an acceptable time, or a sufficient amount and on terms acceptable to it will vary according to a number of factors, including cyclical factors affecting the Company and financial and share markets generally. No assurance can be given that future funding will be available, or that it will be available on terms acceptable to the Company. As a result, the Company's ability to fulfil its strategic plans may be delayed or halted until such funds are raised (if at all), preventing the Company from further commercialising its intellectual property and generating revenues from its products and services and adversely affecting its prospects.

6.1.3. Products

The Company's products and services may encounter design and manufacturing defects, whether real or perceived, which could have adverse effects on its business and damage its reputation. The Company offers, and will offer, complex hardware and software products and services that can be affected by design and manufacturing defects. Sophisticated applications may have issues that can unexpectedly interfere with their intended operation. Defects may also exist in components and products that we source from third parties, or may arise from upgrades or changes to hardware that the Company or its third party manufacturing partners may make in the ordinary course of a product's lifecycle. Such defects could result in a misdiagnosis which could lead to personal injury. Quality problems could also adversely affect the user's experience, and result in harm to the Company's brand or reputation, loss of competitive advantage, poor market acceptance, reduced demand for its products, delay in new product introductions, and lost revenue and adversely impact the Company's future prospects.

6.1.4. Material Customer Contracts

The Company has entered into various material contracts for its products and the accompanying software and support for each product. A breach, termination, or non-renewal of these material customer contracts or loss of business may have a material adverse effect on the Company's future financial position, brand and reputation and financial performance and therefore the value of its securities.

6.1.5. Cybersecurity

As the Company develops its products and services which depend on network communications, it faces risks such as cybersecurity attacks, disruptions or delays in telecom systems, or data service losses, which could affect product and service delivery. The Company and its customers are dependent on the performance, reliability and availability of its platforms, data centres and communications systems (including servers, the internet, hosting services and the cloud environments in which the Company provides its solutions).

There is a risk that these systems may be adversely affected by disruption, failure, service outages, improper configuration, maintenance error, data corruption (as a result of computer viruses, "bugs" or "worms", malware, internal or external misuse by websites or cyber-attacks) or other disruptions including natural disasters and power outages. These disruptions may lead to prolonged disruption to the Company's products and platform, or operation or business delays and damage to the Company's reputation. This could potentially lead to a loss of customers, legal claims by customers, and an inability to attract new customers, any of which could adversely impact the Company's operations, prospects and financial performance.

6.1.6. Intellectual Property and Software Development

The Company relies on its ability to further develop and commercialise its intellectual property to generate sales. The value of the Company's products and brand is closely tied to its intellectual property, much of which is not capable of formal protection. A failure to protect its intellectual property successfully may lead to a loss of opportunities and adversely impact on the value of the Company's proprietary technology or the company's operating results and financial position. For example, the competition may gain access to its technology and trade secrets or seek to reverse engineer its products thereby significantly negatively impacting the Company's future financial performance and position.

Failure to protect its intellectual property may have a material adverse effect on the Company's future financial position, brand and reputation and financial performance and therefore the value of its securities.

6.1.7. Supply Chain Risk

Any significant interruption or negative change in the availability or economics of the Company's supply chain for key inputs could materially impact its business, its financial position, financial performance and/or prospects. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the Company's business and financial performance.

6.1.8. Foreign Exchange

Changes in exchange rates can impact the value of revenue, expenses, assets, liabilities when those components are denominated in foreign currencies through either transaction or translation risk. The Company sources components of its hardware from overseas suppliers and sells its solutions into overseas markets. Failure to manage foreign exchange risk, could adversely affect the Company's financial performance.

6.1.9. Regulatory and Compliance

The Company is regulatory sponsor, manufacturer and distributor of various products and components which are medical devices registered with the Therapeutic Goods Administration (TGA), and in some cases other regulators such as the United States with the Food and Drug Administration (FDA). There is potential for adverse consequences arising from a failure by the Company to adhere to laws, regulations, and industry standards that govern the Company's operations, including retaining registrations of these products and components. Additionally, if any of the products produced by the Company were subject to recall or a suspension, the reputation and goodwill of that product and/or the Company could be harmed. A recall or a suspension could lead to decreased demand for the Company's products and could have a material adverse effect on its business, financial position, financial performance and/or prospects.

6.1.10. Reliance on Key Personnel

The Company's ability to be productive, profitable and competitive and to implement planned growth initiatives depends on the continued employment and performance of a relatively small number of senior executives and other key members of management. The Company's performance also depends on its ability to attract and retain skilled workers with relevant industry and technical experience.

If any of these individuals resign or become unable to continue in their present role, there is no guarantee that they will be adequately replaced in a timely manner (if at all), and as a result, business operations and the ability to implement the Company's strategies could be materially disrupted. The loss of a number of key personnel or the inability to attract additional personnel may have an adverse impact on the Company's financial and operating performance.

There can be no assurance that the Company will be able to attract and retain skilled and experienced employees and, should it lose any of its key management personnel or fail to attract qualified personnel, the business may be harmed and its operational and financial performance could be adversely affected.

6.1.11. Dependence on Key Suppliers

The Company currently has strategic business relationships with suppliers that it relies upon for key parts of its business activities. Some of these relationships are in countries which may be subject geopolitical risks, such as China and Taiwan. The loss or impairment of any of these relationships could have a material adverse effect on the Company's results of operations, financial condition and prospects, at least until alternative arrangements can be implemented. In some instances, however, alternative arrangements may not be available or may be less financially advantageous than the current arrangements.

6.1.12. Strategic

Strategic risk relates to possible challenges and uncertainties associated with the strategic decisions, initiatives, and direction of a business.

Following a comprehensive review of the future prospects and opportunities for the Clinic Connect business (branded PetYeti) and GoBookings businesses, as stated in the Company's Annual Report, the Company has determined that it is in the best interest of shareholders to exit these businesses. There can be no guarantee that the Company's strategic decisions, in particular the exit of the PetYeti GoBookings businesses, made now or in the future will have the anticipated positive effect on the Company's business, financial condition and results of operations.

6.1.13. Competition

The Company competes with other domestic and international businesses in its industry. The Company is potentially much smaller and less well resources than some of these competitors. The Company may face more competition from new or existing market players who offer similar products and services to the Company's current or potential clients at a lower price. This may reduce the Company's market share. Also, if the Company's competitors can create more innovative or attractive products and services, this may also lower the Company's market share. The Company cannot control or influence what its competitors do, which may have positive or negative effects on the Company's operations and financial performance as well as its future performance.

6.2 Industry Risk

6.2.1. Technology

The technology sector is characterised by rapid change. New and disruptive technologies can place competitive pressures on existing companies and business models, and technology-related stocks may experience greater price volatility than securities in some slower changing market sectors.

The Company may face negative outcomes or problems that result from the use, adoption, or dependence on technology within the company. Technology risk can affect different parts of the Company, such as its cybersecurity, data management, operational effectiveness and marketability of a business' products and solutions. A failure to manage these risks may impact adversely on the Company's operations, financial performance and financial position.

6.2.2. Input Prices

The Company is subject to the possibility of fluctuations in the input cost of goods or services. For the Company this mainly involves the price that suppliers charge for input components to the hardware that the Company builds and sells, which can be affected by factors like global demand and supply chain issues. A failure to manage these potential fluctuations may impact adversely on the Company's operations, financial performance and financial position.

6.2.3. Litigation

Being in the healthcare and medical equipment and technology industry the Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, privacy claims for breach of data and privacy, work health and safety claims and product liability claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

6.2.4. Changing Consumer Preferences

Should a significant proportion of the Company's targeted end users (i.e. patients) or clients including practitioners or other medical service providers exhibit a preference for attending or delivering medical examinations and treatment in-person or through other means not catered for by the Company's solutions, this would likely result in a lower demand for its products or services which in turn would have a negative impact on the Company's revenues and prospects.

6.2.5. Change in Law and Healthcare Policy

The Company's business and the business of its customers are subject to the laws and regulations in applicable jurisdictions. Unforeseen changes in healthcare laws and government policy in Australia, the United States and elsewhere, including material and unforeseen changes in relation to:

- licensing and clearance requirements;
- regulations relating to clinical trials;
- data privacy, security, and storage laws;
- manufacturing;
- product clearance; and
- pricing (including any reimbursement),

could materially impact the Company's operations, products, contracts and profitability and its future prospects.

6.3 General Risks

6.3.1. Market Conditions

General economic factors such as interest rates, exchange rates, inflation, business and consumer confidence and general market factors may have an adverse impact on the Company's performance, prospects or the value of its assets. The market price of the Company's Shares will fluctuate due to various factors, many of which are non-specific to the Company, including recommendations by brokers and analysts, Australian, US and international general economic conditions, inflation rates, interest rates, exchange rates, changes in government, fiscal and monetary and regulatory policies, changes to laws, global investment markets, global geo-political events and hostilities, investor perceptions and other factors that may affect the Company's financial performance and position. In the future, these factors may cause the Company's Shares to trade at or below their current price.

6.3.2. Economic Risk

Changes in Australian and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disputes and economic growth may impact on future operations and earnings.

6.3.3. Government Policy Changes

The Company's operations and activities may be impacted by unfavourable changes in government policies or laws. The current policies and regulations that regulate healthcare and medical equipment and technology industry in Australia and other jurisdictions where the Company works may change, leading to impairment of rights and possibly confiscation of the Company's operations and products without proper compensation.

6.3.4. Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring New Shares from a taxation viewpoint and generally.

6.3.5. Force Majeure

There are risks that the Company cannot control, now or later, that may have a negative impact on the Company, such as strikes, riots, wars, attacks or sabotage, severe weather, fires, floods, explosions or other disasters, pandemics, epidemics or quarantine measures all of which may impact adversely on the Company's operations, financial performance and financial position.

7. Actions required by Eligible Shareholders

7.1 What Eligible Shareholders May Do

An Eligible Shareholder's entitlement to participate in the Entitlement Offer will be determined on the Record Date. The number of New Shares and New Options to which an Eligible Shareholder is entitled to is shown on the accompanying personalised Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) accept all of their Entitlement (refer to Section 7.2);
- (b) accept all of their Entitlement and apply for Additional Securities under the Oversubscription Facility (refer to Section 7.3);
- (c) accept a proportion of their Entitlement and allow the balance to lapse (refer to Section 7.4; or
- (d) not take up their Entitlement (refer to Section 7.5).

If you are an Eligible Shareholder and wish to accept all or part of your Entitlement:

- (a) carefully read this Prospectus in its entirety;
- (b) consider the risks associated with an investment in the Company (refer to Section 6) in light of your personal circumstances; and
- (c) follow the instructions in your personalised Entitlement and Acceptance and this Prospectus.

7.2 Acceptance of ALL of Your Entitlement Under the Entitlement Offer

If you wish to accept all of your Entitlement, then make payment by BPAY® or EFT of the Application Monies (calculated at the Offer Price per New Share accepted) by following the instructions on this Entitlement and Acceptance Form and in accordance with Sections 7.6 and 7.7 Please read the instructions carefully.

7.3 Acceptance of ALL of Your Entitlement and Applying for Additional Securities

If you wish to accept all of your Entitlement and apply for New Securities in excess of your Entitlement by applying for Additional Securities (on the same terms as the Entitlement Offer), then you should follow the instructions in the Prospectus and on the accompanying Entitlement and Acceptance Form and arrange for payment of the Application Monies in accordance with Sections 7.6 and 7.7.

There is no limit to the amount of New Securities you may subscribe for under the Oversubscription Facility. Please read the instructions on the Entitlement and Acceptance Form carefully.

The Company will allocate Shortfall Securities to each Eligible Shareholder who has applied for Shortfall Securities in accordance with the allocation policy set out in Section 4.1.6.

7.4 Acceptance of PART of Your Entitlement and Allowing the Balance to Lapse

If you wish to take up part of your Entitlement and allow the balance to lapse, then make payment by BPAY® or EFT of the Application Monies (calculated at the Offer Price per New Share accepted) by following the instructions on this Entitlement and Acceptance Form and in accordance with Sections 7.6 and 7.7. Please read the instructions carefully.

If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from taking up that part of your Entitlement.

The New Shares not subscribed for will become Shortfall Securities and made available under the Oversubscription Facility and if not taken up under that facility, subscribed for under the Underwriting Agreement.

7.5 Entitlement Not Taken Up

If you do not wish to accept any of your Entitlement under the Entitlement Offer, you are not obliged to do anything. You will receive no benefit or New Securities.

The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your Entitlement but you will be diluted (see Section 5 for more details).

The New Shares not subscribed for will become Shortfall Securities and made available under the Oversubscription Facility and if not taken up under that facility, subscribed for under the Underwriting Agreement.

7.6 Payment

Eligible Shareholders can pay in the following ways:

- (a) by BPAY®; or
- (b) by EFT.

Cash, cheque or money order payments will not be accepted. Receipts for payment will not be issued.

The Company will treat you as applying for as many New Securities as your payment will pay for in full up to your Entitlement and any Additional Securities.

Any Application Monies received for New Securities which are not issued to you 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.

7.7 Payment by BPAY® or EFT

For payment by BPAY® or EFT, please follow the instructions on your personalised Entitlement and Acceptance Form.

If you are paying by BPAY®, you should pay the full Application Monies, being \$0.005 multiplied by the number of Shares, including any Shortfall Shares (if applicable), you wish to subscribe for, in accordance with the instructions set out on the personalised Entitlement and Acceptance Form. Applicants can only make a payment via BPAY® if they are the holder of an account with an Australian financial institution that supports BPAY® transactions.

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 fail to quote your CRN correctly, the Share Registry may be unable to allocate or refund your payment.

If you are paying by EFT, you should pay the full Application Monies, being \$0.005 multiplied by the number of Shares, including any Shortfall Shares (if applicable), you wish to subscribe for, in accordance with the instructions set out on the personalised Entitlement and Acceptance Form.

Please make sure you use the unique payment reference on your personalised Entitlement and Acceptance Form when paying by EFT.

If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of each of those holdings only use the CRN or unique EFT payment reference specific to that holding. If you do not use the correct CRN or payment reference specific to that holding your Application may not be recognised as valid.

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

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (b) if you do not pay for your Entitlement in full, 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; and
- (c) if your payment exceeds the amount payable for your full Entitlement, you are taken to have accepted your Entitlement in full and to have applied for such number of Additional Securities which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® or EFT payment is received by the Share Registry by no later than 5:00pm (Sydney time) on the Closing Date (Friday, 19 July). You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

7.8 Representations by Eligible Shareholders

By completing and returning an Entitlement and Acceptance Form and/or paying any Application Monies by BPAY® or EFT, in addition to the representations set out elsewhere in this Prospectus and the Entitlement and Acceptance Form, you:

- (a) will be deemed to have represented and warranted (for the benefit of the Company, the Underwriter and their respective related bodies corporate) that you are an Eligible Shareholder, that you have read and understood the terms and conditions of participating in the Entitlement Offer as set out in this Prospectus and the accompanying personalised Entitlement and Acceptance Form;
- (b) declare that all details and statements in the accompanying personalised Entitlement and Acceptance Form (if applicable) are true, complete and not misleading;
- (c) acknowledge that you have not been provided with investment advice or financial product advice by the Company or its Directors and have made your own enquiries before making an investment decision;
- (d) agree that your Application and subscription for New Securities is made on, and you are bound by, the terms and conditions of the Entitlement Offer set out in this Prospectus, the accompanying personalised Entitlement and Acceptance Form, the terms of issue of the New Options and the Constitution;
- (e) accept that you will not be able to withdraw or revoke your Application or BPAY® or EFT payment once you have sent it and the Company receives it (or paid it, as the case may be) except as allowed by law;

- (f) acknowledge that the Company may at any time determine that your Application is valid, in accordance with the terms and conditions set out in this Prospectus, even if the Application is incomplete, contains errors or is otherwise defective;
- (g) accept the risk associated with any refund that may be sent to you by direct credit to your address shown on the Company's register of members;
- (h) acknowledge that the Company is not liable for any exercise of its discretions referred to in this Prospectus;
- (i) are in compliance with all relevant laws and regulations (including, without limitation, section 1043A of the Corporations Act and laws and regulations designed to restrict terrorism financing and/or money laundering);
- (j) acknowledge that the market price of the Shares may rise or fall between the date on which the Entitlement Offer opens and the date of issue of the Shares to you under the Offers and that the Offer Price may exceed the market price of the Shares at the time the Shares are issued to you under the Entitlement Offer (or in the case of Shares issued on exercise of New Options, the Exercise Price may exceed the market price of the Shares at the time those Shares are issued to you);
- (k) represent and warrant that 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 (or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the Entitlement Offer in respect of that person);
- (l) acknowledge that you have not and will not send this Prospectus or any other document relating to the Entitlement Offer to any person in the United States or elsewhere outside Australia or New Zealand;
- (m) if in the future you decide to sell or otherwise transfer the New Shares (and any Shares acquired upon exercise of the New Options) acquired under the Entitlement Offer you will only do so in "regular way" transactions on ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been prearranged with, or that the purchaser is, in the United States;
- (n) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form (i) is resident in Australia or New Zealand, and (ii) is not in the United States;
- (o) authorise the Company to register you as the holder(s) of New Securities allotted to you;
- (p) if you are a natural person, you 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 accompanying personalised Entitlement and Acceptance Form;
- (q) authorise the Company, the Underwriter, the Share 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 Share Registry on using the contact details set out in your Entitlement and Acceptance Form;
- (r) acknowledge that none of the Company, the Underwriter nor their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers,

guarantees the performance of the Company, nor do they guarantee the repayment of capital;

- (s) agree to provide (and direct your custodian or nominee to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Existing Shares on the Record Date; and
- (t) acknowledge and agree that determination of eligibility of Shareholders for the purposes of the Entitlement Offer was made by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company and/or the Underwriter, and each of the Company and the Underwriter and their respective related bodies corporate and affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise of that discretion to the maximum extent permitted by law.
- (u) acknowledge the statement of risks in Section 6 and that an investment in the Company is subject to risk;
- (v) represent and warrant that the law of any place does not prohibit you from being given this Prospectus and the Entitlement and Acceptance Form, nor does it prohibit you from accepting New Securities and that if you participate in the Entitlement Offer, that you are eligible to do so; and
- (w) represent and warrant that, by making an Application you agree that you fall within the target market as set out in the Target Market Determination.

7.9 Brokerage

No brokerage or stamp duty is payable by Eligible Shareholders who accept their Entitlement.

7.10 Enquiries Concerning Your Entitlement

Any questions in relation to your Entitlement or your Entitlement and Acceptance Form should be directed to the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) between 8:00am and 5:00pm (Sydney time) Monday to Friday until the Closing Date or by emailing the Share Registry hello@automicgroup.com.au.

8. Rights attaching to New Shares and New Options

8.1 Rights Attaching to Shares

The New Shares issued under this Prospectus will rank pari passu in all respects with Existing Shares on and from their date of issue. The following is a summary of the more significant rights and liabilities attaching to the New Shares to be issued under the Entitlement Offer under this Prospectus.

This summary is qualified by the full terms of Company's Constitution and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

A full copy of the Constitution is available from the Company on request free of charge or available for inspection at the Company's registered office during normal business hours. It can also be downloaded from the Company's website www.vfx-group.com/investor-reports for free).

8.1.1 General Meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative (in the case of a company) and to vote at general meetings of the Company.

The Directors may convene a general meeting at their discretion or as required under the Corporations Act.

8.1.2 Voting

Subject to any rights or restrictions at the time being attached to any class or classes of shares, at a general meeting of the Company:

- i. every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative; and
- ii. on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- iii. on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares, shall have such number of votes being equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable in respect of those Shares (excluding amounts credited).

8.1.3 Dividends

Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up or credited as paid up, from the date of payment. No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. The Directors may set aside a sum out of the profits of the Company, as reserves, before recommending dividends of the profits.

8.1.4 Winding Up

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Shareholders, divide among the Shareholders in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair on any property to be so divided and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Shareholders, vest the whole or any part of any such property in trustees on such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

8.1.5 Transfer of Shares

New Shares can be transferred through the financial market operated by the ASX or by a proper instrument of transfer. The instrument of transfer must be in writing in a usual form or any other form approved by the Directors, and signed by or on behalf of the transferor and the transferee.

Where Shares are classified by the ASX as 'Restricted Securities', certain restrictions on transfer will also apply.

In some certain prescribed circumstances, the Directors may refuse to register a transfer of Shares.

8.1.6 Directors

The business of the Company is to be managed by or under the direction of the Directors.

Directors are not required under the Constitution to hold any Shares.

Unless changed by the Company in general meeting by ordinary resolution, the minimum number of Directors is three and the maximum is nine. The existing Directors may appoint a new Director to fill a casual vacancy or as an addition to the Board. Any such Director will hold office until the conclusion of the next annual general meeting (at which meeting he or she may be eligible for election as a Director).

The Constitution contains provisions relating to the rotation and election of Directors. No Director other than the managing Director may hold office for a period in excess of three years, or until the third annual general meeting after his or her appointment or election, whichever is the longer, without submitting himself or herself for re-election.

For a person to be eligible for election as a Director, a nomination for the office of Director and the written consent of the proposed Director must be received at the Company's registered office at least 30 Business Days before the meeting.

8.1.7 Offer of Shares

Subject to the requirements of the Corporations Act and if applicable, the Listing Rules, the issue of Shares by the Company is under the control of the Directors.

Under the Constitution the Company is empowered, without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, to issue shares with preferred, deferred or other rights on such terms and conditions as they see fit.

8.1.8 Variation of Shares and Rights Attaching to Shares

The rights and privileges attached to any Shares may be varied with the consent in writing of the holders of three quarters of the issued shares of that class or authorised by a special resolution passed at a separate meeting of the holders of the Shares of that class, and the Company's share capital may be altered in any manner permitted by law.

8.1.9 Unmarketable Parcels

The Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the relevant Shareholder stating that the Company intends to sell their relevant Shares unless the relevant Shareholder advises the Company by a specified date that they wish to retain the Shares.

8.1.10 Share Buy-backs

The Company may buy-back Shares in itself in accordance with the provisions of the Corporations Act.

8.1.11 Changes to the Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

8.1.12 Listing Rules

Provided the Company remains admitted to the official list of the ASX, then despite anything in the Constitution, no act may be done that is prohibited by the Listing Rules, and authority is given for acts required to be done by the Listing Rules. The Constitution will be deemed to comply with the Listing Rules, as amended from time to time.

8.2 Rights Attaching to New Options

The following is a summary of the terms and conditions attaching to New Options to be issued under to this Prospectus.

8.2.1. Entitlement

Each New Option entitles the holder to subscribe for one Share upon the exercise of the New Option (subject to adjustment under these terms of issue).

8.2.2. Exercise Price and Expiry Date

The New Options have an exercise price of \$0.007 per New Option (**Exercise Price**) and expire at 5:00pm (Sydney time) on the date that is 18 months from the issue date (**Expiry Date**).

A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

8.2.3. Exercise Period

The New Options are exercisable at any time on or prior to the Expiry Date.

8.2.4. Quotation of the New Options

The Company does not intend to apply for Quotation by ASX of the New Options.

8.2.5. Transferability

The New Options will not be transferable without the prior consent of the Company and in compliance with the Corporations Act and Listing Rules.

8.2.6. Notice of Exercise

The New Options may be exercised by notice in writing to the Company in the manner specified on the New Option certificate (**Exercise Notice**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

New Options will be deemed to have been exercised on the latest of the date that:

- (i) the Exercise Notice; and
- (ii) the Exercise Price;

is received by the Company or the Share Registry.

8.2.7. Shares Issued on Exercise

Shares issued on exercise of the New Options will rank equally with the then issued Shares.

8.2.8. Timing of the Issue of Shares on Exercise and Quotation

Within five (5) Business Days of an Exercise Notice being given in accordance with these terms and conditions and payment of the Exercise Price for each New Option being exercised, the Company will:

- (i) issue the Shares resulting from the exercise of the New Options; and
- (ii) apply for quotation on ASX of Shares issued resulting from the exercise of the New Options.

8.2.9. Participation Rights, Bonus Issues, Rights Issues and Reorganisations

8.2.9.1. Participation

A holder is not entitled to participate in any new issue to existing holders of securities in the Company in respect of their New Options except to the extent they:

- (i) have exercised their New Options before the record date for determining entitlements to the new issue of securities; and
- (ii) participate as a result of holding Shares issued on exercise of those New Options.

8.2.9.2. Notice of New Issue

In accordance with the ASX Listing Rules, the Company must give a holder of New Options notice of:

- (i) the proposed terms of any new issue to existing holders of securities in the Company; and

- (ii) the right to exercise their New Options under paragraph section 8.2.1.

8.2.9.3. Bonus Issues

If the Company makes a bonus issue of Shares or other securities to Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Share has been issued in respect of the New Option before the record date for determining entitlements to the issue, then:

- (i) the number of underlying Shares over which the New Option is exercisable is increased by the number of Shares which the holder would have received if the holder had exercised the New Option before the record date for determining entitlements to the issue; and
- (ii) there will also be no change to the Exercise Price.

8.2.9.4. Pro Rata Issues

If the Company makes a pro rata issue of Shares (except a bonus issue) to existing Shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), there will be no adjustment to the number of underlying Shares over which the New Option is exercisable or the Exercise Price.

8.2.9.5. Reorganisation

If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the holder (including the number of New Options to which each holder is entitled to and the Exercise Price) shall be adjusted to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

8.2.9.6. Calculations and Adjustments

Any calculations or adjustments which are required to be made will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the holder.

8.2.9.7. Notice of Change

The Company must give to each holder notice of any change to the Exercise Price or the number of Shares which the holder is entitled to subscribe for on exercise of a New Option in accordance with Listing Rules or otherwise within a reasonable time.

8.2.9.8. No Breach

Notwithstanding anything in these terms, the Company shall not be required to take any action which would be in breach of any applicable law, regulation or if applicable, the Listing Rules.

8.2.9.9. Governing Law

These terms and the rights and obligations of holders are governed by the laws of Victoria. Each participant irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Victoria.

9. Additional information

9.1 Continuous Disclosure Obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act, and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's Securities. The New Shares, and the Shares issued following exercise of the New Options, are in the same class as Shares that have been quoted on the official list of the ASX during the three months prior to the issue of this Prospectus.

This Prospectus is a prospectus to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities, or options to acquire securities, in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms, the Prospectus is only required to contain information in relation to the effect of the issue of New Securities on the Company and the rights attaching to the New Securities. It is not necessary to include general information in relation to all of the assets and liabilities, the financial position, profits and losses or prospects of the Company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to the ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Shareholders should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

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

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

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the closing date of the Offer:
 - (i) the annual financial report of the Company for the twelve (12) months ended 30 June 2023 being that most recently lodged with ASIC before the issue of this Prospectus; and
 - (ii) the half year financial report of the Company for the six (6) months ended 31 December 2023 lodged with ASIC after the lodgement of the Annual Report and before the issue of this Prospectus; and

- (iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the Annual Report until the issue of this Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

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

The Company has lodged the announcements set out in Table 9.1.1 below with ASX since 30 June 2023 and prior to the lodgement of this Prospectus with ASIC.

Table 9.1.1 - ASX Announcements Following 30 June 2023

Date	Description of Announcement
25/06/2024	Notification of cessation of securities - VFX
24/06/2024	Trading Halt
4/06/2024	Trading Update
2/05/2024	Change of Director's Interest Notice - Adcock
1/05/2024	Change of Company Secretary
30/04/2024	Q3FY24 Quarterly Activities and Appendix 4C Cash Flow Report
29/04/2024	Notice under ASX Listing Rule 3.10A
7/03/2024	Notice under ASX Listing Rule 3.10A
26/02/2024	Results Presentation - 1H FY24
26/02/2024	Appendix 4D - Half Year Report
8/02/2024	Business Overview and Webinar Presentation
30/01/2024	Quarterly Update
30/01/2024	Appendix 4C - quarterly
19/01/2024	Change of Director's Interest Notice - Whitehead
15/01/2024	Notification of cessation of securities - VFX
12/01/2024	Change of Company Secretary
22/12/2023	Change of Director's Interest Notice - Neate
22/12/2023	Change of Director's Interest Notice - Nantes
22/12/2023	Change of Director's Interest Notice - Whitehead

Date	Description of Announcement
22/12/2023	Notification regarding unquoted securities - VFX
22/12/2023	Notification regarding unquoted securities - VFX
19/12/2023	Change of Director's Interest Notice - Neate
15/11/2023	Appointment of Chief Financial Officer
9/11/2023	Change of Director's Interest Notice - Whitehead
2/11/2023	Change of Director's Interest Notice - Neate
2/11/2023	Change of Company Name and ASX Ticker
2/11/2023	Reinstatement to Quotation
1/11/2023	Trading Halt
26/10/2023	Constitution
26/10/2023	Results of Meeting
26/10/2023	Chair and CEO Addresses - 2023 Annual General Meeting
24/10/2023	Quarterly Update
24/10/2023	Appendix 4C - quarterly
23/10/2023	Cancel - Consolidation/Split - 1ST
23/10/2023	Consolidation of Capital Motion Withdrawn from Notice of AGM
3/10/2023	Visionflex receives additional purchase order for \$1.1M
29/09/2023	Appendix 4G and Corporate Governance Statement
29/09/2023	Annual Report to shareholders
28/09/2023	Notification of cessation of securities - 1ST
25/09/2023	Consolidation/Split - 1ST
25/09/2023	Notice of Annual General Meeting/Proxy Form
30/08/2023	Preliminary Full Year Results
30/08/2023	Preliminary Final Report
21/08/2023	Visionflex receives material purchase order for \$1.1M

Date	Description of Announcement
21/08/2023	Appointment of Chief Operating Officer
26/07/2023	Quarterly Update
26/07/2023	Appendix 4C - quarterly
19/07/2023	CFO Resignation
14/07/2023	Notification of cessation of securities - 1ST

9.2 Design and Distribution Obligations

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

The Company has prepared a TMD in respect of the New Options which is available on the Company's website at www.vfx-group.com/investor-reports. The New Options are subject to a distribution condition that retail investors will be provided with a copy of this Prospectus and access to the TMD before they receive the New Options. Investors are required self-confirm that they meet the eligibility criteria of the expected target market outlined in the TMD.

9.3 Material Contracts to the Capital Raising

9.3.1 Lead Manager Mandate

The Company has entered into a mandate with Henslow Pty Ltd (ACN 605 393 137) (AFSL: 483168) (**Lead Manager**) dated 16 May 2024 (as varied) in connection with fund raising and general corporate advisory activities with respect to the Capital Raising (**Lead Manager Mandate**).

The Lead Manager is appointed to act as a consultant to the Company in connection with providing capital markets and corporate advisory services (together, the Appointment):

The Company and the Lead Manager the Company has agreed to pay the following fees as consideration for the services provided under the Appointment:

- (a) **(Retainer Fees)** The Company will pay the Lead Manager a monthly fee of \$5,000 (plus GST) as adviser to the Capital Raising;
- (b) **(Management Fee):** The Company will pay the Lead Manager a management fee of 3.0% of the aggregate value of the amount subscribed by investors pursuant to the Capital Raising (**Equity Capital Raised**);
- (c) **(Commission Fee)** The Company will pay the Lead Manager a commission fee of 3.0% of the aggregate value of the Equity Capital Raised less the value of any shares subscribed for by John Plummer and Adcock Private Equity Pty Ltd (for avoidance of doubt no commission fee will be paid on the Plummer and Adcock subscription);
- (d) **(Lead Manager Options)** The Company will issue up to 7,000,000 New Options to the Lead Manager.

The Lead Manager Mandate can be terminated by either party without cause upon one month's written notice being provided.

9.3.2 Underwriting Agreement

The Company has entered into an underwriting agreement with the Underwriter dated 26 June 2024 (**Underwriting Agreement**).

Under the Underwriting Agreement, the Underwriter was appointed by the Company on an exclusive basis, to:

- (a) act as lead manager for the Capital Raising; and
- (b) fully underwrite the Entitlement Offer.

The obligations of the Underwriter are subject to the satisfaction of certain conditions precedent, including (but not limited to):

- (a) preparation of offer documents;
- (b) due diligence investigations being undertaken to the satisfaction of the Underwriter (acting reasonably);
- (c) the Company obtaining ASIC nominee approval for the purposes of item 10 of section 611 and section 615 of the Corporations Act;
- (d) ASX not indicating that it will not admit the New Shares to Quotation; and
- (e) receipt by the Underwriter of certain customary opinions and reports from the Company and its advisers.

Underwriting fees

In respect of the Entitlement Offer, the Underwriter will be paid:

- (i) (**Underwriting Fees**) a fee equal to 3.0% of the Entitlement Offer proceeds; and
- (ii) (**Selling Fee**) a selling fee equal to 3.0% of the amount calculated as the 3.0% of the Entitlement Offer proceeds less that part of the Entitlement Offer proceeds contributed in any way by John Plummer and Adcock Private Equity Pty Ltd (including by sub-underwriting).

The Lead Manager may accept, Shares issued at the Offer Price to it as part of its underwriting obligations of the Entitlement Offer in lieu of its fees due to it for an amount determined at its sole discretion.

The Underwriter will also be reimbursed for certain expenses, including but not limited to legal, marketing and communication costs, printing, couriers, postage and distribution, roadshow expenses, accommodation and travel expenses.

Any fees are payable to sub-underwriters appointed in relation to the Entitlement Offer are payable by the Underwriters out of the fees payable to them under the Underwriting Agreement (unless otherwise agreed).

The Company has (subject to certain limitations) agreed to indemnify the Underwriter and its related bodies corporate and each of any of their respective directors, officers, employees, agents, advisers and representatives against certain losses in connection with the Capital Raising or the performance of the Underwriter's obligations under the Underwriting Agreement.

The Company and the Underwriter have given certain representations, warranties and undertakings in connection with (among other things) the conduct of the Capital Raising.

The Underwriter may (in certain circumstances, including having regard to the materiality of the relevant event) terminate the Underwriting Agreement and be released from its obligations under it on the occurrence of certain events. A summary of these key termination events is set out below.

9.3.3 Termination Events

The Underwriters may, by notice given to the Company, and without cost or liability, terminate the Underwriting Agreement if any of the following events occur at any time from the date of the Underwriting Agreement until 8.00am (Sydney time) on the Allotment Date (as defined in the Underwriting Agreement):

- (a) **(Listing)** The Company ceases to be admitted to the official list of ASX or the Shares are suspended from trading on, or cease to be quoted on ASX or it is announced by ASX or the Company that such an event will occur.
- (b) **(Consents)** The representation in Schedule 4, paragraph (d) of the Underwriting Agreement is breached in any respect.
- (c) **(Debts due and payable)** Any amount owing by a group member under a material financing facility becomes due and payable before its stated date of maturity.
- (d) **(Insolvency)** The Company or a subsidiary which represents 5% or more of the consolidated assets or earnings of the group (**Material Subsidiary**) is Insolvent or there is an act or omission, or a circumstance arises, which is likely to result in the Company or a Material Subsidiary becoming Insolvent;
- (e) **(Withdrawal)** The Company withdraws all or any part of the Offer.
- (f) **(Offer force majeure)** There is an event or occurrence, including any statute, order, rule, regulation, directive or request of any governmental agency, which makes it illegal for the Lead Manager to satisfy a material obligation of this agreement or to market, promote or settle the Offer.
- (g) **(Unable to issue)** The Company is unable to issue or prevented from issuing any offer shares (or attaching options) as contemplated by this agreement by virtue of the ASX Listing Rules, applicable laws, a governmental agency or an order of a court of competent jurisdiction.
- (h) **(Regulatory action in relation to affairs of the Company)** Any regulatory body commences any public enforcement action or investigation against the Company, or any director or the chief executive officer or chief financial officer of the Company in relation to the affairs of the Company, or publicly announces that it intends to take any such action or commence such investigation.
- (i) **(Change in management)** There is a change (or a change is announced) in the chief executive officer, chief financial officer or chairman of the Company, other than one which has already been disclosed to ASX or in any Public Information or disclosed to the Lead Manager before the date of this agreement.
- (j) **(Capital structure)** Except as disclosed in the information documents lodged with ASX on the announcement date, there is an alteration to the Company's capital structure in a material respect without the prior consent of the Lead Manager or as otherwise provided in this agreement (including as permitted under clause 11(k) of the Underwriting Agreement) or as a result of the Offer.

- (k) **(Prospectus)** The Prospectus:
 - (i) is or becomes misleading or deceptive (including misleading within the meaning of section 728(2) of the Corporations Act); or
 - (ii) does not contain all information required to comply with the Corporations Act (in particular having regard to section 713 of the Corporations Act).
- (l) **(Supplementary prospectus)** A supplementary prospectus:
 - (i) is lodged by the Company without the prior written consent of the Lead Manager (not to be unreasonably withheld or delayed); or
 - (ii) must be lodged with ASIC under section 719 of the Act.
- (m) **(Determination under section 708A)** ASIC makes a determination under subsection 708A(2) of the Corporations Act.
- (n) **(Corrective statement)** The Company becomes required to give, or gives, in respect of the placement cleansing notice, a notice in accordance with subsection 708A(9) of the Corporations Act to correct the placement cleansing notice, and that corrective notice has, in the opinion of the Lead Manager (acting reasonably), a materially adverse impact on the Offer.
- (o) **(Market fall)** The S&P/ASX Small Ordinaries Index falls to a level which is 12.5% or more below the level of that index on the close of trading on the business day before the date of this agreement and closes at or below that level on:
 - (i) any business day after the date of this agreement and on or before the business day immediately prior to the institutional settlement date;
 - (ii) any two consecutive business days from (and including) the institutional settlement date to the business day immediately prior to the Entitlement Offer; or
 - (iii) at the close of trading on the business day immediately prior to the Entitlement Offer.
- (p) **(Debt Agreements)** a debt agreement is breached by a party to it or is terminated, rescinded, avoided, withdrawn or repudiated, rendered void, voidable, invalid, illegal or otherwise unenforceable, or is otherwise unable to be completed in accordance with its terms.
- (q) **(ASIC action)** ASIC:
 - (i) applies for an order under Part 9.5 of the Corporations Act in relation to the Offer, the issue of the offer shares or any information document;
 - (ii) holds, or gives notice of intention to hold, a hearing, inquiry or investigation in relation to the Offer, the issue of the offer shares or any Information Document under the Corporations Act or the *Australian Securities and Investments Commission Act 2001* (Cth) (**ASIC Act**); or
 - (iii) prosecutes or gives notice of an intention to prosecute, or commences proceedings against, or gives notice of an intention to commence proceedings against, the Company or any of its officers, employees or agents in relation to the Offer, the issue of the offer shares or any information document under the Corporations Act or the ASIC Act,

except in circumstances where the existence of the application, hearing, inquiry, investigation, prosecution or notice has not become public and it has been withdrawn by the date that is the earlier of:

- (iv) the business day immediately preceding the institutional settlement date or the Entitlement Offer (as applicable); or
- (i) the date that is 3 business days after the application, hearing, inquiry, investigation, prosecution or notice is commenced or received.
- (r) **(Compliance)** The Company commits a breach of the Corporations Act, ASX Listing Rules, the Constitution, or other applicable laws or its Constitution.
- (s) **(Application)** There is an application to a governmental agency (including the takeovers panel) for an order, declaration (including of unacceptable circumstances) or other remedy in connection with the Offer (or any part of it), except in circumstances where the application has not become public and has been withdrawn, discontinued or terminated by the date that is the earlier of:
 - (i) the business day immediately preceding the institutional settlement date or the Entitlement Offer (as applicable); or
 - (ii) the date that is 3 business days after the application, hearing, inquiry, investigation, prosecution or notice is commenced or received.
- (t) **(Determination)** ASIC makes a determination under section 713(6) that it is satisfied that the Company has, within the previous 12 months, contravened any of the provisions listed in such section.
- (u) **(Certificate)** A Certificate which is required to be furnished by the Company under this agreement is not furnished when required, or if furnished is untrue, incorrect or misleading or deceptive in any material respect (including by omission).
- (v) **(ASX approval)** Unconditional approval (or conditional approval, provided such condition would not have a material adverse effect on the success or settlement of the Offer) by ASX for official quotation of the offer shares is refused or is not granted by the time required to issue the relevant offer shares in accordance with the Timetable or, if granted, is modified (in a manner which would have a material adverse effect on the success or settlement of the Offer) or withdrawn.
- (w) **(Section 730 notice)** A person other than the Lead Manager gives a notice to the Company under section 730 of the Corporations Act that is in the reasonable opinion of the Lead Manager materially adverse from the point of view of an investor.
- (x) **(Timetable)** Any event specified in the Timetable is delayed other than in accordance with clause 7.2 of the Underwriting Agreement.

9.3.4 Termination Events Subject to Materiality

The Underwriters may, by notice given to the Company, and without cost or liability, terminate the Underwriting Agreement, if any of the following events occur at any time from the date of the Underwriting Agreement until 8.00am (Sydney time) on the Retail Allotment Date (as defined in the Underwriting Agreement) only if, the Underwriters have reasonable grounds to believe or actually does believe, that the event:

- (a) **(Breach)** The Company fails to perform or observe any of its obligations under this agreement.

- (b) **(Due diligence)** Any of the documents required to be provided under the due diligence planning memorandum, including the due diligence report, having been withdrawn, or varied without the prior written consent of the Lead Manager.
- (c) **(Regulatory action in relation to directors and senior executives)**
 - (i) a director or the chief executive officer or chief financial officer of the Company is charged with an indictable offence or fraudulent conduct; or
 - (ii) any director of the Company is disqualified under the Corporations Act from managing a corporation.
- (d) **(Information)** The due diligence report or the information provided by or on behalf of the Company to the Lead Manager in relation to the due diligence program, the information documents or the Offer, is false, misleading or deceptive or likely to mislead or deceive (including by omission).
- (e) **(Representations and warranties)** A representation or warranty made or given by the Company under this agreement is breached or proves to be, or has been, or becomes, untrue or incorrect or misleading or deceptive.
- (f) **(Legal proceedings)** Legal proceedings against the Company, any other group member or against any director of the Company or any other group member in that capacity is commenced or any regulatory body commences any enquiry or public action against a group member.
- (g) **(Conduct)** The Company or any of its directors or officers engages in misleading or deceptive conduct or activity in connection with the Offer.
- (h) **(New circumstance)** A new circumstance arises which is a matter adverse to investors in offer shares and which would have been required by the Corporations Act to be included in the Prospectus or the placement cleansing notice had the new circumstance arisen before the Prospectus or placement cleansing notice was lodged with ASIC.
- (i) **(Adverse change)** There is an adverse change, or an event occurs that is likely to give rise to an adverse change, in the business, assets, liabilities, financial position or performance, operations, management, outlook or prospects of the Company or the Group (in so far as the position in relation to any entity in the Group affects the overall position of the Company).
- (j) **(Future matters)** Any expression of belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data) in an information document or Public Information is or becomes incapable of being met or, in the reasonable opinion of the Lead Manager, unlikely to be met in the projected timeframe.
- (k) **(Information documents misleading)** Any:
 - (i) statement in an information document is or becomes false, misleading or deceptive or likely to mislead or deceive (whether by omission or otherwise); or
 - (ii) information document does not contain all information required to comply with all applicable laws.
- (l) **(Information documents issued or varied without approval)** The Company:

- (i) issues an information document without the prior approval of the Lead Manager (such approval not to be unreasonably withheld); or
 - (ii) varies or withdraws an existing information document without the prior approval of the Lead Manager (such approval not to be unreasonably withheld).
- (m) **(Authorisations)** Any:
- (i) material licence, lease, permit, concession, tenement, authorisation or concession of the Group (Authorisation) is, or is likely to be, invalid, revoked or unenforceable, including as a result of the introduction of new legislation in the relevant jurisdiction; or
 - (ii) Authorisation is breached or not complied with.
- (n) **(Change in law)** There is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or prospective law or any new regulation is made under any law, or a Governmental Agency or the Reserve Bank of Australia adopts a policy, or there is an official announcement on behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a Governmental Agency that such a law or regulation will be introduced or policy adopted (as the case may be) (other than a law or policy that has been announced before the date of this agreement), any of which does or is likely to prohibit or regulate the Offer or adversely affects the Group.
- (o) **(Disruption in financial markets)** Any of the following occurs:
- (i) a general moratorium on commercial banking activities in Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union or the People's Republic of China (including Hong Kong) is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or
 - (ii) trading in all securities quoted or listed on the ASX, the London Stock Exchange, the New York Stock Exchange, the Shanghai Stock Exchange, Euronext, the SGX, the Hong Kong Stock Exchange, the Shanghai Stock Exchange or the Tokyo Stock Exchange is suspended or limited in a material respect; or
 - (iii) the occurrence of any other adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union or the People's Republic of China (including Hong Kong) or any change or development involving such a prospective adverse change in any of those conditions or markets.
- (p) **(Hostilities)** Major hostilities not existing at the date of this agreement commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union, Ukraine, Russia, Israel, Lebanon, Iran or the Peoples Republic of China (including Hong Kong) or a national emergency is declared by any of those countries, or a major terrorist act is perpetrated anywhere in the world.
- (q) **(Prescribed occurrence)** A prescribed occurrence in respect of the Company occurs during the Offer Period, other than:

- (i) as contemplated by this agreement or pursuant to the Offer:
- (ii) in a manner described in the management questionnaire or the ASX Release or any Public Information lodged with ASX on or before the date of this agreement; or
- (iii) the Company issuing securities pursuant to:
 - (A) the exercise or conversion of any security on issue as at the date of this agreement;
 - (B) any employee incentive scheme in operation as at the date of this agreement; or
 - (C) any distribution reinvestment plan,
- (iv) as permitted in writing by the Lead Manager.

Neither the Underwriter nor any of its related bodies corporate and affiliates, nor any of its directors, officers, partners, employees, representatives or agents have authorised or caused the issue of this Prospectus and they do not take any responsibility for this Prospectus or any action taken by any person on the basis of information contained in this Prospectus.

To the maximum extent permitted by law, the Underwriter and its related bodies corporate and affiliates and each of their respective directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by a person as a result of their participation in the Entitlement Offer and this information being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

Neither the Underwriter nor any of its related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents make any recommendations as to whether a person or their related parties should participate in the Entitlement Offer, nor do they make any representations or warranties to anyone concerning this Entitlement Offer or any such information, and each Applicant represents, warrants and agrees that they have not relied on any statements made by either Underwriter or any of their respective related bodies corporate and affiliates or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Securities or the Entitlement Offer generally.

9.4 Sub-underwriting Arrangements

Under the Underwriting Agreement, the Underwriter may engage sub-underwriters to the Entitlement Offer.

The Underwriter has agreed to enter into a sub-underwriting agreement with Mr John Plummer (**Plummer Sub-Underwriting Agreement**). Mr John Plummer has agreed to sub-underwrite the Entitlement Offer up to a maximum \$4.58 million (being approximately 916 million Shares) in accordance with the terms of the Plummer Sub-Underwriting Agreement.

The maximum total shareholding of Mr John Plummer upon completion of the Entitlement Offer assuming Mr John Plummer rejects his Entitlement in full under the Entitlement Offer but is required to subscribe for his full sub-underwriting commitments is set out in Table 9.4.1 below.

Table 9.4.1 Mr John Plummer's Relevant Interest as a Result of Sub-underwriting

Amount of Shortfall in Entitlement Offer	Completion of Capital Raising
100% Shortfall	41.1%

Notes:

- (1) Assumes Adcock Private Equity Pty Ltd and certain Directors subscribe for their Entitlement as committed and described in Section 9.7
- (2) Assumes that there is a shortfall placement that results in Mr Plummer's Entitlement being placed.

The Plummer Sub-Underwriting Agreement is on standard market terms except that no fees are payable to him under the Plummer Sub-Underwriting Agreement.

The Company and Mr John Plummer have agreed that any obligation to subscribe for New Shares under the Sub-Underwriting Agreement will be satisfied by way of set-off against the face value of outstanding Converting Notes issued to Mr John Plummer under the Plummer Convertible Note Agreement between the Company and Mr John Plummer

Sub-underwriting Arrangement by Director

Mr Geoff Neate, has entered into a sub-underwriting agreement pursuant to which Mr Geoff Neate has agreed to sub-underwrite the Entitlement Offer (**Director Sub-Underwriting Agreement**). Pursuant to the Director Sub-Underwriting Agreement Mr Geoff Neate has agreed to sub-underwrite the Entitlement Offer up to \$25,000.

The maximum total shareholding of Mr Geoff Neate upon completion of the Entitlement Offer assuming Mr Geoff Neate accepts his full Entitlements under the Entitlement Offer and receives his full sub-underwriting commitments is set out in the Table 9.4.2 below.

Table 9.4.2 Mr Geoff Neate's Relevant Interest as a Result of Sub-underwriting

Director	Current Shareholding	Current voting power	Entitlement and sub-underwriting commitment	Total Shares held on completion	Voting power upon completion
Mr Geoff Neate	4,948,814	0.3%	9,948,814	14,897,628	0.5%

The Director Sub-Underwriting Agreement is on standard market terms except that no fees are payable to him under the Director Sub-Underwriting Agreement.

The Company intends to rely on Listing Rule 10.12 (Exception 2) to permit Mr Geoff Neate to sub-underwrite the Entitlement Offer. Accordingly, Shareholder approval under Listing Rule 10.11 is not required.

9.5 Interests of Directors

Except as disclosed in this Prospectus, no Director (or entity in which they are a partner or director) has, or has had in the two years before the Prospectus Date, any interests in:

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

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- (d) any Director to induce him or her to become, or to qualify as, a Director; or
- (e) any Director for services which he or she (or entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Offer

9.6 Interest in Securities

As at the Prospectus Date, the relevant interests of the Directors and their related entities in securities in the Company, are detailed in Table 9.6.1 below.

Table 9.6.1 - Related Party Interests in Securities (Before the Offer)

Director	Shares held	Options held	Performance rights held
Christopher Whitehead⁽¹⁾	2,493,080	nil	10,678,572
Brook Adcock⁽²⁾	502,766,004	nil	nil
John Nantes⁽³⁾	nil	nil	7,428,572
Geoff Neate⁽⁴⁾	4,948,814	nil	7,428,572

Notes:

- (1) Shares and performance rights are held personally.
- (2) Shares are indirectly held by Adcock Private Equity Pty Limited and Adcock Group Super Pty Ltd <Adcock Group Superfund>.
- (3) Shares and performance rights are indirectly held by De Nantes Investment Co Pty Ltd <De Nantes Family A/C>.
- (4) Shares and performance rights are indirectly held by Neate Pty Ltd <Neate Family A/C> and Eloise Leighton Pty Ltd <Neate Super Fund A/C>.

9.7 Director's Participation

In respect of the Director's and their Entitlements under the Entitlement Offer:

- Mr Christopher Whitehead has committed to taking up his Entitlement in full;
- Mr Brook Adcock has committed to taking up his Entitlement in the amount of \$1,743,328, which will be satisfied by the redemption of Converting Notes held by Adcock Private Equity Pty Limited;
- Mr John Nantes has a nil Entitlement; and
- Mr Geoff Neate has committed to taking up his Entitlement in full, as well as participating as sub-underwriter as set out in Section 9.4.

For the avoidance of doubt, no Director will participate in the Placement or the Oversubscription Facility or otherwise apply for Shortfall Securities.

As at the completion of the Offers, it is expected that the relevant interests of the Directors and their related entities in securities in the Company, are detailed in Table 9.7.1 below.

Table 9.7.1 - Related Party Interests in Securities (After the Offer)

Director	Shares held	Options held	Performance rights held	Shares held and voting (%) on completion	Options held on completion
Christopher Whitehead⁽¹⁾	2,493,080	nil	10,678,572	4,986,160 (0.2%)	831,026
Brook Adcock	502,766,004	nil	nil	851,431,604 (29.2%)	116,221,866
John Nantes	nil	nil	7,428,572	nil	nil
Geoff Neate⁽²⁾	4,948,814	nil	7,428,572	14,897,628 (0.5%)	3,316,271

Notes:

- (1) Assumes Mr Christopher Whitehead acquires his full Entitlement
(2) Assumes Mr Geoff Neate acquires his full Entitlement under the Entitlement Offer and receives his full sub-underwriting commitments

9.8 Directors' Remuneration

The remuneration (including cash bonuses, superannuation and share based payments) of existing Directors for the past two financial years (30 June year-end) are as set out in Table 9.8.1 below.

Table 9.8.1 - Directors' Remuneration

Director	Title	Financial Year to 30 June 2023	Financial Year to 30 June 2022
Christopher Whitehead	Non-executive Chairman	41,898 ⁽¹⁾	-
Brook Adcock	Non-executive Director	0 ⁽²⁾	-
John Nantes	Non-executive Director	54,460	-
Geoff Neate	Non-executive Director	32,083 ⁽³⁾	-
Stephe Wilks	Non-executive Director	34,375 ⁽⁴⁾	84,722 ⁽⁷⁾
Magali Azema-Barac	Non-executive Director	20,835 ⁽⁵⁾	17,833 ⁽⁸⁾
Klaus Bartosch	Executive Director	134,832 ⁽⁶⁾	489,630 ⁽⁹⁾
Ross McCreath	Non-executive Director	-	9,508 ⁽¹⁰⁾

Notes:

- (1) Represents remuneration from the date of appointment, being 15 December 2022.
(2) Brook Adcock elected not to be paid for the financial year to 30 June 2023.
(3) Represents remuneration from the date of appointment, being 29 November 2022.
(4) Represents remuneration up to the date of resignation, being 29 November 2022.
(5) Represents remuneration up to the date of resignation, being 29 November 2022.
(6) Represents remuneration up to the date of resignation, being 3 October 2022.

- (7) Comprises share options issued with a total value of \$29,722.
- (8) Comprises share options issued with a total value of \$17,833.
- (9) Comprises share options issued with a total value of \$93,630.
- (10) Represents remuneration up to the date of resignation, being 2 June 2021, and comprises share options issued with a total value of \$9,508.

9.9 Dividend Policy

The Company does not intend to declare or pay any dividends in the immediately foreseeable future.

Any future determination as to the payment of dividends by the Company will be at the sole discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

9.10 Interests of Other Persons

No promoter or other person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director) holds, has, and has not had in the two years before the Prospectus Date, any interest in:

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

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to a promoter or any person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director), provided in connection with the formation or promotion of the Company or the Offers, except as disclosed in this Prospectus and as follows:

- (a) Lander & Rogers has acted as the Australian lawyers to the Company for the Offer. In respect of this work the Company will pay Lander & Rogers approximately \$80,000.
- (b) Automic Group conducts the Company's share registry functions and will provide administrative services in respect to the Applications pursuant to this Prospectus. Automic Group will be paid for these services on standard industry terms and conditions.
- (c) Henslow Pty Ltd is acting as Lead Manager to the Placement and will be paid the fees set out in Section 9.3.1 for that service.
- (d) the Nominee will be paid the fees set out in Section 4.1.4 for their services as nominee under section 615 of the Corporations Act.

The amounts disclosed above are exclusive of GST.

9.11 Related Party Transactions

The Company is party to a convertible note facility agreement with Adcock Private Equity Pty Ltd (which is an Associate of Brook Adcock, Non-executive Director) (**Related Party**

Convertible Note Agreement⁽¹⁾ pursuant to which Adcock Private Equity Pty Ltd has provided the following drawdowns to the Company:

Date	Drawdown ⁽²⁾	Interest Rate ⁽³⁾
26/10/2022	\$150,000	11.10%
17/11/2022	\$350,000	11.35%
13/12/2022	\$250,000	11.60%
24/2/2023	\$100,000	11.85%
31/10/2023	\$150,000	11.60%
28/12/2023	\$50,000	11.85%
13/03/2024	\$75,000	11.85%
21/03/2024	\$125,000	11.85%
05/04/2024	\$250,000	11.85%
28/05/2024	\$125,000	11.85%
29/05/2024	\$25,000	11.85%
Total drawdown	\$1,625,000	

Notes:

- (1) The Company intends to use funds raised from the Capital Raising to redeem this debt in full. Refer to Section 3.3 and below.
- (2) Date funds were received.
- (3) The interest rate outlined is the rate applicable on the date of the drawdown and will change depending on movements in the RBA rate.

As at the date of this Prospectus, the Company has paid interest totalling \$85,171 and facility fees totalling \$2,899 on the drawdowns made pursuant to the Related Party Convertible Note Agreement. A further \$89,769 in interest and \$28,559 in facility fees has been accrued as at 31 May 2024 but not yet paid.

The material terms and conditions of the Related Party Convertible Note Agreement are summarised as below:

- (a) The total facility available is \$3,200,000;
- (b) The notes are repayable 24 months from the date of each drawdown. The Company extended the repayment period in February 2024 after obtaining confirmation that the facility would not be called upon for a minimum period of 12 months from 29 February 2024;
- (c) Line fee of 1% per annum;
- (d) Interest is payable quarterly in arrears based on the cash rate of the Reserve Bank of Australia plus 7.5% per annum payable (noting that there is provision to further renegotiate the interest rate downwards subject to the Company delivering a further three (3) consecutive cash flow positive quarters). The interest rate on the facility before 1 October 2023 was the cash rate of the Reserve Bank of Australia plus 8.5% per annum payable. After achieving a

first operating cash flow positive quarter the interest rate was renegotiated from 8.5% to 7.5% plus the cash rate of the Reserve Bank of Australia;

- (e) Usual covenants for a facility of this nature and scope including unsecured obligation, no debt subordination without consent and anti-dilution provisions;
- (f) The facility can be repaid in full or reduced at any time at the election of the Company; and
- (g) Provisions allowing for conversion into Shares of a portion of the existing debt and the redraw of an equivalent amount in new drawing against the facility.

Adcock Private Equity has committed to take up part of its Entitlement, in the amount of \$1,743,328 (**Accepted Entitlement**).

The Company and Adcock Private Equity have agreed that the Accepted Entitlement will be satisfied by way of set-off against the full outstanding face value of outstanding Converting Notes issued under the Related Party Convertible Note Agreement, plus outstanding interest in the amount of \$118,328 owed by the Company on those Converting Notes.

At the Prospectus Date, no Director interests or material transactions with related parties exist that the Directors are aware of, other than those disclosed in this Prospectus.

9.12 Market Price of Shares

The highest and lowest market sale prices of the Shares on ASX during the three (3) months immediately preceding the Prospectus Date and the respective dates of those sales were:

Highest: \$0.08 on 27 March 2024

Lowest: \$0.005 on 27-31 May 2024, 3 June 2024 and 21 June 2024

The latest available market sale price of the Shares on ASX prior to the Prospectus Date was \$0.005 per Share on 21 June 2024.

9.13 Costs of the Offer

The costs of the Offer payable by the Company (exclusive of GST) are set out in Table 7.8.1 below.

Table 9.13.1 - Cost of Offers

	(\$)
ASIC lodgement fee	3,206
ASIC nominee fee	3,487
ASX quotation fee ⁽¹⁾	21,149
Legal fees	80,000
Lead Manager fees and expenses	280,000
Nominee fees	857
Other	50,000
TOTAL	438,699

Notes:

(1) Assumes the Offers are fully subscribed.

9.14 Taxation Implications

The acquisition and disposal of New Securities will have taxation consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to take independent financial advice about the taxation and any other consequences of acquiring and selling the New Securities (including exercising the New Options).

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to the taxation consequences of acquiring and selling the New Securities (including exercising the New Options).

9.15 Litigation and Claims

So far as the Directors are aware, other than as disclosed by the Company to ASX, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company.

9.16 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, persons named in this Prospectus with their consent as proposed Directors of the Company, persons named in this Prospectus with their consent as having made a statement in this Prospectus and persons involved in a contravention in relation to this Prospectus, with regard to misleading or deceptive statements made in this Prospectus. Although the Company bears primary responsibility for this Prospectus, other parties involved in the preparation of this Prospectus can also be responsible for certain statements made in it. The parties involved in the preparation of the Prospectus are listed in Table 9.16.1.

Table 9.16.1 - Parties Named in Prospectus

Name	Role
Lander & Rogers	Lawyers
Henslow Pty Ltd	Lead Manager and Underwriter
Sequoia Corporate Finance Pty Ltd	Nominee
Automic Group	Share Registry

Each of the parties named in Table 9.16.1:

- (a) has given its consent to be named in this Prospectus as set out above and has not withdrawn its consent at the date of lodgement of this Prospectus Date with ASIC;
- (b) makes no express or implied representation or warranty in relation to the Company, this Prospectus or the Offers;
- (c) has not made or purported to have made any statement in this Prospectus or statement on which a statement in this Prospectus is based, except as described in this Section; and

- (d) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for this Prospectus other than a reference to its name and any statement or report included in this Prospectus with the consent of that party as described in this Section.

None of the parties referred to in this Section 9.16 have authorised or caused the issue of this Prospectus or the making of the Offers.

Each of the Directors has given their written consent to being named in this Prospectus in the context in which they are named and have not withdrawn their consent prior to the Prospectus Date

10. Authorisation

This Prospectus is authorised by each of the Directors.

This Prospectus is signed for and on behalf of the Company, pursuant to a resolution of the Board, by:

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

Christopher Whitehead
Non-executive Chairman

11. Glossary

In this Prospectus, unless the context otherwise requires:

\$ means Australian dollar.

Additional Securities means New Shares applied for by Eligible Shareholders under the Oversubscription Facility.

Annual Report means the financial report lodged by the Company with ASIC in respect to the year ended 30 June 2023 and includes the corporate directory, review of activities, Shareholder information, financial report of the Company and its controlled entities for the year ended 30 June 2023, together with a Directors' report in relation to that financial year and the auditor's report for the period to 30 June 2023.

Applicant means a person who lodges an Application.

Application means a valid application made in, or by reference to, an Application Form for New Securities under the Offers.

Application Form means, in respect of the:

- (a) Placement Options Offer, the Placement Options Application Form;
- (b) Entitlement Offer, the Entitlement and Acceptance Form;
- (c) Lead Manager Offer, the Lead Manager Application Form

Application Monies means application monies for New Securities received by the Company from an Applicant under this Prospectus.

ASIC means the Australian Securities & Investments Commission.

Associate has the meaning given to that term under the Corporations Act.

ASX means ASX Limited ACN 008 624 691 and where the context permits, the market operated by it.

ASX Settlement Rules means the Settlement Operating Rules of the ASX.

Board means the board of Directors as at the Prospectus Date.

Business Day means Monday to Friday inclusive, excluding public holidays in Sydney and any other day that ASX declares is not a trading day.

CHES means ASX Clearing House Electronic Sub Registry System.

Closing Date means the date referred to as such in the Indicative Timetable or such later date as determined by the Company.

Company or **Visionflex** means Visionflex Group Limited (ACN 138 897 533).

Constitution means the constitution of the Company as at the Prospectus Date.

Converting Notes means the converting notes issued by the Company under debt facilities with Adcock Private Equity Pty Ltd and John Plummer.

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

DDO Obligations has the meaning given to it in Section 9.2.

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

Director Sub-Underwriting Agreement has the meaning given to it in Section 9.4.

Eligible Shareholder means is eligible to receive an offer under the Entitlement Offer, as set out in Section 4.1.3.

Entitlement means a Shareholder's entitlement to subscribe for New Securities under the Entitlement Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form attached to, or accompanying this Prospectus, that sets out the Entitlement of an Eligible Shareholder, and which can be used to apply for New Securities under the Entitlement Offer as well as Shortfall Securities.

Entitlement Offer means the non-renounceable pro-rata entitlement offer offering one New Share for every Existing Share held at the Offer Price together with 1 free attaching New Option for every 3 New Shares subscribed for and issued under this Prospectus.

Entitlement Offer Period means date the Entitlement Offer opens being 10:00am (Sydney time) on Thursday, 4 July 2024 and closed at 5:00pm (Sydney time) on Friday, 19 July 2024 unless changed by the Company at its discretion with approval from the Lead Manager in accordance with the Corporations Act and Listing Rules.

Exercise Notice has the meaning given in Section 8.2.6.

Exercise Price has the meaning given in Section 8.2.2.

Existing Shares means Shares held by Shareholders as at the Record Date.

Expiry Date has the meaning given in Section 8.2.2.

Indicative Timetable means the indicative timetable on page 5 of this Prospectus.

Ineligible Shareholders has the meaning given to it in Section 4.1.4.

INS 2016/80 means *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

Issuer Sponsored means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHES.

Lead Manager means Henslow Pty Ltd (ACN 605 393 137) (AFSL: 483168).

Lead Manager Application Form means the Application Form provided by the Company to the Lead Manager (or its nominees) in connection with the Lead Manager Offer with a copy of this Prospectus.

Lead Manager Offer means the offer of New Options to the Lead Manager as set out in Section 4.3.

Listing Rules means the official listing rules of ASX.

New Options means the Options offered under this Prospectus with the terms and conditions detailed in Section 8.2.

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

New Securities means New Shares and New Options offered under the Offers.

Nominee means Sequoia Corporate Finance Pty Ltd (ACN 602 219 072) (a Corporate Authorised Representative No 469074 of Sequoia Wealth Management Pty Limited, ACN 002 314 310, AFSL No. 472387).

Offer Price means \$0.005 per New Share.

Offers means the Entitlement Offer, Placement Options Offer, and Lead Manager Offer.

Option means an option to acquire a Share.

Oversubscription Facility has the meaning given to it in Section 4.1.5.

Placement means the issue of approximately 83 million New Shares to certain sophisticated and professional under a placement.

Placement Letter means the letter sent by the Lead Manager to the participants in the Placement.

Placement Options means the New Options offered to Placement Participants under the Placement Options Offer.

Placement Options Application Form means the Application Form provided by the Company and Lead Manager to the Placement Participants in connection with the Placement Options Offer with a copy of this Prospectus.

Placement Option Offer means the offer of New Options to Placement Participants under the Placement on the basis of 1 free attaching New Option for every 3 New Shares subscribed for and issued under the Placement.

Placement Participants means sophisticated or professional investors who satisfy the requirements of section 708(8) or section 708(11) of the Corporations Act and participate under the Placement.

Plummer Convertible Note Agreement means the debt facility agreement entered into by the Company and John Plummer dated 6 February 2023 (as amended) under which John Plummer provided certain financial accommodation to the Company in return for the issue of Converting Notes.

Plummer Sub-Underwriting Agreement has the meaning given to it in Section 9.4.

Prospectus means this prospectus.

Prospectus Date means the date of this Prospectus.

Quotation means quotation of securities on the official list of ASX.

Related Party Convertible Note Agreement has the meaning given in Section 9.11.

SaaS means software applications that are delivered over the internet on a subscription basis, allowing users to access and use them without managing the underlying infrastructure or software installation.

Section means a section of this Prospectus.

Securities means any securities including Shares, Options or other convertible securities (including performance rights) issued by the Company.

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

Share Registry means Automic Pty Ltd ACN 152 260 814 trading as "Automic Group".

Shareholder means a registered holder of Shares.

Shortfall Options means those New Options offered under the Entitlement Offer which are attaching to Shortfall Shares.

Shortfall Securities means the Shortfall Shares and Shortfall.

Shortfall Shares means those New Shares offered under the Entitlement Offer which are not subscribed for by Eligible Shareholders or the Nominee.

Statements has the meaning given to that term in Section 5.3.

Target Market Determination means the target market determination available via the Company's website at www.vfx-group.com/investor-reports and published on the ASX regarding the New Options issued under the Entitlement Offer.

Underwriter means the Lead Manager.

Underwriting Agreement has the meaning given to it in Section 9.3.2.

Visionflex Group means the Company and its subsidiaries.