



ASX ANNOUNCEMENT

8 August 2018

Lodgement of Prospectus

Melbourne, Australia, 8 August 2018: Genetic Technologies Limited (ASX: GTG; Nasdaq: GENE, “Company”, “GTG”) is pleased to advise that it has lodged the attached Prospectus with ASIC.

The Company recently announced that it has entered into a \$20million equity placement facility with Kentgrove Capital Pty Ltd ACN 150 638 627 (**Kentgrove**) to strengthen the Company’s funding position.

Following the execution of the Kentgrove facility and under the Prospectus, the Company will offer and issue to Kentgrove:

- 8,833,100 Shares in lieu of payment of the Establishment Fee (**Establishment Shares**);
- 12,500,000 Options exercisable at \$0.0153 each and expiring 3 years after issue (**Establishment Options**); and
- 100,000,000 Shares as security for the Company's obligations under the Kentgrove Facility (**Collateral Shares**).

Under the Prospectus, the Company will also have the ability to offer and issue up to 441,655,004 Shares (**Placement Shares**) either to Kentgrove under the Kentgrove Facility, or to other investors as determined by the board, to raise up to \$5,000,000.

An Appendix 3B is also attached with respect to the offers being made under the Prospectus.

FOR FURTHER INFORMATION PLEASE CONTACT

Dr Paul Kasian

Chairman and Interim CEO

Genetic Technologies Limited

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About Genetic Technologies Limited

Genetic Technologies is a diversified molecular diagnostics company embracing blockchain technologies across Genomic testing platforms. GTG offers cancer predictive testing and assessment tools to help physicians proactively manage patient health. The Company's lead product, BREVAGen^{plus}®, is a clinically validated risk assessment test for non-hereditary breast cancer and is first in its class. For more information, please visit www.brevagenplus.com and www.phenogensciences.com.

Genetic Technologies is developing a pipeline of risk assessment products including a novel colorectal cancer (CRC) test. For more information, please visit www.gtgcorporate.com

Safe Harbor Statement

Any statements in this press release that relate to the Company's expectations are forward-looking statements, within the meaning of the [Private Securities Litigation Reform Act](#). The Private Securities Litigation Reform Act of 1995 (PSLRA) implemented several significant substantive changes affecting certain cases brought under the federal securities laws, including changes related to pleading, discovery, liability, class representation and awards fees. Since this information may involve risks and uncertainties and are subject to change at any time, the Company's actual results may differ materially from expected results. Additional risks associated with Genetic Technologies' business can be found in its periodic filings with the SEC.

Genetic Technologies Limited

ACN 009 212 328 (Company)

Prospectus

For the offering of:

1. 12,500,000 Options, exercisable at \$0.0153 each, expiring 3 years after issue (**Establishment Options**), to Kentgrove Capital Pty Ltd in its capacity as trustee of the Kentgrove Capital Growth Fund (**Kentgrove**) (**Option Offer**).
2. 8,833,100 Shares (**Establishment Shares**) to Kentgrove in lieu of payment of the Establishment Fee (**Establishment Share Offer**).
3. 100,000,000 Shares (**Collateral Shares**) to Kentgrove as security for the Company's obligations under an equity placement facility with Kentgrove (**Kentgrove Facility**) (**Collateral Offer**, together with the Option Offer and the Establishment Share Offer the **Kentgrove Offers**).
4. A maximum of 441,655,004 Shares (**Placement Shares**) to Kentgrove or other investors as determined by the Board to raise up to \$5,000,000 (**Placement Offer**, together with the Kentgrove Offers the **Offers**).

This Prospectus has been prepared primarily for the purposes of:

- (a) to the extent it relates to the Option Offer, to enable the Establishment Options to be issued to Kentgrove under this Prospectus to be on-sold without disclosure and to ensure that the Shares that are issued on exercise of the Establishment Options may be on-sold without disclosure in accordance with ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80);
- (b) to the extent it relates to the Establishment Share Offer, the Collateral Offer and the Placement Offer, to facilitate the secondary trading of the Establishment Shares, Collateral Shares and Placement Shares to be issued under this Prospectus so as to enable the Establishment Shares, the Collateral Shares and the Placement Shares to be on-sold in Australia without trading restrictions.

Important Notice

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. The Options and Shares offered by this Prospectus should be considered as speculative.

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

Not for distribution in the United States of America or to U.S. persons.

Table of Contents

Chairman's letter	3
1. Offer Statistics	4
2. Key Dates.....	4
3. Important information	5
4. Company Information	9
5. Details of the Offers and the Prospectus	14
6. Purpose and effect of the Offers	18
7. Rights and liabilities attaching to securities	27
8. Risk factors.....	31
9. Additional information.....	39
10. Directors' Authorisation	50
11. Glossary	51
Corporate directory.....	53
Application Forms.....	54

Prospectus

Chairman's letter

Dear Shareholder

As announced on 8 August 2018, Genetic Technologies Limited (**Company**) has entered into a \$20million equity placement facility with Kentgrove Capital Pty Ltd ACN 150 638 627 in its capacity as trustee of the Kentgrove Capital Growth Fund (**Kentgrove**) to strengthen the Company's funding position (**Kentgrove Facility**). The purpose of the Facility is to provide the Company with funds for working capital, facilitate the introduction and commercialisation of an enhanced breast cancer and new colon cancer screening test, progress development of a suite of genetic screening tests targeting both cancer and non-oncological diseases, and facilitate investments in opportunities that combine genetic screening capabilities with blockchain technology.

Following the execution of the Facility and under this Prospectus, the Company will offer and issue to Kentgrove:

- 8,833,100 Shares in lieu of payment of the Establishment Fee (**Establishment Shares**);
- 12,500,000 Options exercisable at \$0.0153 each and expiring 3 years after issue (**Establishment Options**); and
- 100,000,000 Shares as security for the Company's obligations under the Kentgrove Facility (**Collateral Shares**).

Under this Prospectus, the Company will also have the ability to offer and issue up to 441,655,004 Shares (**Placement Shares**) either to Kentgrove under the Kentgrove Facility, or to other investors as determined by the board, to raise up to \$5,000,000. The Company does not currently have binding commitments from any party to subscribe for the Placement Shares, however, including the Placement Offer within this Prospectus provides the Company with greater flexibility should the opportunity arise to offer and issue any of the Placement Shares while this Prospectus remains open.

This Prospectus is issued for the purpose of allowing the Establishment Shares, the Collateral Shares, the Placement Shares, the Establishment Options and the Shares that will be issued on exercise of the Establishment Options to be freely tradable. The Establishment Share Offer, Option Offer and Collateral Offer under this Prospectus will only be made to Kentgrove. The Placement Offer can be made to Kentgrove or such other investors as determined by the Board.

Application will be made to ASX within 7 days of the date of this Prospectus to list the Shares offered under this Prospectus on ASX.

Yours faithfully



Dr Paul Kasian
Chairman
Genetic Technologies Limited

Prospectus

1. Offer Statistics

OPTION OFFER	
Issue Price	Nil
Exercise Price	\$0.0153
Expiry Date of Establishment Options ¹	8 August 2021
Number of Establishment Options to be issued	12,500,000
Number of Options on issue prior to Offer (Existing Options)	55,102,778
Expected total Options on issue following the Offer	67,602,778
SHARE OFFERS	
Establishment Share Issue Price	Nil ²
Number of Establishment Shares to be issued	8,833,100
Collateral Share Issue Price	Nil ³
Number of Collateral Shares to be issued	100,000,000
Placement Share Issue Price	To be determined ⁴
Maximum number of Placement Shares	441,655,004
Number of Shares on issue prior to Offer	2,435,282,724
Expected maximum number of Shares on issue following the Offer ⁵	2,985,770,828

1. Being the date that is 3 years after the issue to the Establishment Options.
2. Issued in lieu of payment of the Establishment Fee, with a deemed issue price of \$0.01132.
3. Refer to section 4.2 which provides further details of the potential offset or sale of the Collateral Shares and funds that may be received by the Company in such circumstances.
4. See further discussion in section 5.4 for the calculation of issue price for the Placement Shares, to raise a maximum amount of \$5,000,000
5. This assumes that no Existing Options or any of the Establishment Options are exercised, and that all of the Placement Shares are subscribed for.

2. Key Dates

Event	Date
Prospectus lodged with ASIC and ASX	8 August 2018
Kentgrove Offers open	8 August 2018
Placement Offer opens	8 August 2018
Kentgrove Offers close	13 August 2018
Expected issue of Establishment Options, Establishment Shares and Collateral Shares	8 August 2018
Expected ASX quotation of Establishment Shares and Collateral Shares	9 August 2018
Placement Offer Closing Date	9 November 2018

Prospectus

Expected issue of Placement Shares	During the course of the Placement Offer period
Expected ASX quotation of Placement Shares	Within 3 business days of issue

Note: These dates are indicative only and may change without prior notice. The Directors may vary the period of the Offers (or any of them) at their discretion. Investors are encouraged to submit their Application Forms as soon as possible after the Offers open. The Directors, subject to the requirements of the Listing Rules and the Corporations Act, reserve the right to: (a) withdraw the Offers (or any of them) without prior notice; or (b) vary any of the important dates set out in this Prospectus, including extending the Offers (or any of them).

3. Important information

3.1 General

This Prospectus is dated 8 August 2018 and was lodged with the ASIC on that date. Neither the ASIC nor the ASX (nor their officers) take any responsibility as to the contents of this Prospectus or the merits of the investment to which this Prospectus relates. No Offer Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

This Prospectus contains offers of continuously quoted securities (as defined in the Corporations Act) and options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act.

The Option Offer, Establishment Share Offer and Collateral Offer are not available to the general public and are only available to Kentgrove. Applications for Establishment Options, Establishment Shares and Collateral Shares offered pursuant to this Prospectus can only be submitted on an original Application Form.

The Placement Offer is only available to the persons who are personally invited by the Company to accept the Placement Offer which may include Kentgrove or other investors determined by the Company. The Company will provide a Placement Offer Application Form to those persons only. An application for Placement Shares offered pursuant to this Prospectus can only be submitted on an original Application Form.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Offer Securities the subject of this Prospectus should be considered speculative.

3.2 Foreign Shareholders and Investors

This Prospectus does not constitute an offer of the Offer Securities in any place in which, or to any person to whom, it would not be lawful to make such an offer. The Company has not made any investigations as to the regulatory requirements that may prevail in countries, outside of Australia, in which investors may reside. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe those restrictions. Any failure to comply with restrictions might constitute a violation of applicable securities laws.

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States.

Prospectus

In particular, the Offers have not been, and will not be, registered under the US Securities Act or the securities law of any state of the United States, and the Offer Securities the subject of the Offers may not be offered or sold in the United States or to or for the account or benefit of any US Persons, except in a transaction exempt from the registration requirements of the US Securities Act and applicable United States state securities laws.

3.3 Transaction Specific Prospectus

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

3.4 Risk factors

Shareholders should be aware that holding securities in the Company involves a number of risks. The key risk factors of which Shareholders should be aware are set out in section 8 of this Prospectus. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of Shares and Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers in relation to the issue of Offer Securities pursuant to this Prospectus.

As noted in section 4 of the Prospectus, the Company is a diversified molecular diagnostics company embracing blockchain technologies across genomic testing platforms. As the Company has not previously been involved in the blockchain industry until entering the non-binding term sheet with Blockchain Global Limited as announced on 15 February 2018, the Board believes that it is appropriate to provide an overview of the risks that relate to such involvement. Accordingly, section 8.2 outlines company specific risks arising from involvement in medical, biotech and blockchain industries. In addition, as the Company remains listed on the ASX, it is also important to have regard to the risks which may impact the Company more generally. Section 8.3 outlines some of the key risks specific to an investment in the Company and section 8.4 outlines more general risks that may impact the Company.

The following is a summary some of the key risks as set out in section 8:

Risk	Summary	Further information
Development and commercialisation of blockchain applications	The Company presently intends to explore medical and biotech blockchain applications. Failing to successfully secure or develop and commercialise these offerings, products, solutions or services is likely to negatively impact the Company's performance, reduce its future opportunities, and weaken its financial position.	8.2(a)
Competition	All aspects of the medical, biotechnology and blockchain industries face significant competition, and for this reason, there can be no guarantee that any of the products, services or offerings associated with the Company will ever be commercialised, or generate a profit.	8.2(b)
Forecasts	The medical, biotech and blockchain industries are by their nature highly volatile. As such, a large number of the factors which will determine the success of the Company are beyond its	8.2(c)

Prospectus

	control. Consequently, the future revenues or profitability of the Company in these industries cannot be predicted.	
Protection of technology rights and intellectual property	The medical, biotech and blockchain industries are likely to be prone to expensive and protracted disputes regarding technology and intellectual property rights between competitors. The Company expects, but does not warrant, that it will implement all reasonable endeavours to acquire and protect its interests in intellectual property. However, no assurance can be given that any measures taken to this end will be sufficient.	8.2(d)
Legal, regulatory and government policy risk	Regulations restricting genetic testing could adversely affect the Company's ability to market and sell its products and services. Accordingly, any regulations of this nature could increase the costs of the Company's operations or restrict its ability to conduct its testing business and might adversely affect its operations and financial condition.	8.2(e)
Additional requirements for capital	<p>Depending on the ability of the Company to generate income from its operations, the Company may require further financing. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and investments.</p> <p>As noted in the Company's half year audit review announced on 27 February 2018, the continuing viability of the Group and its ability to continue as a going concern and meet its debts and commitments as they fall due is dependent on the satisfactory completion by the Company of planned equity raising, of which the Offers under this Prospectus form a part. Due to the uncertainty surrounding the timing, quantum or the ability to raise additional funds via the issuance of new equity, there is a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.</p>	8.3(a)
External Parties	The Company has relationships with academic consultants and other advisers who are not employed by it, and accordingly it will have limited control over their activities.	8.3(d)
Dependence on Key Personnel	The Directors are primarily responsible for overseeing the operations and the strategic management of the Company. However, much of the future success of the Company depends on the continued service and commitment of its key personal, and those in scientific, technical and marketing roles. The Company has set in place employment contracts with key employees and consultants, which contracts include the provision of equity incentives to assist in retaining the key employees and consultants.	8.3(f)
Uncertainty and Future Profitability	The Company has incurred significant financial losses in the past. It is not possible to evaluate the Company's future financial prospects based on past performance. The past performance should not impact on the future opportunities of the Company. While the Directors have confidence in the future growth potential of the Company, there can be no certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash-flow from its operating activities.	8.3(h)

Prospectus

Material Arrangements	<p>The Company and its subsidiaries have entered various material arrangements which are important to their future. Any failure by counterparties to these arrangements to perform their obligations under such material arrangements may have a material adverse effect on the Company.</p> <p>In addition the Company and its subsidiaries have entered a number of non-binding arrangements, by way of memorandums of understanding. These arrangements by their nature may be nonbinding and unenforceable. As such, in the event that the other parties to these arrangements fail to perform their obligations, the Group may have no right to enforce the provisions of these arrangements through legal action.</p>	8.3(m)
Share Market Risk	<p>The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares.</p> <p>There are a number of factors (both national and international) that may affect the market price of the Options and Shares and neither the Company nor its Directors have control of those factors.</p>	8.4(a)
General Economic Conditions	Changes in the general economic climate in which the Company operates or holds investments in may adversely affect the financial performance of the Company, are beyond the control of the Company and the Company cannot, with any degree of certainty, predict how they will impact on the Company.	8.4(b)
Unforeseen expenses	While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.	8.4(d)
Liquidity	The Establishment Options will not be listed. As such there will not be an active market in the Establishment Options and there may be limited opportunities to transfer Establishment Options. Likewise, there is no guarantee that there will be an active market in the Shares or that the price of Shares will increase.	8.4(e)
Loss or suspension of Laboratory license or imposition of a fine or penalty	Operation of the Company's clinical laboratory is subject to extensive regulation. The sanction for failure to comply with regulations may be suspension, revocation or limitation of its laboratory's certificate, which is necessary to conduct business, as well as significant fines and/or criminal penalties. Such measures could have a material adverse effect on our business. In addition, compliance with future legislation could impose additional requirements on the Company, which may be costly.	8.3(l)

3.5 No underwriting

The Offers are not underwritten.

3.6 Terms of Securities

A summary of the rights attaching to the Establishment Options offered by this Prospectus as well as the Establishment Shares, Collateral Shares, Placement Shares and Shares that will be issued on exercise of the Establishment Options are set out in sections 7.1 and 7.2 respectively. Details of the Offers are set out in section 5 below.

Prospectus

3.7 Deciding to accept the Offers

No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital or the payment of a return on the Offer Securities. The information in this Prospectus does not constitute a securities recommendation or financial product advice. In preparing this Prospectus, the Company has not taken into account the investment objectives, financial situation or particular needs of any particular person.

This Prospectus is an important document and you should read it in full before deciding whether to invest pursuant to the Offer. You should also have regard to other publicly available information about the Company, including ASX announcements, which can be found at the Company's website: <http://gtglabs.com>.

3.8 Glossary

Certain terms used in this Prospectus are defined in the Glossary in section 11 of this Prospectus. Money as expressed in this Prospectus is in Australian dollars unless otherwise indicated.

3.9 Forward Looking Statements

The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward looking statements. The forward looking statements in this Prospectus are based on the Company's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and its Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward looking statements in this Prospectus. Investors should specifically refer to the "Risks Section" in section 8 of this Prospectus. That section refers to some, but not all, of the matters that may cause actual results to differ from the position stated in any forward looking statement in this Prospectus.

Investors should be aware that past Share or Option price performance of the Company provides no guidance to its future Share or Option price performance. Neither the Company nor any other person warrants or guarantee the future performance of the Offer Securities offered under this Prospectus or the Shares or any return on any investment made pursuant to this Prospectus.

4. Company Information

4.1 Company Overview and Update

The Company is listed on both the ASX (company code GTG) and the NASDAQ (ticker GENE).

Founded in 1989, Genetic Technologies Limited is an established Australian-based diversified molecular diagnostics company. The Company listed on the ASX in 2000 and the NASDAQ in 2005.

The Company offers predictive testing and assessment tools to help physicians proactively manage women's health. The Company's lead product, BREVAGen^{plus}®, is a clinically validated risk assessment test for non-hereditary breast cancer and is first in its class.

The Company markets BREVAGen^{plus} to healthcare professionals in comprehensive breast health care and imaging centres, as well as to obstetricians/gynaecologists (OBGYNs) and breast cancer risk assessment specialists (such as breast surgeons).

As recently announced, the Company is on schedule to introduce an enhanced version of its breast cancer screening test. The Company is also on track to begin the commercialisation process for a new colon cancer screening test in October and has commenced development of a suite of genetic

Prospectus

screening tests targeting both cancer and non-oncological diseases including prostate cancer, melanoma, type 2 diabetes and cardiovascular diseases.

As previously announced, the Company has also initiated discussions with major cancer organisations in the US, Australia and Southeast Asia to develop pilot-scale programs and is also pursuing several strategic distribution partnerships to accelerate the adoption of the Company's genetic screening tests in the US, Australia and Asia.

The Company is constantly assessing and investigating opportunities to expand the distribution channels for its existing and planned genetic risk screening tests and to collaborate with third parties including universities, research institutes, health organisations and other entities to continue to develop and expand the Company's offerings. The Company is presently in discussion with a number of parties regarding such potential opportunities and will continue to keep the market informed as required.

The Company is also actively engaging with stakeholders and pursuing opportunities that potentially allow it to not only build on the genomic assets and expertise that it has developed to date but also take advantage of the new and developing opportunities that blockchain digital platforms may create.

4.2 Kentgrove Facility

As announced on 8 August 2018, to assist with the Company's ongoing funding requirements the Company has entered into an equity placement agreement with Kentgrove (**Kentgrove Facility**).

A summary of the key terms of the Kentgrove Facility is set out below.

- (a) The Kentgrove Facility provides the Company with access to an equity placement facility of up to \$20,000,000.
- (b) As consideration for the provision of the Kentgrove Facility, the Company will pay to Kentgrove an establishment fee of \$100,000 (**Establishment Fee**) to be satisfied by the issue of the Establishment Shares and will also issue to Kentgrove the Establishment Options.
- (c) The Kentgrove Facility will run for 20 months unless terminated sooner, meaning it has a maturity date of 7 April 2020.
- (d) The Company may make multiple placement requests to Kentgrove under the Kentgrove Facility, up to the maturity date.
- (e) For each new placement, the Company nominates the relevant placement period, the maximum amount of the placement (up to \$1,000,000, or an amount equal to the total number of Collateral Shares on issue multiplied by the minimum issue price, or a higher amount as agreed between the parties), and the minimum issue price.
- (f) The issue price for the placement shares in respect of a placement is the higher of the minimum issue price set by the Company and a 4.5% discount to a VWAP of the Shares traded by Kentgrove over the placement period. The relevant placement period must be a minimum of 4 weeks unless the parties agree otherwise.
- (g) At the end of each placement period (unless requested earlier by the Company), Kentgrove nominates the actual number of Shares it elects to subscribe for (which cannot be more than the maximum amount of the placement) and the issue price (which cannot be less than the minimum issue price). The Company must then issue such number of Shares contemporaneously with payment of the issue price by Kentgrove.

Prospectus

- (h) Any issue of shares or options under the Kentgrove Facility is required to be in compliance with ASX Listing Rule 7.1. Any shares issued pursuant to the Kentgrove Facility must be offered under a prospectus issued pursuant to section 710 or 713 of the Corporations Act, unless otherwise agreed by Kentgrove.
- (i) Kentgrove must not acquire a relevant interest in the Shares which causes their voting power (and that of their associates) to exceed 19.99%.
- (j) The provision of funding by Kentgrove in relation to a placement request is subject to a number of conditions, including there being sufficient liquidity in the market for the Shares during the applicable placement period, the market price being no lower than the minimum issue price set by the Company and other conditions customarily included in facilities of this nature.
- (k) As security for the performance by the Company of its obligations under the Kentgrove Facility, the Company must issue 100,000,000 Shares (Collateral Shares) to Kentgrove. The Collateral Shares may be sold or otherwise dealt with by Kentgrove to satisfy any undischarged obligation of the Company under the Kentgrove Facility (which remains undischarged after 5 business days' notice). In addition, if the Company is not able to issue freely tradeable Shares on a relevant issue date, Kentgrove may elect to offset against the Collateral Shares any new placement Shares that were to be issued to it on such issue date. Further, Kentgrove may dispose of the Collateral Shares for any reason and in any way during the term for the Kentgrove Facility.
- (l) On the expiration of the Kentgrove Facility any remaining Collateral Shares not offset to satisfy an undischarged obligation of the Company or otherwise against the Company's obligation to deliver Shares under the Kentgrove Facility, at the Company's election, are either to be sold by Kentgrove and the proceeds (less a discount of 4.5%) delivered to the Company, or are to be bought back by the Company on the terms specified by the Company.
- (m) Either the Company or Kentgrove may terminate the Kentgrove Facility, by giving 14 days' notice, other than during the first 90 days of the Kentgrove Facility during which it may only be terminated with cause, in accordance with the termination provisions as defined within the Kentgrove Facility.
- (n) Kentgrove has given an undertaking to the Company that it will not, during the 3 months following the execution of the Kentgrove Facility, exercise the Establishment Options or dispose of the Establishment Shares.

4.3 Directors

The Directors bring to the Board relevant expertise and skills, including industry and business knowledge, financial management and corporate governance experience.

Each Director has confirmed that he anticipates being available to perform his duties as a Non-Executive Director or Executive Director, as the case may be, without undue constraints from other commitments.

Of the Directors, Dr Wakefield is considered by the Board to be able to fulfil the role of Independent Director for the purposes of the ASX Corporate Governance Principles and Recommendations (Third Edition). Dr Kasian and Dr Muchnicki are not considered independent due to their executive roles with the Company. Mr Lee and Mr Rubinstein are not presently considered independent due to their involvement with Blockchain Global Limited with whom the Company has entered various arrangements.

Prospectus

The following persons are directors of the Company as at the date of this Prospectus:

Dr Paul Kasian, Chairman and CEO BSc, PhD, MBA, GAICD	<p>Dr. Kasian was appointed to the Board on 12 December 2013 and became Chairman of the Company on 31 January 2018 and acting CEO on 6 February 2018. He brings to the Board a combination of expertise in strategic business leadership and biotech investment giving him a deep understanding on key value drivers for companies in generating shareholder value. He is an experienced executive director with demonstrated domestic and international success in funds management, encompassing senior leadership, investment and risk roles.</p> <p>Dr Kasian has held senior leadership positions in a number of investment groups, and has significant funds management experience in Australia leading investment in the healthcare and life sciences sector. He holds a PhD in Microbiology and a Master of Business Administration, both from the University of Melbourne, and is a Graduate Member of the Australian Institute of Company Directors. Dr Kasian is also a non-executive director and the Chairman of IODM Limited (ASX: IOD).</p>
Dr. Lindsay Wakefield, Non-Executive Director MBBS	<p>Dr. Wakefield was appointed to the Board on September 24 2014. He started Safetech in 1985 and over the next 25 years Safetech became a force in the Australian material handling and lifting equipment market, designing and manufacturing a wide range of industrial products. In 1993, he left Medicine to become the fulltime CEO of the Company. In 2006 Safetech was awarded the Telstra Australian National Business of the Year. In 2013 Safetech merged and ultimately acquired Tieman Materials Handling. Dr. Wakefield continues as the CEO of the Company. It is Australia's largest manufacturer and supplier of dock equipment, freight hoists and custom lifting solutions. Safetech employs approximately 100 people. Dr. Wakefield has been a Biotech investor for more than 20 years.</p>

Prospectus

<p>Dr. Jerzy (George) Muchnicki, Executive Director MBBS</p>	<p>Dr Muchnicki was appointed to the Board on January 31, 2018 and has also been appointed to the role of Business Development Director. George graduated from Monash University having held positions in private practice for some 25 years to head of student health at Melbourne University. For the past 14 years he has been mostly involved in commercialisation and funding R&D in the biotechnology sector from gene silencing to regenerative medicine.</p> <p>Dr Muchnicki brings with him strong commercial and medical skills, including broad interests in software development, blockchain and sustainable building materials. He is a co-founder of Speed Panel Holdings a world leader in fire rated and acoustic wall solutions. He is also the co-founder of Candlebets, a software development company that is creating blockchain enabled platforms for the gaming industry.</p> <p>Dr Jerzy (George) Muchnicki is a non-executive director of SpeedPanel Australia Ltd ACN 107 723 240 (SpeedPanel Australia). The directors of SpeedPanel Australia appointed an administrator to the company on 21 March 2017 and the company remained under administration until 10 October 2017. On 10 October 2017, a deed of company arrangement was entered in respect of SpeedPanel Australia which is in the process of being effectuated. On execution of the deed of company arrangement the management and control of SpeedPanel Australia was returned to the company.</p>
<p>Mr. Peter Rubinstein, Non-Executive Director BSc, BEc, LLB</p>	<p>Mr Peter Rubinstein was appointed to the Board on January 31, 2018. He has over 20 years' experience in early stage technology commercialisation through to public listings on the ASX. He is a lawyer, having worked at one of the large national firms prior to moving in house at Montech, the commercial arm of Monash University.</p> <p>Mr Rubinstein has had significant exposure to the creation, launch and management of a diverse range of technology companies including in biotech, digital payments and renewable energy. Peter is also Chairman of DigitalX Limited (DCC) and an advisor to Blockchain Global.</p>
<p>Mr. Xue (Samuel) Lee, Non-executive Director Bachelor of Information Technology</p>	<p>Mr Sam Lee was appointed to the Board on January 31, 2018. He is the founder and CEO of Blockchain Global Limited, which offers one of Australia's largest cryptocurrency exchanges, blockchain consulting and blockchain incubation services, assisting with over \$200m in blockchain related investments with offices in Melbourne, New York, Kobe, Shanghai and Dalian.</p> <p>Mr Lee is a frequent speaker at Blockchain Summits, DLT Conferences and has been a panellist at the World Economic Forum. Mr Lee is also a Director of ASX listed DigitalX Limited (DCC), a leading blockchain advisory company.</p>

Prospectus

5. Details of the Offers and the Prospectus

5.1 Background

As announced on 8 August 2018, the Company has entered into the Kentgrove Facility, a \$20 million equity placement facility to strengthen the Company's funding position.

Following the execution of the Kentgrove Facility, the Company will offer and issue to Kentgrove pursuant to this Prospectus:

- (a) the Establishment Shares;
- (b) the Establishment Options; and
- (c) the Collateral Shares.

The Establishment Options will be a new class of option, exercisable at \$0.0153 each within 3 years of issue and otherwise on the terms set out in section 7. It is intended that the Establishment Options will not be listed. It is intended that the Establishment Shares and the Collateral Shares will be listed.

In order to take advantage of the Kentgrove Facility, the Company may decide to offer and issue Placement Shares to Kentgrove pursuant to this Prospectus as per the process summarised in section 4.2. The Board has also decided to leave open the possibility of issuing Placement Shares to other investors in addition to Kentgrove should the opportunity present itself, with such investors being determined by the Board from time to time.

The Establishment Shares, Collateral Shares and Placement Shares will be fully paid ordinary shares in the Company, and rank *pari passu* with existing Shares currently on issue.

5.2 Non-conditional Offers

The Offers are not conditional.

5.3 Purpose of the Prospectus

This Prospectus has been prepared primarily for the purposes of:

- (a) to the extent it relates to the Option Offer, to enable the Establishment Options to be issued to Kentgrove and to allow the Establishment Options to be on-sold without disclosure and to ensure that the Shares that are issued on exercise of the Establishment Options may be on-sold without disclosure in accordance with ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80; and
- (b) to the extent it relates to the Establishment Share Offer, Collateral Offer and Placement Offer, to facilitate the secondary trading of the Establishment Shares, Collateral Shares and Placement Shares so as to enable the Establishment Shares, Collateral Shares and Placement Shares to be on-sold in Australia without trading restrictions.

No funds will be raised through the issue of the Establishment Options, Establishment Shares and Collateral Shares pursuant to this Prospectus. However it is noted that:

- (a) the Company may receive funds in the future in connection with the Collateral Shares in the event that:
 - (1) at the end of the Kentgrove Facility the Company directs Kentgrove to sell any remaining Collateral Shares not otherwise offset against obligations of the Company to issue Shares to Kentgrove (as described in section 4.2(l)), from

Prospectus

which Kentgrove will retain 4.5% of the sale price and the rest being paid to the Company; and

- (2) if the Company is not able to issue freely tradeable Shares on a relevant issue date, Kentgrove may elect to offset against the Collateral Shares any new placement Shares that were to be issued to it on such issue date. The Company would then receive the applicable issue price as determined pursuant to section 4.2(f), being the higher of the 'minimum issue price' set by Kentgrove or a 4.5% discount to a VWAP of the Shares traded by Kentgrove over the period of the placement.

If at the end of the Kentgrove Facility the Company instead elects to buy back the Collateral Shares (as per section 4.2(l)) no funds will be raised, as the Collateral Shares will be bought back for a nominal consideration.

- (b) the Establishment Shares are issued in lieu of the Company paying the \$100,000 Establishment Fee to Kentgrove under the Kentgrove Facility; and
- (c) if all the Establishment Options are issued and then exercised, the Company will receive \$191,250.

The issue of the Placement Shares will raise funds for the Company, however as the issue price of any Placement Shares is not yet known and there are no any binding commitments to issue such Placement Shares, it is impossible to state definitively the exact amount of funds (if any) which will be raised through the issue of the Placement Shares. As at the date of this Prospectus it is the intention of the Directors to offer only such number of Placement Shares as would raise a total of \$5,000,000. Refer to section 6.3 for further details.

Any funds raised from the issue of the Placement Shares, upon the exercise of any of the Establishment Options or in connection with the Collateral Shares will be used to provide the Company with funds for working capital, including for the purpose of facilitating the introduction and commercialisation of an enhanced breast cancer and new colon cancer screening test, progressing development of a suite of genetic screening tests targeting both cancer and non-oncological diseases, and facilitating investments in opportunities that combine genetic screening capabilities with blockchain technology.

5.4 The Offers

The following Offers are being made pursuant to this Prospectus:

Option Offer

An offer of 12,500,000 Establishment Options to Kentgrove, to be issued for nil cash consideration as per the terms of the Kentgrove Facility.

The Establishment Options will be issued on the terms and conditions set out in section 7.1 of this Prospectus.

Establishment Share Offer

An offer of 8,833,100 Establishment Shares to Kentgrove pursuant to the Kentgrove Facility, for nil cash consideration but in lieu of the Establishment Fee due to Kentgrove under the Kentgrove Facility.

The Establishment Shares will be issued on the terms and conditions set out in section 7.2 of this Prospectus. The Establishment Shares will rank equally with the Shares on issue at the date of this Prospectus.

Prospectus

Collateral Share Offer

An offer of 100,000,000 Collateral Shares to Kentgrove pursuant to the Kentgrove Facility, for nil cash consideration, where such Collateral Shares may be offset against the Company's obligation to issue Shares under the Kentgrove Facility and which may at the Company's direction at the end of the Kentgrove Facility be sold (with any proceeds less 4.5% being returned to the Company) or bought back by the Company - refer to section 4.2(l) for further details.

The Collateral Shares will secure the Company's obligations under the Kentgrove Agreement, and will be issued on the terms and conditions set out in section 7.2 of this Prospectus. The Collateral Shares will rank equally with the Shares on issue at the date of this Prospectus.

Placement Share Offer

An offer of up to 441,655,004 Placement Shares, which may be offered to Kentgrove or to other investors as determined by the Board, at an issue price:

- (a) in respect of Kentgrove, determined in accordance with the Kentgrove Facility (refer to section 4.2(f) for further details); or
- (b) in respect of other investors, as determined by the Board from time to time,

to raise up to \$5,000,000. If the Placement Offer is extended to a party other than Kentgrove pursuant to the Kentgrove Facility, the Board will set the issue price for the relevant Placement Shares before it extends an offer of Placement Shares to such third parties. A recipient of the Placement Offer will be advised of the relevant issue price before the Board accepts an application for such Placement Shares. The Board will not accept any applications for Placement Shares which are made prior to the applicant being informed of the issue price of the relevant Placement Shares. For completeness it is noted that the price set by the Board from time to time for the offer of Placement Shares (to persons other than Kentgrove under the Kentgrove Facility) may differ significantly from the market price of the Shares at that time or at the time of issue.

The Placement Shares will be issued on the terms and conditions set out in section 7.2 of this Prospectus. The Placement Shares will rank equally with the Shares on issue at the date of this Prospectus. The Company does not currently have binding commitments from any party to subscribe for all or part of the Placement Shares and there is no guarantee that such Shares will be issued or if issued, the terms on which they may be issued.

The Offers are non-renounceable and are not made to the general public.

5.5 How to Apply

Completed Application Forms for Offer Securities must be mailed or delivered to the Company by the respective offer closing dates as set out in section 2, at the below address:

Genetic Technologies
PO Box 115
Fitzroy Vic 3065
Australia

The Opening Date and Closing Date for the Offers are indicative only and subject to change without notice. The Company may vary these dates, including to close any Offers early, extend the Closing Date or to withdraw the Offers (or any of them) at any time prior to issue. If any of the dates are changed, subsequent dates may also change. You are encouraged to lodge your Application Form as soon as possible after the Opening Date.

Prospectus

5.6 Issue

The Offer Securities issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and the timetable set out at the commencement of this Prospectus.

Holding statements for Offer Securities issued under the Offers will be mailed in accordance with the ASX Listing Rules and the timetable set out in section 2 of this Prospectus and in any event, as soon as practicable after their issue.

5.7 No exposure period

No exposure period applies to the Options or the Shares offered under this Prospectus due to the relief granted by ASIC Corporations (Exposure Period) Instrument 2016/74.

5.8 Minimum subscription

There is no minimum subscription under the Offers.

5.9 ASX listing

Application for Official Quotation of the Establishment Shares, Collateral Shares and Placement Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Establishment Shares, Collateral Shares and Placement Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue the Establishment Shares, Collateral Shares and Placement Shares.

The fact that ASX may grant Official Quotation of the Establishment Shares, Collateral Shares and Placement Shares is not to be taken in any way as an indication of the merits of the Company or the Establishment Shares, Collateral Shares or Placement Shares now offered.

5.10 No underwriting

The Offers are not underwritten.

5.11 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share or option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing share or option certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Offer Securities allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

5.12 Enquiries

If you have any questions in relation to the Offers, please contact your stockbroker or professional adviser. If you have questions in relation to how to complete the Application Form, please contact the Company Secretary on +61 3 8412 7000.

Prospectus

6. Purpose and effect of the Offers

6.1 Purpose of the Offers

The Company is required to make the Kentgrove Offers pursuant to this Prospectus in accordance with the terms of the Kentgrove Facility. The purpose of the Option Offer is to remove any trading restrictions on the sale of the Establishment Options, or any Shares issued on exercise of the Establishment Options.

The issue of the Establishment Options will also provide the Company with a potential source of additional capital if the Establishment Options are exercised. No funds will be raised through the issue of the Establishment Options pursuant to this Prospectus, however if all the Establishment Options are exercised, the Company will receive \$191,250. Any funds raised upon the exercise of any of the Establishment Options will be used to provide the Company with funds for working capital including for the purpose of facilitating the introduction and commercialisation of an enhanced breast cancer and new colon cancer screening test, progressing development of a suite of genetic screening tests targeting both cancer and non-oncological diseases, and facilitating investments in opportunities that combine genetic screening capabilities with blockchain technology.

The purpose of the Establishment Share Offer, Collateral Offer and Placement Offer is to facilitate the secondary trading of the Establishment Shares, Collateral Shares and Placement Shares as set out in section 5.3 above and to allow the Board to offer the Placement Shares, whether under the Kentgrove Facility or otherwise, while the Prospectus is open.

6.2 Effect of the Offers

The principal effect of the Offers, assuming all Offer Securities offered under the Prospectus are issued, will be to introduce a new class of unlisted securities, being the 12,500,000 new Establishment Options, and to issue up to 550,488,104 new Shares.

6.3 Effect on Balance Sheet

The Establishment Options, Establishment Shares and Collateral Shares to be issued pursuant to this Prospectus will be issued for nil cash consideration. Accordingly, there will be no immediate effect on the Company's balance sheet from the Offers, other than a decrease in cash reserves of approximately \$89,000 (excl. GST) being the estimated costs of the Offers as set out in section 9.13.

However, the issue of the Placement Shares will raise funds, with the Board intending to offer such number of Placement Share (up to the maximum of 441,655,004) to raise up to \$5,000,000.

Capital will be raised if the Establishment Options are exercised, being an amount of \$0.0153 per Establishment Option exercised. This will affect the Company's balance sheet, however the Company is not able to specify with any certainty the extent of that change given the uncertainty around whether the Establishment Options will be exercised (which is dependent on the market price of Shares from time to time until the Establishment Options expire).

Capital will also be raised if, at the end of the Kentgrove Facility, there are still Collateral Shares which have not been offset against the Company's obligation to issue Shares under the Kentgrove Facility or in respect of an undischarged obligation of the Company under the Kentgrove Facility and the Company elects for these to be sold as per the process summarised in section 4.2(l). The amount of such capital will be dependent on the circumstances in which the Collateral Shares are offset or sold as follows:

- (a) If the Collateral Shares are offset against new placement Shares that were to be issued where the Company is not able to issue freely tradeable Shares, the funds received will

Prospectus

be equal to the issue price of the new placement Shares that would otherwise have been issued as determined in accordance with section 4.2(f).

- (b) If the Collateral Shares are to be sold by Kentgrove as set out in section 4.2(l), the funds received will be equal to sale price received by Kentgrove less a 4.5% discount.
- (c) If none of the Collateral Shares are offset under the Kentgrove Facility or applied to undischarged obligations under the Kentgrove Facility, the Company may elect to buy back all of the Collateral Shares in which case the Company will not receive any funds in connection with the Collateral Shares.

Accordingly, it is not presently possible to quantify the exact amount of funds (if any) that the Company may receive in connection with the Collateral Shares.

The Company's Annual Report for the financial year ended 30 June 2017 was released to ASX on 23 October 2017. The Company's financial report for the half year ended 31 December 2017 was released to the ASX on 27 February 2018. The Annual Report and Half Year Report can be viewed at <http://gtgcorporate.com/investor-centre/company-reports/> and at www.asx.com.au.

The Company's latest Quarterly Cash Flow Report and Quarterly Activities Report was released to ASX on 31 July 2018. This report can be reviewed at <http://gtgcorporate.com/investor-centre/company-reports/> and at www.asx.com.au.

Additional information, including copies of ASX releases and investor presentations, is also available on the Company's website.

This section sets out the historical and pro-forma financial information of the Company. The basis for the preparation and presentation of this information is also set out below. The financial information has been prepared by management and adopted by the Board. The Board is responsible for the inclusion of all financial information in the Prospectus.

The historical and pro-forma financial information has been prepared in accordance with the measurement and recognition criteria of Australian Accounting Standards. The historical and pro-forma financial information comprises financial information of the Company. The historical and pro-forma financial information is presented in an abbreviated form insofar as it does not include all the disclosure and notes required in an annual financial report prepared in accordance with Australian Accounting Standards and the Corporations Act.

The information in sections 6.3 to 6.6 has been provided for investors to gain an indication of the effect of the Offers on the Company. It does not necessarily illustrate the future financial performance of the Company because past performance is not a guide to future performance. This information does not provide an indication of the possible effect of the Kentgrove Facility on the Company in its entirety but rather the effect of the issue of the Collateral Shares, Establishment Shares, Establishment Options and the Placement Shares only.

6.4 Historical Financial Information

The historical financial information for the Company set out below comprises:

- (a) the reviewed Statement of Financial Position as at 31 December 2017; and
- (b) selected notes to the reviewed Statement of Financial Position.

The historical financial information has been extracted from the Reviewed Company's Financial Statements for the period ended 31 December 2017.

Prospectus

6.5 Pro-forma Financial Information

The pro-forma financial information for the Company set out below under Pro-forma A comprises:

- (a) the unaudited Pro-Forma Statement of Financial Position as at 31 December 2017 based on completion of the Offers (assuming full subscription); and
- (b) selected notes to the unaudited Pro-Forma Statement of Financial Position.

The unaudited Pro-Forma Statement of Financial Position has been derived from the Statement of Financial Position as at 31 December 2017 adjusted for the following transactions as if they had occurred at 31 December 2017 (pro-forma transactions):

- the issue of 100,000,000 Collateral Shares for nil cash consideration;
- the issue of 12,500,000 Establishment Options issued for nil cash consideration;
- the issue of 8,833,100 Establishment Shares for nil cash consideration;
- the issue of 441,655,004 Placement Shares raising a total of up to \$5,000,000; and
- issue costs in respect of the Offers (in an amount of \$89,000 (excluding GST)).

The pro-forma financial information for the Company set out below under Pro-forma B comprises:

- (a) the unaudited Pro-Forma Statement of Financial Position as at 31 December 2017 based on completion of the Offers (assuming full subscription) and assuming exercise of all Options offered under the Prospectus; and
- (b) selected notes to the unaudited Pro-Forma Statement of Financial Position.

The unaudited Pro-Forma Statement of Financial Position has been derived from the Statement of Financial Position as at 31 December 2017 adjusted for the following transactions as if they had occurred at 31 December 2017 (pro-forma transactions):

- the issue of 100,000,000 Collateral Shares for nil cash consideration;
- the issue of 8,833,100 Establishment Shares for nil cash consideration;
- the issue of 441,655,004 Placement Shares raising a total of up to \$5,000,000;
- the issue of 12,500,000 Shares on exercise of the Establishment Options exercised at \$0.0153 raising a total \$191,250; and
- issue costs in respect of the Offers (in an amount of \$89,000 (excluding GST)).

Prospectus

6.6 Historical and Pro-forma A Consolidated Statements of Financial Position

	Audited 30-Jun-17 \$	Reviewed 31-Dec-17 \$	Pro-forma Adjustments \$	Pro-forma 31-Dec-17 \$
ASSETS				
Current assets				
Cash and cash equivalents	10,988,255	7,593,823	4,902,100	12,495,923
Trade and other receivables	200,837	352,840		352,840
Prepayments & Inventory	442,557	276,638		276,638
Total current assets	11,631,649	8,223,301		13,125,401
Non-current assets				
Property, plant and equipment	476,648	323,204		323,204
Intangible assets				0
Total non-current assets	476,648	323,204		323,204
Total assets	12,108,297	8,546,505		13,448,605
LIABILITIES				
Current liabilities				
Trade and other payables	898,103	633,007		633,007
Provisions	567,190	549,529		549,529
Total current liabilities	1,465,293	1,182,536		1,182,536
Non-current liabilities				
Provisions	63,960	30,623		30,623
Total non-current liabilities	63,960	30,623		30,623
Total liabilities	1,529,253	1,213,159		1,213,159
Net assets	10,579,044	7,333,346		12,235,446
EQUITY				
Contributed equity	122,382,625	122,372,662	4,902,100	127,274,762
Reserves	6,044,493	6,108,274		6,108,274
Accumulated losses	(117,848,074)	(121,147,590)		(121,147,590)
Total equity	10,579,044	7,333,346	4,902,100	12,235,446

Prospectus

Note 1 - Contributed Equity	Reviewed 31-Dec-17 #	Reviewed 31-Dec-17 \$
Issued shares as at 31 December 2017	2,435,282,724	122,382,625
Pro-forma Adjustments		
Issue Establishment Shares	8,833,100	
Issue Collateral Shares	100,000,000	
Issue Placement Shares	441,655,004	5,000,000
	<u>2,985,770,828</u>	<u>127,382,625</u>

6.7 Historical and Pro-forma B Consolidated Statements of Financial Position

	Audited 30-Jun-17 \$	Reviewed 31-Dec-17 \$	Pro-forma Adjustments \$	Pro-forma 31-Dec-17 \$
ASSETS				
Current assets				
Cash and cash equivalents	10,988,255	7,593,823	5,093,350	12,687,173
Trade and other receivables	200,837	352,840		352,840
Prepayments & Inventory	442,557	276,638		276,638
Total current assets	11,631,649	8,223,301	5,093,350	13,316,651
Non-current assets				
Property, plant and equipment	476,648	323,204		323,204
Intangible assets				0
Total non-current assets	476,648	323,204		323,204
Total assets	12,108,297	8,546,505	5,093,350	13,639,855
LIABILITIES				
Current liabilities				
Trade and other payables	898,103	633,007		633,007
Provisions	567,190	549,529		549,529
Total current liabilities	1,465,293	1,182,536		1,182,536
Non-current liabilities				
Provisions	63,960	30,623		30,623
Total non-current liabilities	63,960	30,623		30,623

Prospectus

Total liabilities	1,529,253	1,213,159	1,213,159
Net assets	10,579,044	7,333,346	12,426,696
EQUITY			
Contributed equity	122,382,625	122,372,662	5,093,350
Reserves	6,044,493	6,108,274	6,108,274
Accumulated losses	(117,848,074)	(121,147,590)	(121,147,590)
Total equity	10,579,044	7,333,346	12,426,696

Note 1 - Contributed Equity	Reviewed 31-Dec-17 #	Reviewed 31-Dec-17 \$
Issued shares as at 31 December 2017	2,435,282,724	122,382,625
Pro-forma Adjustments		
Issue Establishment Shares	8,833,100	
Issue Collateral Shares	100,000,000	
Issue Placement Shares	441,655,004	5,000,000
Issue Establishment Options	12,500,000	191,250
	<u>2,998,270,828</u>	<u>127,573,875</u>

6.8 Sensitivity Analysis - funds raised

The following table outlines a number of examples of the total funds that may be raised by the Company assuming the maximum possible number of Placement Shares are issued and reflecting different possible issue prices:

Placement Share issue price	Maximum funds raised assuming 441,655,004 Placement Shares issued
\$0.010	\$4,416,550.04
\$0.013	\$5,741,515.05
\$0.015	\$6,624,825.06
\$0.018	\$7,949,790.07
\$0.020	\$8,833,100.08

Note: The above table sets out the maximum amount of funds that may be raised pursuant to the issue of Placement Shares, whether to Kentgrove or to other investors. This is calculated

Prospectus

on the basis that the maximum number of Placement Shares are issued, however the Board will only offer such number of Placement Shares as are needed to raise \$5,000,000. The ultimate issue price of the Placement Shares may differ from that set out above which will impact the total amount raised by the Placement Shares.

The following table outlines a number of examples of the possible funds that may be received by the Company in connection with the Collateral Shares dependent on the applicable Share price that would apply. As outlined in section 4.2 the Company may receive funds in connection with the Collateral Shares where the Collateral Shares are offset against new placement Shares that were to be issued as set out in section 4.2(f) or if the Collateral Shares are to be sold by Kentgrove as set out in section 4.2(l). Details regarding the possible amounts that may be received by the Company in connection with the Collateral Shares are set out in section 6.3 above:

Collateral Share sale price	Maximum funds raised assuming 100,000,000 Collateral Shares sold¹	Amount retained by Kentgrove (4.5%)	Funds received by the Company²
\$0.010	\$1,000,000	\$45,000	\$955,000
\$0.013	\$1,300,000	\$58,500	\$1,241,500
\$0.015	\$1,500,000	\$67,500	\$1,432,500
\$0.018	\$1,800,000	\$81,000	\$1,719,000
\$0.020	\$2,000,000	\$90,000	\$1,910,000

Note: The above table sets out the maximum amount of funds that may be received by the Company in connection with the Collateral Shares. It is possible that the Company may buy back all Collateral Shares at the end of the Term or that the Collateral Shares are used to satisfy obligations of the Company in which case no funds will be received by the Company in connection with the Collateral Shares.

- 1. This is calculated on the basis that the Company receives the full benefit of all funds received in connection with the Collateral Shares which will occur in the event of an offset as set out in section 4.2(f). The ultimate issue price of the Shares which are offset by the Collateral Shares under the Collateral Facility may differ from that set out above which will impact the total amount raised in connection with the Collateral Shares.*
- 2. This is calculated on the basis that none of the Collateral Shares issued (100,000,000) have been offset under the terms of the Kentgrove Facility and the Company elects (at the end of the Kentgrove Facility) for all of the Collateral Shares to be sold by Kentgrove. Kentgrove retains 4.5% of the sale price and is required to pay the balance amount to the Company at the end of the Kentgrove Facility as provided for in section 4.2(l) unless the Company elects to buy back those shares for nominal consideration. The ultimate sale price of the Collateral Shares may differ from that set out above which will impact the total amount of funds received by the Company in connection with the Collateral Shares.*

Prospectus

6.9 Effect on capital structure post Offers assuming no Establishment Options are exercised

The effect of the Offers on the capital structure of the Company is set out below:

Shares

	Number of Shares following Kentgrove Offers ¹	% interest in share capital	Number of Shares following Kentgrove Offers and Placement Offer ²	% interest in share capital
Shares currently on issue	2,435,282,724	95.72%	2,435,282,724	81.56%
Establishment Shares	8,833,100	0.35%	8,833,100	0.30%
Collateral Shares	100,000,000	3.93%	100,000,000	3.35%
Placement Shares	0	0%	441,655,004	14.79%
Total Shares on issue after completion of the above³	2,544,115,824	100%	2,985,770,828	100%

1 This assumes the Kentgrove Offers are fully issued, but no Placement Shares are issued.

2 This assumes all possible Establishment Shares, Collaterals Shares and Placement Shares are issued.

3 This assumes that none of the Establishment Options or Existing Options are exercised.

Options

	Number	% interest in Options
Options currently on issue	55,102,778	81.5%
Establishment Options	12,500,000	18.5%
Total Options on issue after completion of the above¹	67,602,778	100%

1 This assumes that none of the Establishment Options or Existing Options are exercised, and no Bonus Options have been issued.

Prospectus

6.10 Effect on capital structure post Offers assuming all Establishment Options are exercised

The effect of the Offers on the capital structure of the Company, assuming all Establishment Options offered under the Prospectus are issued, is set out below:

	Number of Shares following Kentgrove Offers ¹	% interest in share capital	Number of Shares following Kentgrove Offers and Placement Offer ²	% interest in share capital
Shares currently on issue	2,435,282,724	95.25%	2,435,282,724	81.22%
Establishment Shares offered pursuant to the Establishment Share Offer	8,833,100	0.35%	8,833,100	0.30%
Collateral Shares offered pursuant to the Collateral Offer	100,000,000	3.91	100,000,000	3.33%
Placement Shares offered pursuant to the Placement Offer	0	0.00%	441,655,004	14.73%
Shares issued on exercise of all of the Establishment Options	12,500,000	0.49%	12,500,000	0.42%
Total Shares on issue after completion of the above³	2,556,615,824	100%	2,998,270,828	100%

1 This assumes the Kentgrove Offers are fully issued, but no Placement Shares are issued.

2 This assumes all possible Establishment Shares, Collaterals Shares and Placement Shares are issued.

3 This assumes that none of the Existing Options are exercised and that no other Shares or the Bonus Options have been issued or exercised.

6.11 Effect on control

The issue of the Establishment Options themselves will have no effect on the control of the Company. The issue of the Establishment Shares and Collateral Shares will have no effect on the control of the Company. Whether the issue of the Placement Shares has an impact on the control of the Company will depend on the recipient of these Shares, however the Placement Shares could not be issued to a recipient to the extent that it would result in such recipient holding a relevant interest in the Company of more than 20%.

6.12 Details of substantial holders

At the date of this Prospectus, the Company is of the view that there is no single entity that controls the Company. As at 7 August 2018 there are no persons holding a relevant interest in more than 5% of the Company's Shares.

The issue of the Establishment Options, Establishment Shares and Collateral Shares will not cause any person to become a substantial shareholder. Kentgrove is not currently a substantial shareholder, however depending on the number of Placement Shares issued to Kentgrove, Kentgrove may become a substantial shareholder.

Prospectus

The top 20 Shareholders of the Company as at 3 August 2018 are as follows:

Shareholder	Shares	% issued capital
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,571,294,104	64.52
SURFIT CAPITAL PTY LTD	30,000,000	1.23
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	15,945,959	0.65
SECURITY & EQUITY RESOURCES LIMITED	15,073,506	0.62
MR WARWICK WRIGHT	13,000,000	0.53
S H RAYBURN NOMINEES PTY LTD <S H RAYBURN SUPER FUND A/C>	12,000,000	0.49
MR WARREN DWAYNE JONES	10,000,000	0.41
S H RAYBURN NOMINEES PTY LTD	10,000,000	0.41
CITICORP NOMINEES PTY LIMITED	9,854,868	0.40
JGM INVESTMENT GROUP PTY LTD <THE MUCHNICKI FAMILY A/C>	9,400,000	0.39
TIKVA NOMINEES PTY LTD <TIKVA A/C>	9,000,000	0.37
WAKKO ENTERPRISES PTY LTD <L&S WAKEFIELD S/F A/C>	7,754,763	0.32
MR JERRY HUI KANG GAO	6,350,000	0.26
MJGD NOMINEES PTY LTD	6,254,115	0.26
IRWIN BIOTECH NOMINEES P/L <BIOA A/C>	6,200,000	0.25
MR PAUL MCNAMARA	6,200,000	0.25
MR DAVID JOHN O'NEILL	6,103,659	0.25
LENFAM PTY LTD <SUPER FUND A/C>	6,000,000	0.25
MRS SARAH LIA + MR TERENCE GERARD LIA	6,000,000	0.25
LIANA BELL HOLDINGS PTY LTD <LIANA A/C>	6,000,000	0.25
TOTAL	1,762,430,974	72.37

The Offers will have no effect on the quantity of Shares held by the above shareholders unless any of them participate in the issue of Placement Shares which is not currently known.

7. Rights and liabilities attaching to securities

7.1 Establishment Option terms and conditions

- (a) The Options shall be issued for no cash consideration;
- (b) The exercise price of each Option is \$0.0153 (**Exercise Price**);
- (c) The Options will expire on the day that is three years after their issue (**Expiry Date**), currently anticipated to be 8 August 2021 unless earlier exercised;
- (d) The Options are assignable and transferrable;

Prospectus

- (e) The Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with payment for the Exercise Price per Option to the Company at any time on or after the date of issue of the Options and on or before the Expiry Date. Payment may be made as directed by the Company from time to time, which may include by cheque, electronic funds transfer or other methods;
- (f) Upon the valid exercise of the Options and payment of the Exercise Price, the Company will issue fully paid ordinary shares ranking pari passu with the then issued ordinary shares within 2 business days of valid exercise and payment;
- (g) Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the Listing Rules;
- (h) Option holders do not participate in any dividends unless the Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend;
- (i) In the event of any reconstruction (including consolidation, subdivision or similar reconstruction) of the issued capital of the Company the rights of an Option holder will be changed to comply with the Listing Rules (currently Listing Rule 7.22) applying to a reorganisation of capital at the time of the reorganisation;
- (j) If there is a pro rata issue (except a bonus issue), the Exercise Price of an Option shall be reduced according to the formula in Listing Rule 6.22.2;
- (m) If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable shall be increased as specified in Listing Rule 6.22.3;
- (n) Whenever the number of Shares over which an Option is exercisable, or the applicable Option exercise price, is adjusted, the Company must give the holder written notice within 5 Business Days; and
- (o) The Company shall not apply for listing of the Options on the ASX.

7.2 Rights attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to Shares (including the Establishment Shares, Collateral Shares and Placement Shares) being the underlying securities of the Establishment Options to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Refer to section 4.2(n) for details regarding additional agreement reached between the Company and Kentgrove regarding the Collateral Shares and the Establishment Shares.

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

(a) General meetings

Each Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents

Prospectus

required to be furnished to Shareholders under the Company's Constitution, the Corporations Act and any other laws.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any special rights or restrictions (at present there are none), at any Shareholder meeting, each Shareholder present in person or by proxy has one vote on a show of hands. On a poll, a holder of fully paid Shares has one vote for each share held and the holder of a partly paid share has a voting entitlement to the proportion which the amount paid is of the total amounts paid and payable.

(c) Dividend rights

Subject to any special rights (at present there are none), all dividends that may be declared by the Company are payable on all fully-paid Shares and partly paid Shares in proportion to the amount paid (not credited).

(d) Winding-up

If the Company is wound up, any assets available for distribution to Shareholders will, subject to any special rights, be distributed amongst the Shareholders to return capital paid up on their Shares, and distribute any surplus.

If the Company is wound up (whether voluntary or otherwise), the liquidator may:

- (1) with the approval of a special resolution, divide among the Shareholders the whole or any part of the Company's property;
- (2) with the approval of a special resolution, vest all or any of the Company's assets in a trustee on trusts determined by the liquidator for the benefit of the contributories; and
- (3) set the values it considered fair and reasonable on any property to be divided, and determine how the division is to be carried out.

(e) Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) Transfer of shares

Subject to the Constitution, the Corporations Act, the ASX Listing Rules and the ASX Settlement Rules a Shareholder may transfer all or any Shares by a transfer document duly stamped (if necessary) and delivered to the Company.

The Directors may decline to register a transfer of Shares where:

- (1) the Company has a lien on the Shares the subject of the transfer;
- (2) the Company is served with a court order that restricts the Member's capacity to transfer the Shares;
- (3) registration of the transfer may break Australian law and the ASX has agreed in writing to the application of a holding lock or that the Company may refuse to register the transfer;

Prospectus

- (4) if the transfer is paper-based, either a law relating to stamp duty prohibits the Company from registering it, or the Company is otherwise allowed to refuse to register it under the Listing Rules;
 - (5) the transfer does not comply with the terms of any employee incentive scheme of the Company;
 - (6) if the transfer is paper-based, registration of the transfer will create a new holding which at the time the transfer is lodged is less than a marketable parcel as defined in the Listing Rules;
 - (7) the relevant Member has agreed in writing to the application of a holding lock (which must not breach the Settlement Rules) or that the Company may refuse to register a transfer; or
 - (8) if otherwise permitted by the Listing Rules.
- (g) Future increase in capital

The allotment and issue of any new Shares is under the control of the Directors of the Company. Subject to the Corporations Act, the Listing Rules and the Company's Constitution, the Directors may issue shares on such terms and conditions as they determine.
- (h) Variation of rights

The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.
- (i) Alteration of constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed at a general meeting. As with all general meetings of the Company, except as permitted by the Corporations Act at least 28 days written notice of the meeting must be given, and for a special resolution the notice must both specify the intention to propose the resolution as a special resolution and state the resolution.
- (j) ASX Listing Rules

As the Company is already admitted to the Official List of the ASX, the following clauses apply despite the provisions of the Company's Constitution:

 - (1) notwithstanding anything contained in the Company's Constitution, if the Listing Rules prohibit an act being done, the act shall not be done;
 - (2) nothing contained in the Company's Constitution prevents an act being done that the Listing Rules require to be done;
 - (3) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
 - (4) if the Listing Rules require the Company's Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision;
 - (5) if the Listing Rules require the Company's Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision; and

Prospectus

- (6) if any provision of the Company's constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of that inconsistency.

7.3 3 month undertaking

Under the Kentgrove Facility, Kentgrove has given an undertaking to the Company that it will not, during the 3 months following the execution of the Kentgrove Facility, sell or otherwise dispose of the Establishment Shares, or exercise the Establishment Options.

8. Risk factors

8.1 Introduction

There are risks which may impact on the operating and financial performance of the Company and, therefore, on the value of the Offer Securities offered under this Prospectus. Some of these risks can be mitigated by the Company's systems and internal controls, but many are outside of the control of the Company and the Board. There can be no guarantee that the Company will achieve its stated objectives or that any forward-looking statements will eventuate. An investment in the Company is considered speculative and an investor could lose most or all of any investment. There are also general risks associated with any investment in shares or options.

More specifically, the risks are that:

- (a) the holder is unable to sell the Offer Securities;
- (b) the price of the Shares does not exceed the price of the Establishment Shares, Collateral Shares or Placement Share or the exercise price of the Establishment Options during the term of the Establishment Options and as such the Establishment Options are unlikely to be exercised;
- (c) the price at which the holder is able to sell the new Shares issued on exercise of the Establishment Options is less than the exercise price paid due to changes in market circumstances;
- (d) the Company is placed in receivership or liquidation making it reasonably foreseeable that Shareholders could receive none, or only some, of their initial investment; and
- (e) the Company fails to generate sufficient profit in order to pay dividends.

Potential investors should therefore carefully consider all associated risks before applying for Offer Securities under this Prospectus and should consider their personal circumstances (including financial and taxation issues) and seek advice from their stockbroker, accountant, solicitor or other professional advisers before deciding whether to invest.

A number of material risk factors which may adversely affect the Company and the value of the Offer Securities offered under this Prospectus are set out in this section. The risks identified in this section include general risks which are beyond the control of the Company, specific risks concerning the Company's current position and planned future ventures, and market risks relating to the medical, biotechnology and blockchain industries.

This is not an exhaustive list and there may be other factors which have an adverse effect on the Company and the value of the Offer Securities offered under this Prospectus, and the value of Shares.

Prospectus

8.2 **Company specific risks arising from involvement in the medical, biotechnology and blockchain industries**

The following is a non-exhaustive list of risks to which the Company, and consequently, its Shareholders are exposed.

(a) Development and commercialisation of blockchain applications

Through the proposed strategic alliance with BCG announced on 15 February 2018, the Company presently intends to explore medical and biotech blockchain applications. Failing to successfully secure or develop and commercialise these offerings, products, solutions or services is likely to negatively impact the Company's performance, reduce its future opportunities, and weaken its financial position.

(b) Competition

All aspects of the medical, biotechnology and blockchain industries face significant competition. The rapid pace of innovation and development within the industry, together with the high number of competitors, mean that there is no guarantee the Company's ventures in these industries will be effective or economic. There is a risk is that competitors' products, services or offerings may render the Company's services, products or offerings obsolete or uncompetitive. Many of the organizations competing with the Company are much larger and have more ready access to needed resources. In particular, they would have greater experience in the areas of finance, research and development, manufacturing, marketing, sales, distribution, technical and regulatory matters than the Company does. In addition, many of the larger current and potential competitors have already established name / brand recognition and more extensive collaborative relationships.

For this reason, there can be no guarantee that any of the products, services or offerings associated with the Company will ever be commercialised, or generate a profit.

One notable risk arising from the intensity of market competition in the blockchain industry is that the Company may be unable to compete successfully against future competitors who pursue a strategy of foregoing profitability in the short or medium term to grow their market share. Accordingly, in the event that the Company's exploration of blockchain products, services or offerings is successfully commercialised, there remains a risk that this form of aggressive competition could still result in reduced profitability and loss of market share which is likely to adversely affect its financial position.

(c) Forecasts

The medical, biotech and blockchain industries are by their nature highly volatile. As such, a large number of the factors which will determine the success of the Company are beyond its control. Consequently, the future revenues or profitability of the Company in these industries cannot be predicted. No forecast, prediction or representation about the Company's future financial position or performance, or that of the medical, biotech or blockchain industries in general, is made by the Company and its Directors.

(d) Protection of technology rights and intellectual property

Due to the intensity of competition in the medical, biotech and blockchain industries, the rate of innovation and the complexity of related technologies and associated products, these industries are likely to be prone to expensive and protracted disputes regarding technology and intellectual property rights between competitors.

Obtaining and protecting intellectual property rights over all the technologies and products connected to the Company will be essential to commercialisation and realising

Prospectus

its growth potential. The prospects of the Company generating a profit and increasing in value depend significantly on its ability, in conjunction with its partners and any investment entities, to obtain interests in all relevant intellectual property, maintain trade secret protection and operating without infringing the proprietary rights of third parties. In this regard, the Company and its Directors offer no assurance that any intellectual property which it or its partners acquire will afford the Company or the holder commercially significant protection of its products or technologies, or that any of the projects that may arise from technologies will have commercial applications.

The Company expects, but does not warrant, that it will implement all reasonable endeavours to acquire and protect its interests in intellectual property. However, no assurance can be given that any measures taken to this end will be sufficient.

Patents issued to, or licensed by the Company may be infringed or third parties may independently develop the same or similar technologies. Similarly, the Company's patents may not provide it with meaningful protection from competitors, including those who may pursue patents which may prevent, limit or interfere with its products or which may require licensing and the payment of significant fees or royalties by it to such third parties in order to enable it to conduct its business. The Company may sue or be sued by third parties regarding its patents and other intellectual property rights. These suits are often costly and would divert valuable funds, time and technical resources from the Company's operations and cause a distraction to management.

There is a risk that as yet unknown third parties may assert intellectual property claims in relation to any of the technologies or services associated with the Company. Irrespective of the merit of any rights or claims asserted by third parties, such claims may adversely affect the Company. There is also a risk that the Company may be indirectly adversely affected if a third party claim or asserted right reduces confidence in the longer-run viability of the blockchain industry.

(e) Legal, regulatory and government policy risk

From time to time, federal, state and/or local governments adopt regulations relating to the conduct of genetic research and genetic testing. In future, these regulations could limit or restrict genetic research activities as well as genetic testing for research or clinical purposes. In addition, if such regulations are adopted, these regulations may be inconsistent with, or in conflict with, regulations adopted by other government bodies. Regulations relating to genetic research activities could adversely affect our ability to conduct our research and development activities.

Regulations restricting genetic testing could adversely affect the Company's ability to market and sell its products and services. Accordingly, any regulations of this nature could increase the costs of the Company's operations or restrict its ability to conduct its testing business and might adversely affect its operations and financial condition.

In addition, regulatory and government authorities continue to seek ways to more closely administer and regulate the blockchain and associated industries. The introduction of strict guidelines or a specific regulatory framework to the blockchain industry may inhibit the Company's ability to achieve growth and generate revenues from this sector in the future.

8.3 Risks specific to an investment in the Company

In addition to the Company specific risks arising from involvement in the medical, biotech and blockchain industries noted in section 8.2 above, Applicants should be aware of risks specific to an investment in the Company, which may include, but are not limited those risks described below.

Prospectus

(a) Additional requirements for capital

The capital requirements of the Company depend on numerous factors. Depending on the ability of the Company to generate income from its operations, the Company may require further financing. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and investments.

As noted in the Company's half year audit review announced on 27 February 2018, the continuing viability of the Group and its ability to continue as a going concern and meet its debts and commitments as they fall due is dependent on the satisfactory completion by the Company of planned equity raising, of which the Offers under this Prospectus form a part. Due to the uncertainty surrounding the timing, quantum or the ability to raise additional funds via the issuance of new equity, there is a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

No assurance can be made that additional finance or investment to supply additional funding will be available if needed, or that the terms of any finance that is available will be favourable to the Company. In particular, there is a risk that obtaining financing or additional investment for this purpose may result in a substantial dilution of the investments of existing Shareholders.

(b) Sales Cycle

The sales cycle for the Company's testing products and license generation is typically lengthy. As a result, the Company may expend substantial funds and management effort with no assurance of successfully selling its products or services or granting new licenses. The Company's ability to obtain customers for its genetic testing services depends significantly on the perception that its services can help accelerate efforts in genomics. The sales cycle is typically lengthy.

The Company's sales effort requires the effective demonstration of the benefits of its services to, and significant training of, many different departments within a potential customer. In addition, the Company is sometimes required to negotiate agreements containing terms unique to each customer. With respect to license generation, it is common for negotiations with licensees to take many months before a license is eventually granted. The Company's business could also be adversely affected if we expend money without any return.

(c) Contract Risks

The Company may enter into agreements and undertakings with third parties from time to time. If the Company is unable to satisfy the conditions of these agreements and undertakings, or if it defaults on its obligations under these agreement and undertakings, the Company's interest in their subject matter may be jeopardised. Further, if the third parties default on their obligations under the agreements and undertakings, the Company may be adversely affected.

As in any contractual relationship, the ability for the Company to receive the full benefit of its business dealings is dependent upon the relevant third party or parties complying with their contractual obligations. To the extent that such third parties default in their obligations, it may be necessary for the Company to pursue or defend legal action. Such legal action may be costly and no guarantee can be given by the Company that a legal remedy will ultimately be granted on appropriate terms.

Prospectus

(d) External Parties

The Company has relationships with academic consultants and other advisers who are not employed by it. Accordingly, it will have limited control over their activities and can expect only limited amounts of their time to be dedicated to Company-related activities. These persons may have consulting, employment or advisory arrangements with other entities that may conflict with or compete with their obligations to the Company.

Consultants typically sign agreements that provide for confidentiality of proprietary information and the results of studies. However, in connection with every relationship, the Company may not be able to maintain the confidentiality of its technology, the dissemination of which could hurt its competitive position and results of operations. To the extent that scientific consultants develop inventions or processes independently that may be applicable to the Company's proposed products, disputes may arise as to the ownership of the proprietary rights to such information, and the Company may not win those disputes.

(e) Lack of Executive Management

The Company's management currently consists of three non-executive directors and two executive directors, being Dr Paul Kasian who acts as CEO and Dr Muchnicki, Business Development Director. The Board is aware of the need to have sufficient management to properly supervise the Company's investments in which the Company has, or will in the future have, an interest and the Board will continually monitor the management roles in the Company.

As the Company's activities require an increased level of involvement the Board will look to appoint additional management and or consultants when and where appropriate to ensure proper management of the Company's business.

However, there is a risk that the Company may not be able to secure personnel with the relevant experience at the appropriate time which may impact on the Company's ability to complete all of its investment objectives. The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends on the sustainability of the Board. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these Directors cease their engagement with the Company.

(f) Dependence on Key Personnel

The Directors are primarily responsible for overseeing the operations and the strategic management of the Company. However, much of the future success of the Company depends on the continued service and commitment of its key personal, and those in scientific, technical and marketing roles. While the Company actively recruits new employees with relevant skills and experience so as to reduce its reliance on these individuals, skilled personnel, with specific experience in the medical, biotechnology and blockchain industries, are in high demand and competition for their talents is intense.

The Company has set in place employment contracts with key employees and consultants, which contracts include the provision of equity incentives to assist in retaining the key employees and consultants.

(g) Competition

The industries in which the Company will be involved may be subject to domestic and global competition. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control

Prospectus

over the activities or actions of competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company.

(h) Uncertainty and Future Profitability

The Company has incurred significant financial losses in the past. It is not possible to evaluate the Company's future financial prospects based on past performance. The past performance should not impact on the future opportunities of the Company.

While the Directors have confidence in the future growth potential of the Company, there can be no certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash-flow from its operating activities, or be able to satisfactorily commercialise its research and development projects.

The information in this Prospectus about the investment objectives of the Company are not forecasts, projections or the result of any simulation of future performance. There is a risk that the Company's investment objectives will not be achieved.

(i) Financial Market Volatility

A fall in global or Australian equity markets, global or Australian bond markets or a rapid change in the value of the Australian dollar against other major currencies may discourage investors from moving money into or out of equity markets. This may have a negative effect on the share prices of the Company's investments and the ability of the Company's investments to list on the ASX or raise funds.

As a result no guarantee can be given in respect of the future earnings of the Company or the earnings and capital appreciation of the Company's investments.

(j) Tax

Taxation and changes to tax laws and systems can have an effect on returns to the Company from its investments but also the relative merit of putting monies in various asset classes and in an individual security.

(k) Privacy of data and security of customer related information

The Company receives certain personal and financial information about its clients and their patients. In addition, it relies heavily on communications and information systems to conduct its business. The Company's operations depend heavily upon the secure transmission of confidential information over public networks. The Company's commercial program has been transitioned to an ecommerce based solution, which places its assets, customer data and other personally identifiable data at higher risks. A compromise in the Company's security systems that results in client or patient personal information being obtained by unauthorized persons or its failure to comply with security requirements for financial transactions could adversely affect the Company's reputation with its clients and result in litigation against it or the imposition of penalties, all of which may adversely affect operations, financial condition and liquidity.

(l) Loss or suspension of Laboratory license or imposition of a fine or penalty

Operation of the Company's clinical laboratory is subject to extensive regulation. The sanction for failure to comply with regulations may be suspension, revocation or limitation of its laboratory's certificate, which is necessary to conduct business, as well as significant fines and/or criminal penalties. Such measures could have a material adverse effect on our business. In addition, compliance with future legislation could impose additional requirements on the Company, which may be costly.

Prospectus

(m) **Material arrangements**

The Company and its subsidiaries have entered various material arrangements which are important to their future. Any failure by counterparties to these arrangements to perform their obligations under such material arrangements, may have a material adverse effect on the Company, and there can be no assurance that the Company would be successful in attempting to enforce any of its rights through legal action.

In addition the Company and its subsidiaries have entered a number of non-binding arrangements, by way of memorandums of understanding. These arrangements by their nature may be nonbinding and unenforceable. As such, in the event that the other parties to these arrangements fail to perform their obligations, the Group may have no right to enforce the provisions of these arrangements through legal action.

8.4 **General Risks**

The Offer Securities that are to be issued pursuant to this Prospectus are speculative because of the nature of the business of the Company. No assurances can be made that the Company's particular interests or projects will be successful.

A summary of the major general risks are described below:

(a) **Share Market Risk**

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. Further, the market price of listed securities can be expected to rise and fall in accordance with general market conditions and factors specifically affecting the Australian resources sector and exploration companies in particular. None of the Offer Securities, nor any Shares (including those issued on exercise) carry any guarantee in respect of profitability, dividends, return on capital, or the price at which they may trade on the ASX.

There are a number of factors (both national and international) that may affect the market price of the Establishment Options and Shares and neither the Company nor its Directors have control of those factors.

(b) **General Economic Conditions**

Changes in the general economic climate in which the Company operates or holds investments in may adversely affect the financial performance of the Company. Factors that may contribute to that economic climate include the general level of economic activity, interest rates, currency fluctuations, inflation, supply and demand, industrial disruption, changes in investor sentiment, terrorism or other hostilities and other economic factors. These factors are beyond the control of the Company and the Company cannot, with any degree of certainty, predict how they will impact on the Company.

(c) **Legislative change and Government Policy**

Changes in laws and regulations in Australia or other relevant jurisdictions may adversely affect the financial performance or the current and proposed operations generally of the Company. Changes in government regulations and policies may adversely affect the financial performance or the current and proposed operations generally of the Company. Further details regarding this risk in the context of the digital currency and blockchain industries are set out above in section 8.3.

In addition to legislation changes, changes in relevant taxation, interest rates, other legal or administrative regimes, as well as Government policies in Australia or in any other markets in which the Company may do or intend to do business, may have an

Prospectus

adverse effect on the assets, operations and ultimately the financial performance of both the Company and the entities in which it invests. These factors may ultimately affect the financial performance of the Company and the market price of its securities.

Changing attitudes to financial services regulation and protection of investment activities, together with the nature of the political process, provide the possibility for future policy changes. There is a risk that such changes may affect the Company's business, operations or financial condition.

(d) Unforeseen expenses

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

(e) Liquidity

The Establishment Options will not be listed. As such there will not be an active market in the Establishment Options and there may be limited opportunities to transfer Establishment Options. Likewise, there is no guarantee that there will be an active market in the Shares or that the price of Shares will increase.

(f) Litigation Risks

The Company is exposed to possible disputes and litigation risks including contractual disputes. If any such claim or dispute is proven, this may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(g) Force Majeure

The Company, now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(h) Interest Rate Risk

Changes in interest rates can have an impact directly or indirectly on the Company's investment valuations and returns on any cash deposits held. For example, an increase in interest rates will increase the cost of borrowing and potentially reduce the profits of the Company's investments. A decrease in interest rates would reduce any revenue the Company receives through interest on cash deposits.

(i) Accounting policy risk

Changes to accounting policies may influence the approach in determining the fair value of investments held by the Company and may have a detrimental impact on the fair value of investments.

8.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of Shares or the Offer Securities offered under this Prospectus. To that extent the Offer Securities offered in this Prospectus are subject to significant risk and uncertainty with respect to return or preservation of capital, the price (if any) at which the Shares or Establishment Options may trade and the payment of dividends in any future time.

Prospectus

Therefore, the securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities. An investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers in relation to the issue of Offer Securities pursuant to this Prospectus.

9. Additional information

9.1 Continuous disclosure obligations

The Company is a disclosing entity and therefore subject to regular reporting and disclosure obligations under the Corporations Act. Under those obligations, the Company is obliged to comply with all applicable continuous disclosure and reporting requirements in the ASX Listing Rules.

This Prospectus is issued under section 713 of the Corporations Act. This section enables disclosing entities to issue a prospectus in relation to securities in a class of securities which has been quoted by ASX at all times during the three months before the date of the Prospectus or options to acquire such securities. Apart from formal matters this Prospectus need only contain information relating to the terms and conditions of the Offers, the effect of the Offers on the Company and the rights and liabilities attaching to the Establishment Shares, Collateral Shares, Placement Shares, the Establishment Options and Shares to be issued on exercise of the Establishment Options. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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

Copies of the documents lodged by the Company with ASIC may be obtained from, or inspected at an office of ASIC.

The Company will provide a copy of any of the following documents, free of charge, to any person who asks for a copy of the document before the Closing Date in relation to this Prospectus:

- (a) annual financial report for the period ending 30 June 2017;
- (b) financial report for the half year ended 31 December 2017; and
- (c) any other financial statements lodged in relation to the Company with ASIC and any continuous disclosure notices given by the Company to ASX, in the period starting immediately after lodgement of the annual financial report for the Company for the period ended 30 June 2017 and ending on the date of lodgement of this Prospectus with ASIC.

Prospectus

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

Prospectus

Date	Description of Announcement
08/08/2018	Genetic Technologies Secures A\$20 Million Equity Placement Facility
07/08/2018	Swisstec update
02/08/2018	Formalisation of Strategic Alliance with Blockchain Global
31/07/2018	Quarterly Activities Report & Appendix 4C - 30 June 2018
30/07/2018	Appointment of Swisstec as Non-Exclusive Asian Distributor
20/07/2018	Ceasing to be a substantial holder
16/07/2018	Expansion of Genetic Risk Assessment Tests
13/07/2018	Change in substantial holding
29/06/2018	Lapse of Employee Share Options
19/06/2018	Swisstec Heads of Agreement
07/06/2018	Binding Project Shivom Agreement
01/05/2018	NHMRC Partnership Grant Awarded
30/04/2018	Quarterly Activities Report & Appendix 4C - 31 March 2018
16/03/2018	Research Agreement - Enhancement of Breast Cancer Risk Test
6/03/2018	Project Shivom Strategic Alliance
27/02/2018	Appendix 4D & Half Year Financial Report - 31 December 2017
15/02/2018	Reinstatement to Official Quotation
15/02/2018	Strategic Alliance and Capital Raising
12/02/2018	Update on Strategic Alliance
6/02/2018	Change of Chief Executive Officer
5/02/2018	Appendix 3X - Peter Rubinstein
5/02/2018	Appendix 3X - Samuel Lee
5/02/2018	Appendix 3X - Jerzy Muchnicki
5/02/2018	Appointment of Chairman
2/02/2018	Appendix 3Z - Eutillio Buccilli and Grahame Leonard
31/01/2018	Voluntary Suspension from Official Quotation
31/01/2018	Results from 31 January 2018 General Meeting
30/01/2018	Resignation of Directors
30/01/2018	Trading Halt
29/01/2018	Quarterly Activities Report & Appendix 4C - 31 December 2017
9/01/2018	Nasdaq Listing Compliance Regained
21/12/2017	Response to ASX Price Query
20/12/2017	Notice of General Meeting and Sample Proxy
12/12/2017	Update on Strategic Review Initiative
4/12/2017	Becoming a substantial holder
1/12/2017	Notice Received Under Section 249D of the Corporations Act

Prospectus

Date	Description of Announcement
23/11/2017	Results from the 2017 Annual General Meeting
23/11/2017	2017 Annual General Meeting Presentation
30/10/2017	Quarterly Activities Report - 30 September 2017

9.2 Information excluded from continuous disclosure notices

As at the date of this Prospectus, there is no information that has not been disclosed under the continuous disclosure requirements of the ASX Listing Rules, in accordance with the ASX Listing Rules, and which is information that investors and their professional advisers would reasonably require for the purpose of making 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 Establishment Options, Establishment Shares, Collateral Shares, Placement Shares and Shares and which information would be reasonable for investors and their professional advisers to expect to find in this Prospectus.

9.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

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

Highest	\$0.019	9/01/2018
Lowest	\$0.0085	18/05/2018
Last	\$0.010	7/08/2018

9.4 Constitution

The Constitution is in a form common to public companies in Australia and was adopted by the Company on 23 November 2005.

The Company will provide a copy of the Constitution to any Shareholder upon request, free of charge.

9.5 Corporate Governance

The Company reports on its compliance with the recommendations made by the Corporate Governance Principles and Recommendations in its annual report. Where the Company's corporate governance practices do not correlate with the practices recommended by the ASX Corporate Governance Council, the Company is working towards compliance however it does not consider that all practices are appropriate for the Company due to the size and scale of the Company operations.

9.6 Interests of Directors

The nature and extent of the interest (if any) that any of the Directors of the Company holds, or held at any time during the last two years in:

- (a) the formation or promotion of the Company;

Prospectus

(b) property acquired or to be acquired by the company in connection with:

(1) its formation or promotion;

(2) the Offer; or

(c) the Offer,

is set out below or elsewhere in this Prospectus.

Other than as set out below or elsewhere in this Prospectus, no one has paid or agreed to pay any amount, and no one has given or agreed to give any benefit to any director or proposed director:

(d) to induce them to become, or to qualify as, a Director of the Company; or

(e) for services provided by a director in connection with:

(1) the formation or promotion of the Company; or

(2) the Offers.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus as well as at completion of the Offers, is set out below.

Shares

Director (including associated entities)	Current Shareholding (Direct and Indirect)	% of Total Share Capital (2,435,282,724 Shares on issue)	Shareholding following issue of Shares under the Offers	% of Total Share Capital following completion of issue of Shares (2,985,770,828 Shares on issue) ¹
Samuel Lee	59,594,850	2.45%	59,594,850	2.00%
George Muchnicki	20,903,244	0.86%	20,903,244	0.70%
Peter Rubinstein	47,282,700	1.94%	47,282,700	1.58%
Lindsay Wakefield	8,325,263	0.34%	8,325,263	0.28%
Paul Kasian	256,410	0.01%	256,410	0.01%
Other holders	2,298,920,257	94.40%	2,849,408,361	95.43%
Total	2,435,282,724	100.00%	2,985,770,828	100.00%

¹ This assumes that all Establishment Shares and Collateral Shares and the maximum number of Placement Shares have been issued, but that no Establishment Options or Existing Options have been exercised.

Options

The number of Existing Options held each of the Directors (both directly and indirectly) is set out below.

Prospectus

Director (including associated entities)	Current Options (Direct and Indirect) *	% of total Options (55,102,778 Options on issue)	Options following issue of Establishment Options	% of total Options following issue of Establishment Options (67,602,778 Options on issue) ¹
Samuel Lee	0	0.00%	0	0.00%
George Muchnicki	6,666,667	12.10%	6,666,667	9.86%
Peter Rubinstein	5,000,000	9.07%	5,000,000	7.40%
Lindsay Wakefield	8,333,333	15.12%	8,333,333	12.33%
Paul Kasian	0	0.00%	0	0.00%
Other holders	35,102,778	63.71%	47,602,778	70.41%
Total	55,102,778	100.00%	67,602,778	100.00%

Note: this table assumes that no Bonus Options have been issued, and no Establishment Options have been exercised.

Following the recommendation of the Remuneration Committee, and subsequent Board approval, the Board has agreed to award the Directors' of the Company bonuses, which subject to shareholder and other regulatory approval as necessary will be paid in the form of Options pursuant to the Company's Employee Share Option Plan (together with the Options proposed to be issued to Paul Kasian below, the **Bonus Options**). An independent valuation is currently being undertaken to determine the proposed number of options that will be issued to the Directors that will provide the following monetary benefits:

Director	Bonus Award \$ value
George Muchnicki	125,000
Lindsay Wakefield	75,000
Paul Kasian	150,000
Peter Rubinstein	100,000
Sam Lee	75,000

It is intended that the Bonus Options set out above will be issued at a strike price of \$0.01 (being the 30 June 2018 closing share price), will vest in 12 months from date of award, and will expire 3 years from date of issue. Shareholder approval will be sought for such Option issues in due course.

In addition, the Board has agreed to grant to Paul Kasian (CEO) 50 million Options exercisable at \$0.02 each and expiring 2 years from issue, subject to the Company entering a distribution arrangement with a specified party, the Company achieving a market capitalisation of AUD\$100 million or above which is sustained for 10 consecutive days and sales revenues to the Company from this arrangement beginning within 2 years of entry of the distribution arrangement. The issue of such Options will be subject to all necessary Shareholder approvals being obtained.

Prospectus

No Director will receive any Establishment Options, Establishment Shares or Collateral Shares. No Director will receive any Placement Shares unless Shareholder approval is obtained.

Remuneration

Paul Kasian is an executive Director, whose annual remuneration currently consists of Director Fees (as Chairman) of \$103,772 and Interim CEO fees of \$49,228.

George Muchnicki is an executive Director, whose annual remuneration currently consists of Directors Fees of \$63,871 and Business Development Director Fees of \$38,129.

Each of Lindsay Wakefield, Peter Rubinstein and Sam Lee are non-executive Directors. The total maximum remuneration of non-executive Directors is set by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$500,000 per annum.

If a Director performs extra services or makes special exertions (at the Board's request), such as going or living abroad, serving on any Board committee, or otherwise for any Company purpose, the Company may remunerate that Director by paying for those services and exertions. Dr Wakefield and Mr Rubinstein each receive an additional \$10,000 as Chairman of the Remuneration and Audit Committees respectively.

The following directors serve on Board Committees:

- (a) George Muchnicki: Audit Committee
- (b) Lindsay Wakefield: Audit Committee, Remuneration Committee (Chairman)
- (c) Paul Kasian: Remuneration Committee,
- (d) Peter Rubenstein: Remuneration Committee, Audit Committee (Chairman)

The following table shows the total annual remuneration for the previous 2 financial years and the current financial year to date paid to those Directors who are currently Directors as at the date of this Prospectus.

Director	Financial Year ending 30 June 2017	Financial Year ending 30 June 2018	To date in this financial year
George Muchnicki	0	67,757	8,333
Lindsay Wakefield	61,391	62,618	5,218
Paul Kasian	61,391	97,563	12,500
Peter Rubinstein	0	26,090	5,218
Sam Lee	0	26,090	5,218

Note: The above disclosure relates only to current Directors and does not include directors who resigned during the periods shown.

Each of the Directors currently receives the following remuneration from the Company for his services as a Director:

Prospectus

Director	Remuneration per annum
George Muchnicki	\$102,000 ¹
Lindsay Wakefield	\$74,821
Paul Kasian	\$153,000 ²
Peter Rubinstein	\$74,821
Sam Lee	\$63,871

Notes:

1. Consisting of both Director and Business Development Director Fees.
2. Consisting of both Director and CEO Fees.

9.7 Related party transactions

From time to time the Company may be party to transactions with related parties including:

- (a) employment and service arrangements; and
- (b) payment of Directors fees.

The Company believes that it has made appropriate disclosure of past related party transactions and other than any further disclosure specifically set out below or made elsewhere in this Prospectus does not intend to make any further disclosure of such transactions which transactions will have either proceeded on an "arm's length" basis, reasonable remuneration basis or been approved by shareholders in general meeting.

The Company discloses the following transactions with related parties which have either proceeded on an "arm's length" or reasonable remuneration basis or have been approved by Shareholders in general meeting. The transactions are:

- (a) agreement of the annual remuneration of Dr. Paul Kasian both as a Director and as CEO of the Company, being \$153,000 per annum and payment of such remuneration;
- (b) agreement of the annual remuneration of Dr. Lindsay Wakefield as a Director of the Company, being \$74,821 per annum and payment of such remuneration;
- (c) agreement of the annual remuneration of Dr. Jerzy (George) Muchnicki both as a Director and as Business Development Director of the Company, being \$102,000 per annum and payment of such remuneration;
- (d) agreement of the annual remuneration of Mr. Peter Rubinstein as a Director of the Company, being \$74,821 per annum and payment of such remuneration;
- (e) agreement of the annual remuneration of Mr. Xue (Samuel) Lee as a Director of the Company, being \$63,871 per annum and payment of such remuneration;
- (f) award of bonuses via the issue of the Bonus Options to Directors as described in section 9.6 above, with the issue of such Bonus Options being subject to the obtaining of non-interested shareholder approval;
- (g) as announced by the Company on 15 February 2018, a non-binding terms sheet with Blockchain Global Limited (**BCG**) was entered to provide a framework for continuing discussions between the two companies, with the proposed transaction being subject to shareholder approval (by non-associated Shareholders); and

Prospectus

- (h) as announced by the Company on 2 August 2018, a framework agreement with BCG (**Framework Agreement**) was entered formalizing the non-binding terms sheet referred to in (g) above and providing a framework for a strategic alliance between the Company and BCG, with this Framework Agreement only becoming binding on the Company obtaining the approval of non-associated Shareholders.

A number of Directors of the Company presently or previously have had involvement with BCG. Sam Lee has a direct and indirect share interest in BCG of 21% and is a director of BCG. Peter Rubinstein has a direct and indirect share interest in BCG of 8% and is a consultant to BCG. George Muchnicki has a direct and indirect share interest in BCG of 3.4%. Paul Kasian was previously a director of BCG, however is no longer a director of BCG and holds no shareholding interest in BCG. Given the interests of various Directors with BCG, for good corporate governance reasons, the Company has historically sought to apply the related party standards to any transaction with BCG, regardless of whether or not BCG is in fact technically a related party of the Company. For this reason, details of the arrangements with BCG are set out above.

The Board considers that the remuneration and benefits in (a) to (e) above are reasonable remuneration pursuant to section 211 of the Corporations Act and in the case of (f), (g) and (h) above have been or will be approved by Shareholders in general meeting

9.8 Interests of experts and advisers

This section applies to persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, promoters of the Company and any financial services licensee named in the Prospectus as involved in the Offers (collectively **Prescribed Persons**).

Other than as set out below or elsewhere in this Prospectus, no Prescribed Person has, or has had in the last two years, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired in connection with the formation or promotion of the Company or the Offers; or
- (c) the Offers under this Prospectus.

Other than that as set out below or elsewhere in this Prospectus, no one has paid or agreed to pay any amount, and no one has given or agreed to give any benefit to any Prescribed Person for services provided by a Prescribed Person in connection with the:

- (a) formation or promotion of the Company; or
- (b) Offers under this Prospectus.

HopgoodGanim Lawyers are acting as solicitors to the Offers and have performed work in relation to the Prospectus. In doing so, HopgoodGanim Lawyers have placed reasonable reliance upon information provided to them by the Company. HopgoodGanim Lawyers does not make any statement in this Prospectus. In respect of this work (and associated matters), the Company estimates that it will pay approximately \$55,000 (excluding disbursements and GST) to HopgoodGanim Lawyers. HopgoodGanim Lawyers may be engaged from time to time by the Company on a variety of matters. Further amounts may be paid to HopgoodGanim Lawyers in accordance with its normal time based charges.

Prospectus

9.9 Litigation

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

9.10 Subsequent events

There has not arisen, at the date of this Prospectus any item, transaction or event of a material or unusual nature not already disclosed in this Prospectus which is likely, in the opinion of the Directors of the Company to affect substantially:

- (a) the operations of the Company,
- (b) the results of those operations; or
- (c) the state of affairs of the Company.

9.11 Privacy

By submitting an Application Form you are providing to the Company personal information about yourself. If you do not provide complete and accurate personal information, your application may not be able to be processed.

The Company maintains the register of members of the Company through Computershare an external service provider. The Company requires Computershare to comply with the National Privacy Principles with performing these services. The Company's register is required under the Corporations Act to contain certain personal information about you such as your name and address and number of shares and options held. In addition the Company collects personal information from members such as, but not limited to, contact details, bank accounts and membership details and tax file numbers.

This information is used to carry out registry functions such as the payment of dividends, sending annual and half yearly reports, notices of meetings, newsletters and notifications to the Australian Taxation Office. In addition, contact information will be used from time to time to inform members of new initiatives concerning the Company.

The Company understands how important it is to keep your personal information private. The Company will only disclose personal information we have about you:

- (a) when you agree to the disclosure;
- (b) when used for the purposes for which it was collected;
- (c) when disclosure is required or authorised by law;
- (d) to other members in the GTG group of companies;
- (e) to your broker;
- (f) to external service suppliers who supply services in connection with the administration of the Company's register such as mailing houses and printers, Australia Post and financial institutions.

You have the right to access, update and correct your personal information held by the Company and Computershare, except in limited circumstances. If you wish to access, update or correct your personal information held by Computershare or by the Company please contact our respective offices.

Prospectus

If you have any questions concerning how the Company handles your personal information please contact the Company.

9.12 Consents

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

HopgoodGanim Lawyers has given and, as at the date hereof, has not withdrawn its written consent to be named as the solicitors to the Company in this Prospectus in the form and context in which it is named.

Computershare has given and, as at the date hereof, has not withdrawn, its written consent to being named as the Share Registrar in the form and context in which it is named.

Computershare has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registrar to the Company. Computershare has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

9.13 Expenses of the offer

The total expenses of the Offers are estimated to be approximately \$89,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

Item	\$
Legal costs of the Offers	55,000
ASX and ASIC costs	31,000
Share registry	3,000
Total capital raising fees	89,000
Plus GST	8,900
Total including GST	97,900

Notes:

1. *The above table does not provide for the costs to the Company in issuing the Establishment Shares, Establishment Options and Collateral Shares to Kentgrove pursuant to the Kentgrove Facility as these issues do not involve out of pocket expenses payable in cash to Kentgrove, other than as set out above.*
2. *In addition, the Company may agree from time to time to make payment to third parties in connection with the issue of Placement Shares to parties other than Kentgrove, however, no such arrangements have been made as at the date of this Prospectus and as such it is not possible to accurately disclose such costs (if any) in the above table. Any such fees payable to third parties in connection with the Placement Shares would be on market standard terms.*

Prospectus

10. Directors' Authorisation

This Prospectus is issued by Genetic Technologies Limited ACN 009 212 328. Each Director has consented to the lodgement of the Prospectus with ASIC.

Signed on the date of this Prospectus on behalf of Genetic Technologies Limited by:



Dr Paul Kasian
Chairman
Genetic Technologies Limited

Prospectus

11. Glossary

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

Applicant means a person who submits an Application Form.

Application Form means an application form in a form accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASTC means the ASX Settlement and Transfer Corporation Pty Limited ABN 49 008 504 532, the body which administers CHESS.

ASX means ASX Limited and the Australian Securities Exchange as the context requires.

ASX Listing Rules means the listing rules of the ASX.

Board means the board of Directors unless the context indicates otherwise.

Bonus Options has the meaning given to that term in section 9.6.

Business Day means a day, other than a Saturday, Sunday or public holiday, on which banks are open for general banking business in Sydney.

Closing Date means the closing date for each Offer as set out in section 2, subject to variation by the Company without notice.

Collateral Share Offer means the offer and issue of the Collateral Shares to Kentgrove pursuant to this Prospectus.

Collateral Shares means 100,000,000 Shares to be issued to Kentgrove as security pursuant to the Kentgrove Facility.

Company or **GTG** means Genetic Technologies Limited ACN 009 212 328.

Constitution means the constitution of the Company as at the date of this Prospectus.

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

Directors means the directors of the Company as at the date of this Prospectus.

Establishment Fee has the meaning given to that term in section 4.2.

Establishment Options means 12,500,000 Options on the terms and conditions set out in section 7.1 of this Prospectus.

Establishment Share Offer means the offer and issue of the Establishment Shares to Kentgrove pursuant to this Prospectus.

Establishment Shares means 8,833,100 Shares to be issued for nil cash consideration pursuant to the Kentgrove Facility in lieu of payment of the Establishment Fee.

Existing Options means Options on issue prior to the commencement of the Offers, being:

- (a) GTGAD expiring 24 November 2020 - 19,236,111;
- (b) GTGAD expiring 31 March 2021 - 5,000,000;

Prospectus

(c) GTGAD expiring 16 February 2022 - 10,500,000; and

(d) GTGAC expiring 2 December 2018 - 20,366,667.

Kentgrove means Kentgrove Capital Pty Ltd ACN 150 638 627 in its capacity as trustee of the Kentgrove Capital Growth Fund.

Kentgrove Facility has the meaning given in clause 4.2 of this Prospectus.

Kentgrove Offer means the Option Offer, the Establishment Share Offer and the Collateral Offer.

Offer Securities means the Establishment Options, Establishment Shares, Collateral Shares and the Placement Shares.

Offers means Option Offer, the Establishment Share Offer, the Collateral Offer and the Placement Offer, and **Offer** means any of them.

Official Quotation means official quotation on ASX.

Opening Date means the opening date for each Offer as set out in section 2, subject to variation by the Company without notice.

Option means an option to acquire a Share.

Option Offer means the offer and issue of the Establishment Options the subject of this Prospectus to Kentgrove.

Placement Offer means the offer and issue of the Placement Shares pursuant to this Prospectus.

Placement Shares means up to 441,655,004 Shares to be issued to Kentgrove and other investors as determined by the Board, with an issue price equal to:

- in respect of Kentgrove, the price determined in accordance with the Kentgrove Facility (refer to section 4.2(f) for further details); or
- in respect of other investors, the price determined by the Board from time to time.

Prospectus means this prospectus dated 8 August 2018 as modified or varied by any supplementary prospectus made by the Company and lodged with the ASIC from time to time and any electronic copy of this prospectus and supplementary prospectus.

Securities has the same meaning as in section 92 of the Corporations Act.

Settlement Rules means the rules of the ASTC as amended or replaced from time to time.

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

Share Registrar or **Computershare** means Computershare Investor Services Pty Ltd.

Shareholder means a holder of a Share.

US Securities Act means the US Securities Act of 1933 as amended from time to time.

VWAP means volume weighted average price.

Prospectus

Corporate directory

Directors	Administration and Registered Office
Dr. Paul Kasian Dr. Lindsay Wakefield Dr. Jerzy (George) Muchnicki Mr. Peter Rubinstein Mr. Xue (Samuel) Lee	60-66 Hanover Street Fitzroy Victoria 3065 Australia Phone: +61 3 8412 7000 Facsimile: +61 3 8412 7040 Email: info@gtglabs.com Website: www.gtglabs.com
Share Registrar	Lawyers
Computershare Investor Services Pty Limited GPO Box 505 Melbourne VIC 3001 Phone: 1300 787 272 Website: http://www.computershare.com/au	HopgoodGanim Lawyers Level 8, Waterfront Place 1 Eagle Street Brisbane Qld 4000 Phone: +61 07 3024 0000 Facsimile: +61 07 3024 0000 Website: www.hopgoodganim.com.au

Prospectus

Application Forms

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Article I. Appendix 3B

Section 1.01

Section 1.02 New issue announcement,

Section 1.03 application for quotation of additional securities

Section 1.04 and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

GENETIC TECHNOLOGIES LIMITED

ABN

17 009 212 238

We (the entity) give ASX the following information.

Section 1.05 Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | <ol style="list-style-type: none">1. Fully paid ordinary shares2. Unlisted options over ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ol style="list-style-type: none">1. 108,833,100 fully paid ordinary shares comprising 8,833,100 establishment fee shares and 100,000,000 collateral shares.2. 12,500,000 unlisted options.3. 441,655,004 placement shares. |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ol style="list-style-type: none">1. Fully paid ordinary shares.2. Unlisted options to subscribe for 1 fully paid ordinary share each in the Company with an exercise price of \$0.0153 per option, expiry date 8 August 2021.3. Fully paid ordinary shares. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<ol style="list-style-type: none"> 1. Yes 2. No. Any shares issued upon exercise of options will rank equally with the existing fully paid ordinary shares in the Company. 3. Yes
<p>5 Issue price or consideration</p>	<ol style="list-style-type: none"> 1. Deemed issue price of \$0.0113 per share 2. Nil 3. Issue price to be determined by the Directors prior to offer and issue. The maximum amount that may be raised by the issue of the Placement Shares is \$5,000,000.
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Pursuant to the Equity Placement Facility with the Kentgrove Capital Growth Fund announced to the market on 8 August 2018 and in respect of offers made pursuant to the Prospectus dated 8 August 2018. Funds raised will be used:</p> <ol style="list-style-type: none"> 1. For general working capital purposes; 2. To commercialise existing R&D capabilities, IP and introduce an enhanced <i>BREVAGenplus</i> breast cancer risk assessment test and a colon cancer risk assessment test; 3. To progress development of a suite of genetic screening tests targeting both cancer and non-oncological diseases utilising the latest technology and platforms; and 4. To explore and capitalise on Blockchain opportunities in the medical and biotech industries

⁺ See chapter 19 for defined terms.

6a	Is the entity an ⁺ eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i> , and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	23 November 2017
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	1. 108,833,100 fully paid ordinary shares 2. 12,500,000 unlisted options 3. 441,655,004 fully paid ordinary shares (placement shares).
6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	Not applicable
6e	Number of ⁺ securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable
6f	Number of securities issued under an exception in rule 7.2	Nil
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	Not applicable
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements

7.1 : Nil

7.1A : 45,832,577Note - this assumes up to 197,695,695 placement shares are issued under the Company's LR 7.1A capacity and up to 243,959,309 placement shares are issued under the Company's LR 7.1 capacity. The ability of the Company to issue the placement shares pursuant to LR 7.1 or 7.1A will ultimately be dependent on the price of such shares which has not as yet been determined and as such these calculations may differ. Further disclosure will be provided in due course.

- 7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates

1. 8 August 2018
2. 8 August 2018
3. To be determined and advised once issue of placement shares is confirmed.

- 8 Number and ⁺class of all ⁺securities quoted on ASX (*including* the securities in section 2 if applicable)

Number	⁺ Class
2,985,770,828	Ordinary shares (assuming all placement shares are issued)

Number	⁺ Class
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⁺ See chapter 19 for defined terms.

9	Number and +class of all +securities not quoted on ASX (<i>including</i> the securities in section 2 if applicable)	20,366,667	Options at \$0.015, exp. 2/12/18 (GTGAC)
		19,236,111	Options at \$0.02, exp. 24/11/20 (GTGAD)
		5,000,000	Options at \$0.02, exp. 31/3/21 (GTGAD)
		10,500,000	Options at \$0.01, exp. 16/2/22 (GTGAD)
		12,500,000	Options at \$0.0153, exp. 8 August 2021
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	<input type="text"/>
12	Is the issue renounceable or non-renounceable?	<input type="text"/>
13	Ratio in which the +securities will be offered	<input type="text"/>
14	+Class of +securities to which the offer relates	<input type="text"/>
15	+Record date to determine entitlements	<input type="text"/>
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	<input type="text"/>
17	Policy for deciding entitlements in relation to fractions	<input type="text"/>
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	<input type="text"/>
19	Closing date for receipt of acceptances or renunciations	<input type="text"/>
20	Names of any underwriters	<input type="text"/>

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

21	Amount of any underwriting fee or commission	<input type="text"/>
22	Names of any brokers to the issue	<input type="text"/>
23	Fee or commission payable to the broker to the issue	<input type="text"/>
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	<input type="text"/>
25	If the issue is contingent on +security holders' approval, the date of the meeting	<input type="text"/>
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	<input type="text"/>
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	<input type="text"/>
28	Date rights trading will begin (if applicable)	<input type="text"/>
29	Date rights trading will end (if applicable)	<input type="text"/>
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	<input type="text"/>
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	<input type="text"/>
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	<input type="text"/>
33	+Despatch date	<input type="text"/>

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) ☒ Securities described in Part 1

+ See chapter 19 for defined terms.

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

Number	+Class
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+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

42	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 38)		
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⁺ See chapter 19 for defined terms.

(i) Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: _____
Chief Financial Officer

Date: 8 August 2018

Print name: **Kevin Fischer**

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+ See chapter 19 for defined terms.

Article II. Appendix 3B – Annexure 1

Section 2.01 Calculation of placement capacity under rule 7.1 and rule 7.1A for ⁺eligible entities

Introduced 01/08/12

Section 2.02 Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	2,435,282,724
Add the following: <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • Include only ordinary securities here – other classes of equity securities cannot be added • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items 	
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	
“A”	2,435,282,724
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	365,292,409

⁺ See chapter 19 for defined terms.

<i>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</i>	
<p><i>Insert</i> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	365,292,409 being 108,833,100 fully paid ordinary shares pursuant to Kentgrove Facility; 12,500,000 options pursuant to Kentgrove Facility and up to 243,959,309 placement shares.
“C”	365,292,409
<i>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</i>	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	365,292,409
<p><i>Subtract “C”</i></p> <p><i>Note: number must be same as shown in Step 3</i></p>	365,292,409
<i>Total</i> [“A” x 0.15] – “C”	Nil <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Section 2.03 Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	2,435,282,724
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	243,528,272
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Up to 197,695,695 placement shares.
“E”	Nil

+ See chapter 19 for defined terms.

<i>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</i>	
“ A ” x 0.10 <i>Note: number must be same as shown in Step 2</i>	243,528,272
<i>Subtract “E”</i> <i>Note: number must be same as shown in Step 3</i>	197,695,695
<i>Total</i> [“ A ” x 0.10] – “ E ” 	45,832,577 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.

How to complete this Application Form

A Number of Options applied for

Enter the number of Options you wish to apply for.

B Applicant Name(s)

Enter the full name you wish to appear on the statement of shareholding. This must be either your own name or the name of a company. Up to 3 joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applications using the wrong form of names may be rejected. Clearing House Electronic Subregister System (CHES) participants should complete their name identically to that presently registered in the CHES system.

C Postal Address

Enter your postal address for all correspondence. All communications to you from the Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

D Contact Details

Enter your contact details. These are not compulsory but will assist us if we need to contact you regarding this Application.

E CHES

Genetic Technologies Limited Limited will apply to the ASX to participate in CHES, operated by ASX Settlement Pty Limited, a wholly owned subsidiary of ASX Limited. If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold Shares issued to you under this Application on the CHES Subregister, enter your CHES HIN. Otherwise, leave this section blank and on issue, you will be sponsored by Genetic Technologies Limited and allocated a Securityholder Reference Number (SRN).

Before completing the Application Form the Applicant(s) should read the Prospectus to which this Application relates. By lodging the Application Form, the Applicant agrees that this Application for Options in Genetic Technologies Limited is upon and subject to the terms of the Prospectus and the Constitution of Genetic Technologies Limited, agrees to take any number of Options that may be issued to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

Lodgement of Application

Completed Application Forms for Offer Securities must be mailed or delivered to the Company by no later than 5.00pm (AEST) on 13 August 2018 at the below address. You should allow sufficient time for this to occur.

Genetic Technologies

PO Box 115

Fitzroy Vic 3065

Australia

Neither CIS nor Genetic Technologies Limited accepts any responsibility if you lodge the Application Form at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by CIS, as registrar for the securities issuer (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided overleaf or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Correct forms of registrable title(s)

Note that ONLY legal entities are allowed to hold Options. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Genetic Technologies Limited. At least one full given name and the surname is required for each natural person. Application Forms cannot be completed by persons less than 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual – Use given name(s) in full, not initials	Mr John Alfred Smith	J.A. Smith
Joint – Use given name(s) in full, not initials	Mr John Alfred Smith & Mrs Janet Marie Smith	John Alfred & Janet Marie Smith
Company – Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts – Use trustee(s) personal name(s) – Do not use the name of the trust	Ms Penny Smith <Penny Smith Family A/C>	Penny Smith Family Trust
Deceased estates – Use executor(s) personal name(s) – Do not use the name of the deceased	Mr Michael Smith <Est John Smith A/C>	Estate of Late John Smith
Minor (a person under the age of 18) – Use the name of a responsible adult with an appropriate designation	Mr John Alfred Smith <Peter Smith A/C>	Peter Smith
Partnerships – Use partners' personal name(s) – Do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith & Son A/C>	John Smith & Son
Clubs/Unincorporated Bodies/Business Names – Use office bearer(s)' personal name(s) – Do not use the name of the club etc	Mrs Janet Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds – Use the name of trustee of the fund – Do not use the name of the fund	John Smith Pty Ltd <Super Fund A/C>	John Smith Pty Ltd Superannuation Fund