

# WEEBIT NANO LTD

ACN 146 455 576

---

## CLEANSING PROSPECTUS

---

For the offer of up to 352 Shares in the capital of the Company at a price of \$2.84 per Share to raise approximately \$1,000 (before expenses) (**Cleansing Offer**).

This Cleansing Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the issue of this Cleansing Prospectus.

### NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This is an important document. If, after reading this Cleansing Prospectus you have any questions about whether you should invest in the Cleansing Offer, you should seek professional advice before making any investment decision. You can also contact the Company's corporate and investor relations advisor Market Eye on **03 9591 8901 (in Australia)** or **+61 3 9591 8901 (outside Australia)** between 9.00am to 5.00pm (AEDT) Monday to Friday.

## Important information

This Cleansing Prospectus is dated 19 January 2022 and was lodged with ASIC and ASX on that date. ASIC, ASX and their respective officers take no responsibility for the contents of this Cleansing Prospectus or the merits of the investment to which this Cleansing Prospectus relates.

No Shares will be issued on the basis of this Cleansing Prospectus later than 13 months after the date of this Cleansing Prospectus.

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

The Cleansing Offer is only available to those who are personally invited to accept the Cleansing Offer. Applications for Shares offered pursuant to this Cleansing Prospectus can only be submitted on an original Application Form which accompanies this Cleansing Prospectus.

This Cleansing Prospectus is a transaction specific prospectus for an offer of 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 Cleansing 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.

The information in this Cleansing Prospectus does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

### Definitions and time

Defined terms used in this Cleansing Prospectus are contained in the Glossary. All references to time are to Australian Eastern Daylight Time, unless otherwise indicated.

### Past performance

Past performance and pro-forma historical information in this Cleansing Prospectus is given for illustrative purposes only and cannot be relied upon as an indicator of (and provides no guidance as to) future WBT performance. The historical information in this Cleansing Prospectus is, or is based upon, information that has been released to ASX.

### Future performance

This Cleansing Prospectus contains certain forward-looking statements. Forward-looking statements can generally be identified by the use of forward-looking words such as “may”, “should”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “continue”, “objectives”, “outlook”, “guidance” or other similar words, and include statements in this Cleansing Prospectus regarding certain plans, strategies and objectives of management of WBT and expected financial performance, the conduct and outcome of the Cleansing Offer and the use of proceeds.

These forward-looking statements contained in this Cleansing Prospectus involve known and unknown risks, uncertainties and other factors which are subject to change, without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of WBT. A number of important factors could cause actual results or performance to differ

materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this Cleansing Prospectus in light of those disclosures.

Neither WBT, nor any other person, gives any representation, warranty, assurance nor will guarantee that the occurrence of the events expressed or implied in any forward-looking statement actually occur. WBT disclaims any responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise. WBT disclaims any responsibility to update or revise any forward-looking statement to reflect any change in WBT's financial condition, status or affairs or any change in events, conditions or circumstances on which a statement is based, except as required by law.

**Not for distribution outside Australia**

This Cleansing Prospectus, any accompanying ASX announcements and the Application Form do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person holds WBT Shares and is acting for the account or benefit of a person in the United States), or any other jurisdiction in which, or to any person to whom, such offer would be illegal. The Shares have not been, nor will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States.

The Cleansing Offer may not be taken up by, and the Shares may not be offered or sold to, any person in the United States or any person that is, or is acting for the account or benefit of, any person in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

This Cleansing Prospectus may not be released or distributed in the United States. The distribution of this Cleansing Prospectus in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

**Risks**

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

Shareholders should refer to Section 6 this Cleansing Prospectus for a summary of general and specific risk factors that may affect WBT.

**Other general matters**

Please read Section 7 of this Cleansing Prospectus carefully for other important notices, disclaimers and acknowledgements.

---

## CONTENTS

---

1	CORPORATE DIRECTORY	5
2	KEY DATES OF CLEANSING OFFER	6
3	DETAILS OF THE CLEANSING OFFER	7
4	PURPOSE AND EFFECT OF THE CLEANSING OFFER	11
5	RIGHTS AND LIABILITIES ATTACHING TO SHARES	13
6	RISK FACTORS	15
7	ADDITIONAL INFORMATION	23
8	DIRECTORS' AUTHORISATION	32
9	GLOSSARY	33

**Directors**

David (Dadi) Perlmutter  
*Chairman*

Jacob (Coby) Hanoch  
*Managing Director and CEO*

Yoav Nissan-Cohen  
*Executive Director*

Ashley Mark Krongold  
*Non-Executive Director*

Frederick Bart  
*Non-Executive Director*

Atiq Raza  
*Non-Executive Director*

**Company Secretary**

Mark Licciardo  
Mertons Corporate Services Pty Ltd  
Level 7, 330 Collins Street  
Melbourne VIC 3000

**Registered Office**

C/- Mertons Corporate Services Pty Ltd  
Level 7, 330 Collins St  
Melbourne VIC 3000

Telephone: +61 3 8689 9997

Website: [www.weebit-nano.com](http://www.weebit-nano.com)

Email: [info@weebit-nano.com](mailto:info@weebit-nano.com)

**Solicitors**

King & Wood Mallesons  
Level 61, 1 Farrer Place  
Sydney NSW 2000

**Share Registry**

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

**Auditor**

Nexia Perth Audit Services Pty Ltd  
Level 3, 88 William Street  
Perth WA 6000

**Corporate Adviser and Investor Relations**

Market Eye Pty Ltd  
Level 3, Heritage Building, Olderfleet 477  
Melbourne VIC 3000

**ASX Code**

WBT

---

**2 KEY DATES OF CLEANSING OFFER**

<b>Event</b>	<b>Date</b>
Lodgement of Cleansing Prospectus with ASIC and ASX	19 January 2022
Opening Date	19 January 2022
Closing Date	20 January 2022

These dates are indicative only and are subject to change without notice. WBT reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws.

The quotation of Shares is subject to confirmation from the ASX.

**Enquiries**

If, after reading this Cleansing Prospectus, you have any doubts about the Cleansing Offer, you should seek professional financial advice before making any investment decision.

---

### 3 DETAILS OF THE CLEANSING OFFER

#### 3.1 Entitlement Offer Shortfall

As announced on 3 December 2021, the Company received commitments for all the shortfall shares under the entitlement offer announced on 10 November 2021, from its existing shareholders. Since payment for 563,160 Shares (**Shortfall Shares Restricted**) was not made via BPAY, those Shares were not issued in accordance with the prospectus dated 17 November 2021 and are subject to on-sale restrictions for 12 months from the date of issue, unless subsequently cleansed. The Shortfall Shares Restricted were issued on 17 January 2022.

The Company has been suspended from trading on the ASX for more than 5 days in the last 12 months and as a result was precluded from issuing a 'cleansing' notice in accordance with section 708A(5) of the Corporations Act to ensure the Shortfall Shares Restricted are not subject to on-sale restrictions. This Cleansing Prospectus will remove the on-sale restrictions.

#### 3.2 Purpose of the Cleansing Prospectus

WBT is seeking to raise only a nominal amount of \$1,000 under this Cleansing Prospectus and, accordingly, the purpose of this Cleansing Prospectus is not to raise capital.

The primary purpose of this Cleansing Prospectus is to remove any trading restrictions that may have attached to the Shares issued by WBT prior to the date of this Cleansing Prospectus in accordance with section 708A(11) of the Corporations Act, including the Shortfall Shares Restricted described in Section 3.1.

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom Shares were issued without disclosure under Part 6D of the Corporations Act to on-sell those Shares within 12 months of the date of their issue.

Section 708A(5) of the Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5). However, the Company has been suspended from trading on the ASX for more than 5 days in the last 12 months and as a result is precluded from issuing a 'cleansing' notice in accordance with section 708A(5) of the Corporations Act.

Section 708A(11) of the Corporations Act provides an exemption from this general requirement where:

- (a) the relevant securities are in a class of securities that are quoted securities of the body;
- (b) either:
  - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
  - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

The purpose of this Cleansing Prospectus is to comply with section 708A(11)(b)(i) of the Corporations Act so that the Eligible Investors who subscribed for the Shortfall Shares Restricted can sell the Shortfall Shares Restricted within twelve months without disclosure.

### **3.3 Cleansing Offer**

Under this Cleansing Prospectus, the Company invites investors identified by the Directors to apply for up to 352 Shares at an issue price of \$2.84 per Share payable in full on application to raise approximately \$1,000 before costs. This Cleansing Offer is only being extended to investors who are invited by the Company to subscribe for Shares and is not open to the general public.

### **3.4 Application for Shares**

Applications for Shares must be made using the Application Form accompanying this Cleansing Prospectus. To the maximum extent permitted by law, the Directors will have discretion over whether to accept any or all Applications. There is no guarantee that any Applications will be accepted.

Payment for the Shares must be made in full at the issue price of \$2.84 per Share.

Applications for Shares must be made using the Application Form accompanying this Cleansing Prospectus. To the maximum extent permitted by law, the Directors will have discretion over whether to accept any or all Applications. There is no guarantee that any applications will be accepted.

Completed Application Forms and accompanying cheques, made payable to "Weebit Nano Limited" and crossed "Not Negotiable" must be mailed or delivered to the address set out on the Application Form by no later than the Closing Date.

### **3.5 Minimum subscription**

There is no minimum subscription for the Cleansing Offer.

### **3.6 Oversubscription**

No oversubscriptions will be accepted by the Company.

### **3.7 Dispute Resolution**

WBT may settle in any manner it thinks fit, any difficulties, anomalies or disputes that may arise in connection with or by reason of the operation of the Cleansing Offer. The decision of WBT will be conclusive and binding on all participants and other persons to whom the determination relates. WBT's rights may be exercised by the Board or any delegate of the Board. The powers of WBT under these terms and conditions may be exercised by the Directors or any delegate or representative of the Directors or senior officers of WBT.

### **3.8 Underwriting**

The Cleansing Offer is not underwritten.

### **3.9 Shares will be quoted**

Subject to the Corporations Act and the Listing Rules, application will be made to ASX no later than 7 days after the date of this Cleansing Prospectus for Official Quotation of any Shares issued under the Cleansing Offer. There is no assurance that the application will be granted.

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

### **3.10 Issue**

In the event that the Directors decide to issue Shares under this Cleansing Prospectus, the issue of Shares under the Cleansing Offer will take place as soon as practicable after the date



of this Cleansing Prospectus. Application Monies will be held in a separate subscription account until the Shares are issued. This account will be established and kept by the Company in trust for each Application. Any interest earned on the Application Monies will be for the benefit of the Company and will be retained by the Company irrespective of whether any Shares are issued and each applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Shares. The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for.

Where the number of Shares issued is less than the number applied for, the surplus monies will be returned by cheque as soon as practicable after the Closing Date. When no issue of Shares is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on monies refunded.

Securities issued pursuant to the Cleansing Offer will be issued in accordance with the ASX Listing Rules and timetable set out in this Cleansing Prospectus.

### **3.11 Overseas shareholders**

The distribution of this Cleansing Prospectus outside the Commonwealth of Australia may be restricted by law.

This Cleansing Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Cleansing Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Cleansing Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

This Cleansing Prospectus is not to be distributed in, and no offer of Shares is to be made, in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

No action has been taken to register or qualify the Cleansing Offer or the Shares or otherwise permit the public offering of the Shares, in any jurisdiction other than Australia.

The distribution of this Cleansing Prospectus (including an electronic copy) outside Australia, is restricted by law. If you come into possession of the information in this Cleansing Prospectus, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

#### **United States**

This Cleansing Prospectus and the accompanying Application Form do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States, or for the account or benefit of, any "U.S. Person" (as defined in Rule 902(k) under the U.S. Securities Act of 1933, as amended (U.S. Securities Act) (U.S. Person). Neither this Cleansing Prospectus nor the Application Form may be distributed to, or relied upon by, persons in the United States or U.S. Persons or persons who are acting for the account or benefit of persons in the United States or U.S. Persons. The Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Shares may only be offered and sold outside the United States to persons that are not U.S. Persons and are not acting for the account or benefit of U.S. Persons in "offshore transactions" as defined in and in reliance on Regulation S under

the U.S. Securities Act (Regulation S) and the laws of the jurisdiction in which such securities are offered and sold.

### **3.12 Enquiries**

Any questions concerning the Cleansing Offer should be directed to the Corporate Adviser on 03 9591 8901 (in Australia) or +61 3 9591 8901 (outside Australia) between 9.00am to 5.00pm (AEDT) Monday to Friday.

## 4 PURPOSE AND EFFECT OF THE CLEANSING OFFER

### 4.1 Purpose of the Cleansing Offer

The purpose of the Cleansing Offer is to issue up to 352 Shares in the capital of the Company at an issue price of \$2.84 per Share to raise approximately \$1,000 (before expenses) and to remove any trading restrictions that may have attached to the Shares issued by WBT prior to the date of this Cleansing Prospectus.

### 4.2 Effect of the Cleansing Offer

The principal effect of the Cleansing Offer, assuming all Shares offered under the Cleansing Prospectus pursuant to the Cleansing Offer are issued, will be to increase the number of Shares currently on issue by 352 Shares.

### 4.3 Financial effect of the Cleansing Offer

After expenses of the Cleansing Offer of approximately \$5,000, there will be no proceeds from the Cleansing Offer. The expenses of the Cleansing Offer (excluding \$1,000) will be met from the Company's existing cash reserves.

### 4.4 Effect on capital structure

The effect of the Cleansing Offer on the capital structure of the Company, assuming the maximum number of Securities offered under this Cleansing Prospectus are issued, is set out below.

Shares <sup>1</sup>	Number
Shares currently on issue	164,249,520
Shares to be issued pursuant to the Cleansing Offer <sup>2</sup>	352
<b>Total Shares on issue after completion of the Cleansing Offer</b>	<b>164,249,872</b>

**Notes:**

1. The rights and liabilities attaching to Shares are summarised in Section 5.1 of this Cleansing Prospectus.
2. This assumes the Cleansing Offer is fully subscribed.

Options	Number
Options on issue as at the date of this Cleansing Prospectus <sup>1</sup>	24,039,876
Options offered pursuant to the Cleansing Offer	Nil
<b>Total Options on issue after completion of the Cleansing Offer</b>	<b>24,039,876</b>

**Notes:**

1. Comprising:
  - a) 7,816,193 Listed Options – Exercise Price \$0.45, expiry 30 January 2022
  - b) 160,000 Options – Exercise Price \$1.445, expiry 1 January 2028
  - c) 160,000 Options – Exercise Price \$1.565, expiry 15 February 2028
  - d) 160,000 Options – Exercise Price \$1.2725, expiry 5 March 2028
  - e) 1,520,000 Options - Exercise Price \$0.43875, expiry 1 October 2027
  - f) 32,366 Options - Exercise Price \$1.7175, expiry 29 January 2028
  - g) 800,000 Options – Exercise Price \$0.8475, expiry 16 October 2028

- h) 105,000 Options – Exercise Price \$0.4286, expiry 14 April 2029
- i) 100,000 Options – Exercise Price \$0.4468, expiry 14 August 2029
- j) 768,750 Options – Exercise Price \$0.74, expiry 14 August 2029
- k) 1,553,124 Options – Exercise Price \$0.54, expiry 14 August 2029
- l) 100,000 Options – Exercise Price \$0.39, expiry 16 October 2029
- m) 267,975 Options – Exercise price \$0.2312, expiry 26 March 2030
- n) 34,370 Options – Exercise price \$0.27, expiry 25 June 2030
- o) 1,287,677 Options – Exercise price \$0.286, expiry 13 September 2030
- p) 2,500,000 Options – Exercise price \$0.823, expiry 17 September 2030
- q) 1,587,677 Options – Exercise price \$0.286, expiry 24 November 2030
- r) 150,000 Options – Exercise price \$2.82, expiry 4 February 2031
- s) 100,000 Options – Exercise price \$2.82, expiry 17 March 2031
- t) 124,500 Options – Exercise price \$2.63, expiry 25 March 2031
- u) 500,000 Options – Exercise price \$1.90, expiry 3 June 2031
- v) 2,120,000 Options – Exercise price \$2.68, expiry 16 November 2031
- w) 662,000 Options – Exercise price \$2.68, expiry 29 September 2031
- x) 1,727,163 Options – Exercise price \$2.82, expiry 25 October 2031
- y) 50,000 Options – Exercise price \$3.04, expiry 1 December 2025
- z) 50,000 Options – Exercise price \$3.04, expiry 1 December 2031

2. The Company notes that 1,727,163 Options (Exercise Price \$2.82, expiry 25 October 2031) have been approved by the Board with the requisite ASX lodgement to be processed in due course.

<b>Performance Rights</b>	<b>Number</b>
Performance Rights on issue as at the date of this Cleansing Prospectus <sup>1</sup>	726,000
Performance Rights to be issued pursuant to the Cleansing Offer	Nil
<b>Total Performance Rights on issue upon completion of the Cleansing Offer</b>	<b>726,000</b>

**Notes:**

1. Comprising:

- (a) 64,000 Performance Rights – expiring 30 May 2023
- (b) 210,000 Performance Rights – expiring 1 October 2027
- (c) 139,000 Performance Rights – expiring 29 January 2028
- (d) 128,000 Performance Rights – expiring 5 March 2028
- (e) 80,000 Performance Rights – expiring 14 August 2029
- (f) 11,000 Performance Rights – expiring 26 March 2030
- (g) 74,000 Performance Rights – expiring 3 February 2031
- (h) 8,000 Performance Rights – expiring 25 March 2031
- (i) 12,000 Performance Rights – expiring 29 September 2025

#### 4.5 Details of substantial holders

Meitav Dash Provident Funds and Pension Ltd (together with its associates) ceased to be a substantial holder in the Company on 10 January 2022 following the issue of Shares which diluted their relevant interest below 5%. Therefore, as at the date of this Cleansing Prospectus, no persons have a relevant interest in 5% or more of the Shares on issue.

---

## 5 RIGHTS AND LIABILITIES ATTACHING TO SHARES

### 5.1 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares. 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.

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 meeting and notices**

Each member 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 required to be sent to members under the Constitution, the Corporations Act or the ASX Listing Rules.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at a general meeting of the Company every holder of fully paid ordinary shares present in person or by an attorney; representative or proxy has one vote on a show of hands (unless a member has appointed 2 proxies) and one vote per share on a poll.

A person who holds a share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share.

Where there are 2 or more joint holders of a share and more than one of them is present at a meeting and tenders a vote in respect of the share, the Company will count only the vote cast by the member whose name appears first in the Company's Register of members.

(c) **Issues of further Shares**

The Directors may, on behalf of the Company, issue, grant options over unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Constitution, Listing Rules, the Corporations Act and any rights for the time being attached to the shares in any special class of those Shares.

(d) **Variation of Rights**

Unless otherwise provided by the terms of issue of a class of Shares and subject to the Corporations Act, the rights attached to the Shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued Shares of the affected class.

(e) **Transfer of Shares**

Subject to the Constitution, the Corporations Act and ASX Listing Rules, Shares are freely transferable.

The Shares may be transferred by a proper transfer effected in accordance with the ASX Settlement Operating Rules, by any other method of transferring or dealing with

Shares introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by either the Directors or ASX that is permitted by the Corporations Act.

The Directors may decline to register a transfer of Shares (other than a proper transfer in accordance with the ASX Settlement Operating Rules) where permitted to do so under the ASX Listing Rules. If the Directors decline to register a transfer, the Company must, within 5 Business Days after the transfer is delivered to the Company, give the party lodging the transfer written notice of the refusal and the reason for the refusal. The Directors must decline to register a transfer of Shares when required by law, by the ASX Listing Rules or by the ASX Settlement Operating Rules.

(f) **Dividends**

The Directors may from time to time determine dividends to be distributed to members according to their rights and interests. The Directors may fix the time for distribution and the methods of distribution.

Each share carries the right to participate in the dividend in the same proportion that the amount for the time being paid on the share (not credited) bears to the total amounts paid and payable (excluding amounts credited) in respect of such shares.

(g) **Dividend reinvestment and Share plans**

Subject to the requirements in the Corporations Act and the ASX Listing Rules, the Directors may implement and maintain dividend reinvestment plans (under which any member may elect that dividends payable by the Company be reinvested by way of subscription for fully paid shares in the Company).

(h) **Capitalisation of profits**

Subject to the ASX Listing Rules and any rights or restrictions attaching to any class of shares, the Company may capitalise profits. Members are entitled to participate in a capital distribution in the same proportions in which they are entitled to participate in dividends.

(i) **Winding-up**

Subject to the rights of holders of shares with special rights in a winding-up and the Corporations Act, if the Company is wound up all monies and property that are to be distributed among Shareholders on a winding-up, shall be distributed in proportion to the Shares held by them respectively, irrespective of the amount paid-up or credited as paid-up on the Shares.

(j) **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.

(k) **Alteration of Constitution**

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

---

## 6 RISK FACTORS

An investment in WBT involves general risks associated with an investment in the share market. The price of Shares may rise or fall.

There are also a number of risk factors, both specific to WBT and of a general nature, which may affect the future operating and financial performance of WBT and the value of an investment in WBT. Before deciding to invest in WBT, prospective investors should carefully consider the “Risk Factors” Section in this Cleansing Prospectus.

### 6.1 Introduction

This Section describes the key risks of investing in WBT. You should consult your own professional, financial, legal and tax advisers about the risks and suitability of investing in light of your particular circumstances.

This is not an exhaustive list of the relevant risks and the risks set out below are not in order of importance. The risks set out below and other risks not specifically referred to may in the future materially adversely affect the value of WBT’s Shares and their performance. Accordingly, no assurance or guarantee of future performance or profitability is given by WBT in respect of WBT’s Shares.

In deciding whether to invest in WBT, you should read this Cleansing Prospectus in its entirety and carefully consider the risks outlined in this Section. You should also consider publicly available information on WBT and examine the full content of this Cleansing Prospectus.

### 6.2 COVID-19 Business Risks

Even though WBT is pre-revenue, WBT’s operating and financial performance is influenced by a variety of domestic and global general economic and business conditions. A prolonged deterioration in general economic conditions, including a decrease in business demand, would likely have a material adverse effect on WBT’s prospects or financial condition (or both). This risk is heightened in the current uncertain economic environment.

In light of recent global macroeconomic events, including but not limited to the global impact of COVID-19, the world economy is experiencing significant uncertainty and there is a risk that an economic downturn of uncertain severity and duration could transpire. Furthermore, the containment measures implemented in response to COVID-19 have led to significant and prolonged dislocation to economies globally, including in the markets in which WBT operates.

There are also other changes in the macroeconomic environment which are also beyond the control of WBT and may be exacerbated in an economic downturn. These include, but are not limited to:

- changes in inflation, interest rates and foreign currency exchange rates;
- changes in employment levels and labour costs, particularly labour shortages due to some employees being in quarantine;
- changes in aggregate investment and economic output; and
- other changes in economic conditions which may affect the revenue or costs of WBT.

In particular, the inability for WBT’s people to travel and temporary shutdowns of certain facilities of WBT’s partners might delay the progress of technological development and commercialisation.

Due to the impact of COVID-19, many of these factors are in a state of change and may have an adverse impact on the financial position and prospects of WBT in the future. WBT may

need to take additional measures in order to respond, including cost cutting and delays to development plans.

### **6.3 Risks in Respect of WBT's Current Operations**

#### **(a) Funding risk**

WBT currently operates on a negative cash operating basis in that its operating expenses exceed its revenue, which is negligible. The Cleansing Offer is not underwritten. There is no minimum subscription for the Cleansing Offer. There is no guarantee that the monies raised under the November 2021 capital raising will be adequate or sufficient to achieve its stated objectives or meet the ongoing funding requirements of WBT under its current business plan.

If WBT requires access to further funding at any stage in the future, there can be no assurance that additional funds will be available either at all or on terms and conditions which are commercially acceptable to WBT. If WBT is unable to obtain such capital, it may be required to reduce the scope of its anticipated activities, which could adversely affect its business, financial condition and operating results. If sufficient funding is not raised, the embedded memory module which is closer to generating revenue, may need to be prioritised over discrete memory. This is the case particularly given the challenges of developing selectors.

#### **(b) Existing technology risks**

Current memory storage technologies like DRAM, NAND Flash and NOR Flash face technological barriers to meet long term customer requirements and demands. These barriers include the ability to reduce costs, improve power consumption and improve reliability. Existing memory technologies may however be able to overcome these barriers and remain as the leading and customer preferred technology.

#### **(c) Termination of SkyWater Agreements**

As at the date of this Cleansing Prospectus, WBT is party to a technology transfer and qualification agreement and a technology licencing agreement with SkyWater Technology Inc. (**SkyWater Agreements**). The SkyWater Agreements contain customary termination events. While it is expected that WBT will sign additional similar agreements with other fabs, early termination of the SkyWater Agreements, for any reason, may mean that WBT will not realise the full value of the contracts, which may adversely affect the growth prospects, operating results and financial performance of WBT's projects and business.

#### **(d) Failure to realise benefits from research and development investments**

Developing software and technology is expensive and the investment in the development of these offerings often involve an extended period of time to achieve a return on investment. WBT believes it can continue to dedicate resources to its innovation efforts to develop its technology service offering and embed its competitive position. However, WBT may not receive significant revenues from these investments for several years or may not realise such benefits at all.

#### **(e) Competition and new technologies**

The industry in which WBT is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. There are various companies working to develop alternative data storage solutions, including the development of technologies that are based on the concept of ReRAM.

While WBT will undertake all reasonable due diligence in its business decisions and operations, WBT will have no influence or control over the activities or actions of its



competitors, whose activities or actions may positively or negatively affect the operating and financial performance of WBT's projects and business. For instance, new technologies could result in the ReRAM Technology not being differentiated from other similar offerings.

The size and financial strength of some of WBT's competitors may make it difficult for it to maintain a competitive position in the technology market. In particular, WBT's ability to acquire additional technology interests could be adversely affected if it is unable to respond effectively and/or in a timely manner to the strategies and actions of competitors and potential competitors or the entry of new competitors into the market. This may in turn impede the financial condition and rate of growth of WBT. The key competition risk is in achieving appreciable market share and differentiation from its key competitors.

**(f) Sales and marketing success**

WBT is seeking to develop and market the ReRAM technology. By its nature, there is no guarantee that the ReRAM technology development and marketing campaign will be successful. In the event that it is not successful, WBT may encounter difficulty creating market awareness of the ReRAM technology. This would likely have an adverse impact on WBT's potential profitability.

Even if WBT does successfully commercialise the ReRAM technology, there is a risk WBT will not achieve an acceptable commercial return. For example, new technology may overtake WBT's technology.

**(g) Staff Risk**

There is a risk that knowledge will be lost in the event that development staff who have knowledge of the technology and business staff resign or retire. This involves the risk that those staff will have information in respect of WBT's intellectual property which has a commercial value, as well as an opportunity cost for replacement of those staff and subsequent training.

**(h) Protection of intellectual property rights**

WBT continues to pursue intellectual property protection in the form of patents for newly developed technologies. However, if WBT fails to protect its intellectual property rights, competitors may gain access to its technology which may harm its business.

Securing rights to intellectual property, and in particular patents, is an integral part of securing potential product value from the development of information technology. Competition in retaining and sustaining protection of intellectual property and the complex nature of intellectual property can lead to expensive and lengthy patents disputes for which there can be no guaranteed outcome.

Legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain. Effective patent, trademark, copyright and trade secret protection may not be available to WBT in every country in which the ReRAM technology may eventually be sold. Accordingly, despite its efforts, WBT may not be able to prevent third parties from infringing upon or misappropriating its intellectual property.

Market conditions depending, WBT may be required to incur significant expenses in monitoring and protecting future intellectual property rights. It may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of its rights. Any litigation, whether or not it is successful, could result in significant expense to WBT and cause a distraction to management.

In addition, unauthorised use of the “Weebit” brand in counterfeit products or services may not only result in potential revenue loss, but also have an adverse impact on its brand value and perceptions of its product qualities.

(i) **Currency Risk**

WBT expects to derive a majority of its revenue in US dollars. WBT will also be required to pay fees in the currency for the State of Israel (shekel), the Australian dollar and Euro. Accordingly, changes in the exchange rate between the US dollar and Euro, the US dollar and the Australian dollar or the Israel shekel and the Australian dollar or the Australian dollar and Euro would be expected to have a direct effect on the performance of WBT.

**6.4 General risks**

(a) **Share Price Fluctuations**

The market price of WBT's securities will fluctuate due to various factors, many of which are non-specific to WBT, including recommendations by brokers and analysts, Australian and international general economic conditions, inflation rates, interest rates, changes in government, fiscal, monetary and regulatory policies, global geopolitical events and hostilities and acts of terrorism, and investor perceptions. Fluctuations such as these may adversely affect the market price of the Shares. Neither WBT nor the Directors warrant the future performance of WBT or any return on investment in WBT.

(b) **Economic Risks**

WBT is exposed to economic factors in the ordinary course of business. A number of economic factors / conditions, both domestic and global, affect the performance of financial markets generally, which could affect the price at which the WBT's securities trade on ASX. Among other things, adverse changes in macroeconomic conditions, including movements on international and domestic stock markets, interest rates, exchange rates, cost and availability of credit, general consumption and consumer spending, input costs, employment rates and industrial disruptions, inflation and inflationary expectations and overall economic conditions, economic cycles, investor sentiment, political events and levels of economic growth, both domestically and internationally, as well as government taxation, fiscal, monetary, regulatory and other policy changes may affect the demand for, and price of, WBT's securities and adversely impact WBT's business, financial position and operating results. Trading prices can be volatile, and volatility can be caused by general market risks such as those that have been mentioned. Securities in WBT may trade at or below the price at which they commence trading on ASX including as a result of any of the factors that have been mentioned, and factors such as those mentioned may also affect the income, expenses and liquidity of WBT. Additionally, the stock market can experience price and volume fluctuations that may be unrelated or disproportionate to the operating performance of WBT.

(c) **Taxation**

Future changes in taxation law in the jurisdictions in which WBT operates or in which shareholders are resident or are otherwise subject to tax, including changes in interpretation or application of the law by the courts or relevant taxation authorities in those jurisdictions, may affect the taxation treatment of an investment in WBT's securities, the acquisition, holding and disposal of those securities and any dividends or other distributions paid on WBT's securities.

Further, changes in tax law, or changes in the way tax law is, or is expected to be, interpreted or applied, in the various jurisdictions in which WBT operates, may impact the future tax liabilities of WBT.

(d) **Accounting Standards**

WBT prepares its general-purpose financial statements in accordance with International Financial Reporting Standards (IFRS) and the Corporations Act. Australian Accounting Standards are subject to amendment from time to time, and any such changes may impact on WBT's statement of financial position or statement of financial performance.

(e) **Forward-Looking Statements**

This Cleansing Prospectus contains certain "forward looking statements". Forward looking statements should or can generally be identified by the use of forward looking words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "will", "could", "may", "target", "plan" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings, distributions or financial position or performance are also forward looking statements.

There can be no guarantee that the assumptions and contingencies on which the forward-looking statements, opinions, estimates, timelines and milestones are based will ultimately prove to be valid or accurate. The forward-looking statements, opinions and estimates depend on various factors, including known and unknown risks, many of which are outside the control of WBT. Actual performance of WBT may materially differ from forecast performance.

Forward looking statements may also be based on estimates and assumptions which are subject to change. Actual results, performance or achievements may vary materially for many projections because events and actual circumstances frequently do not occur as forecast and these differences may be material. These statements may assume the success of WBT's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond WBT's control (including uncertainties described in the "Risk Factors" section in this Cleansing Prospectus), and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward looking statements may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward looking statements and, except as required by law, WBT assumes no obligation to update or revise such information to reflect any change in expectations or assumptions. The inclusion of the forward looking statements in this Cleansing Prospectus should not be regarded as a representation, warranty or guarantee with respect to its accuracy or the accuracy of the underlying assumptions or that WBT will achieve, or is likely to achieve, any particular results.

(f) **Dividend Guidance**

No assurances can be given in relation to the payment of future dividends. Future determinations as to the payment of dividends by WBT will be at the discretion of WBT and will depend upon the availability of profits, the operating results and financial conditions of WBT, the taxation of WBT, future capital requirements, covenants in relevant financing agreements, general business and financial conditions and other factors considered relevant by WBT.

(g) **Changes in Applicable Law and Regulations**

WBT is subject to usual business risks such as there being changes in laws, regulations and government policy which may affect its operations and/or financial performance. Such changes may impact income or operational expenditure. WBT is also subject to the usual risks to changes in taxation regimes and Accounting Standards. There can be no assurance that such changes will not have a material

adverse effect on WBT's business, operational performance or financial results or returns to Shareholders. Adverse changes to tax law may also reduce WBT's capacity to claim research and incentive grants or rebates, thereby increasing expenses and reducing WBT's assets.

Incidents involving China's or the region's security may cause uncertainty in the Chinese markets and may adversely affect the Chinese economy and WBT's activities in the region. Export growth continues to be a major driver of China's rapid economic growth. Reduction in spending on Chinese products and services, institution of tariffs or other trade barriers or a downturn in any of the economies of China's key trading partners may have an adverse impact on the Chinese economy. The ongoing trade war between China and the United States and the increasing regulatory intervention in markets, in particular the United States attempts to limit China's access to cutting-edge technology owned by the US companies and companies of its allies, may restrict the WBT's ability to exploit its technology as expeditiously as possible. Events such as these and their consequences are difficult to predict, and it is unclear whether further tariffs or barriers may be imposed, or other escalating actions may be taken in the future.

(h) **Cost Inflation**

Higher than expected inflation rates generally, or specific to the technology industry, could be expected to increase operating and development costs and potentially reduce the value of future project developments. While, in some cases, such cost increases might be offset by increased selling prices, there is no assurance that this would be possible or that WBT will be in its production and supply phase of its business when this occurs.

## 6.5 General Risks Relating to WBT

(a) **Additional Requirements for Capital**

The capital requirements of WBT depend on numerous factors. Depending on the ability of WBT to generate income from its operations, WBT may require further financing in addition to amounts raised under the Placement and Entitlement Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If WBT is unable to obtain additional financing as needed, it may be required to reduce the scope of its anticipated activities which could adversely affect its business, financial condition and operating results.

(b) **Reliance on Key Management**

The responsibility of overseeing the day-to-day operations and the strategic management WBT depends substantially on its senior management and Directors. There can be no assurance that there will be no detrimental impact on the performance of WBT or its growth potential if one or more of these employees cease their employment and suitable replacements are not identified and engaged in a timely manner.

(c) **Active market for Shares**

There can be no assurance that there will be, or continue to be, an active market for WBT's securities or that the price of WBT's securities will increase. As a result, investors may, upon selling their securities, receive a market price for their securities that is less than the price of the WBT's securities offered pursuant to the Cleansing Offer.

(d) **Trading Price of Shares**

WBT's operating results, economic and financial prospects and other factors will affect the trading price of the WBT's securities. In addition, the price of WBT's securities is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the WBT's securities.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that WBT's market performance will not be adversely affected by any such market fluctuations or factors.

(e) **Litigation Risks**

In the ordinary course of conducting its business, WBT is exposed to potential litigation and other proceedings, including through claims of breach of agreements, intellectual property infringement or in relation to employees (through personal injuries, occupational health and safety or otherwise). If such proceedings were brought against WBT, it would incur considerable defence costs (even if successful), with the potential for damages and costs awards against WBT if it were unsuccessful, which could have a significant negative financial effect on WBT's business. Changes in laws can heighten litigation risk (for example, antitrust and intellectual property). Circumstances may also arise in which WBT, having received legal advice, considers that it is reasonable or necessary to initiate litigation or other proceedings, including for example to protect its intellectual property rights.

(f) **Economic Risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on WBT's activities, as well as on its ability to fund those activities.

Further, share market conditions may affect the value of WBT's securities regardless of WBT's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

(g) **Force Majeure**

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

(h) **Acquisitions**

As part of its business strategy, WBT may make acquisitions of, or significant investments in, companies, products, technologies and/or products that are complementary to WBT's business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies, products and technologies, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving the sales and margins anticipated and retaining key staff and customer and supplier relationships.

(i) **Joint Venture Parties, Agents, Suppliers, Distributors and Contractors**

WBT is unable to predict the risk of financial failure or default by a participant in any joint venture to which WBT is or may become a party or the insolvency or managerial failure by any of the contractors used by WBT in any of its activities or the insolvency or other managerial failure by any of the other service providers used WBT for any activity. WBT engages with various third parties to assist with different stages of the research and development process, including agents, suppliers, distributors and contractors. It continues to actively seek new ones. There is no guarantee that these third parties will comply with their respective contractual obligations. This could adversely impact WBT's progress and cause delays in research or production, or cost increases.

(j) **Insurance and Uninsured Risks**

Although WBT maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all such risks and WBT may decide not to insure against certain risks because of high premiums or other reasons.

## **6.6 Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by WBT or by investors in WBT. The above factors, and others not specifically referred to above may, in the future, materially affect the financial performance of WBT and the value of WBT's securities.

---

## 7 ADDITIONAL INFORMATION

### 7.1 Litigation

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

### 7.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations, including the preparation of annual and half yearly reports. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities. That information is available to the public at <https://www.weebit-nano.com/asx-announcements/>

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

This Cleansing 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.

There may be additional announcements WBT makes during the period of the Cleansing Offer. Therefore, it is prudent that you check whether any further announcements have been made by WBT before submitting an application. Announcements made by WBT can be found at: <https://www.weebit-nano.com/asx-announcements/>

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Cleansing Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

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

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Cleansing Prospectus and the Closing Date:

- (i) the annual financial report most recently lodged by the Company with the ASIC;
- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Cleansing Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Cleansing Prospectus with the ASIC.

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

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 Cleansing Prospectus with the ASIC are set out in the table below.

<b>Date</b>	<b>Description of Announcement</b>
19/01/2022	Reminder of upcoming expiry date for WBTOA listed options
17/01/2022	Application for quotation of securities - WBT
17/01/2022	Application for quotation of securities - WBT
17/01/2022	Notice of General Meeting/Proxy Form
10/01/2022	Application for quotation of securities - WBT
10/01/2022	Notification regarding unquoted securities - WBT
04/01/2022	Application for quotation of securities - WBT
31/12/2021	Change of Director's Interest Notices
31/12/2021	Weebit Directors exercise all their listed options
29/12/2021	Application for quotation of securities - WBT
20/12/2021	Application for quotation of securities - WBT
20/12/2021	Letter to Listed Option Holders
20/12/2021	Change of Director's Interest Notice
14/12/2021	Notification regarding unquoted securities – WBT
14/12/2021	Notification regarding unquoted securities – WBT
13/12/2021	Application for quotation of securities – WBT
06/12/2021	Application for quotation of securities - WBT
06/12/2021	Application for quotation of securities - WBT



<b>Date</b>	<b>Description of Announcement</b>
03/12/2021	Weebit raises \$9.9M from oversubscribed Entitlement Offer
29/11/2021	Application for quotation of securities - WBT
22/11/2021	Application for quotation of securities – WBT
18/11/2021	Letter to ineligible shareholders – Entitlement Offer
18/11/2021	Entitlement Offer Prospectus and Placement Completion
18/11/2021	Letter to eligible shareholders – Entitlement Offer
18/11/2021	Replacement Prospectus
17/11/2021	Becoming a substantial holder
17/11/2021	Application for quotation of securities – WBT
17/11/2021	Results of 2021 Annual General Meeting
16/11/2021	Chair Address & CEO Presentation
16/11/2021	Application for quotation of securities – WBT
16/11/2021	Application for quotation of securities – WBT
15/11/2021	Application for quotation of securities - WBT
12/11/2021	Withdrawal of Resolution at 2021 Annual General Meeting
10/11/2021	Proposed issue of securities - WBT
10/11/2021	Letter to Option Holders - Entitlement Offer
10/11/2021	Prospectus - Entitlement Offer
10/11/2021	Weebit Nano Placement and Entitlement Offer
08/11/2021	Application for quotation of securities - WBT
08/11/2021	Trading Halt
08/11/2021	Pause in Trading
01/11/2021	Application for quotation of securities - WBT
29/10/2021	Weebit Nano Q1 FY22 Activities Report and Appendix 4C
25/10/2021	Application for quotation of securities - WBT
25/10/2021	Q1 FY22 business update and 'Meet the CEO' event
18/10/2021	Application for quotation of securities - WBT
15/10/2021	Notice of 2021 Annual General Meeting

<b>Date</b>	<b>Description of Announcement</b>
11/10/2021	Application for quotation of securities - WBT
04/10/2021	Application for quotation of securities - WBT
04/10/2021	Change of Director's Interest Notices
04/10/2021	Appendix 3G - Correction
01/10/2021	Weebit successfully rescales its ReRAM technology to 28mn
27/09/2021	Application for quotation of securities - WBT
20/09/2021	Application for quotation of securities - WBT
13/09/2021	Application for quotation of securities - WBT
09/09/2021	Reinstatement to Official Quotation
09/09/2021	Weebit signs first commercial deal with US-based SkyWater
06/09/2021	Application for quotation of securities - WBT
01/09/2021	Voluntary suspension
01/09/2021	Pause in trading
30/08/2021	Application for quotation of securities - WBT
27/08/2021	FY21 Results Release
27/08/2021	Appendix 4G

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website [www.weebit-nano.com](http://www.weebit-nano.com).

### **7.3 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 3 months immediately preceding the date of lodgement of this Cleansing Prospectus with ASIC and the last dates of those respective sales were:

	<b>Price</b>	<b>Date</b>
Highest	\$3.5778	2 November 2021
Lowest	\$2.5200	21 December 2021

	Price	Date
Last	\$3.2300	18 January 2022

#### 7.4 Interests of Directors

Under the terms of Mr Hanoch's employment contract with the Company, Mr Hanoch was entitled to receive a one-time bonus equal to 1.5% of the net proceeds from the November 2021 Placement and Entitlement Offer (equal to A\$516,329) which has not yet been paid by the Company.

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

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

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

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

#### **Security holdings**

The relevant interest of each of the Directors in the securities of the Company as at the date of this Cleansing Prospectus is set out in the table below:

Director	Shares	Options	Performance Rights
David (Dadi) Perlmutter	2,020,889	2,850,000	-
Ashley Mark Krongold	1,229,150	280,000	-
Jacob (Coby) Hanoch	636,243 <sup>1</sup>	4,580,000	210,000
Yoav Nissan-Cohen	0	1,090,000	80,000

Frederick (Fred) Bart	758,668	440,000	128,000
Atiq Raza	89,286	348,750	80,000

**Notes:**

1. As required by the Eligible Investors under the Placement, certain of WBT's non-Australian Directors intend to subscribe for approximately A\$300,000 worth of Shares (in aggregate) at A\$2.84 per Share, subject to shareholder approval.

**Remuneration**

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is determined 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.

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

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors:

Director	Remuneration for year ended 30 June 2020 (\$)	Remuneration for year ended 30 June 2021 (\$)	Proposed remuneration for current financial year <sup>1</sup> (\$)
David (Dadi) Perlmutter	328,357	578,964	561,042
Ashley Mark Krongold	54,782	125,679	131,187
Jacob (Coby) Hanoch <sup>2</sup>	1,110,310	1,680,522	1,847,256
Yoav Nissan-Cohen	274,096	385,216	376,282
Frederick (Fred) Bart	105,110	151,446	140,266
Atiq Raza	115,640	149,722	143,537
Yossi Keret	11,066		

**Notes:**

- Total expected remuneration includes share-based payment.
- As set out in the Entitlement Offer Prospectus dated 17 November 2021, under the terms of Mr Hanoch's employment contract with the Company, Mr Hanoch is entitled to receive a one-time bonus equal to 1.5% of the net proceeds from the Placement and the Entitlement Offer (equal to \$516,329).

## 7.5 Interests of experts and advisers

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

- (a) person named in this Cleansing Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Cleansing Prospectus; or
- (b) promoter of the Company;
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Cleansing Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Cleansing Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Cleansing Offer; or
- (f) the Cleansing Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Cleansing Offer.

## 7.6 Consents

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

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Cleansing 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 Cleansing Prospectus other than a reference to its name and a statement included in this Cleansing Prospectus with the consent of that party as specified in this Section.

King & Wood Mallesons has given its written consent to being named as the legal adviser to the Company in this Cleansing Prospectus. King & Wood Mallesons has not withdrawn its consent prior to the lodgement of this Cleansing Prospectus with the ASIC.

Market Eye has given its written consent to being named as the corporate adviser to the Company in this Cleansing Prospectus. Market Eye has not withdrawn its consent prior to the lodgement of this Cleansing Prospectus with the ASIC.

Computershare has given its written consent to being named as registry in this Cleansing Prospectus. Computershare has not withdrawn its consent prior to the lodgement of this Cleansing Prospectus with the ASIC.

Nexia Perth Audit Services Pty Ltd has given its written consent to being named as auditor. Nexia Perth Audit has not withdrawn its consent prior to the lodgement of this Cleansing Prospectus with the ASIC.

#### **7.7 Estimated expenses of the Cleansing Offer**

The total expenses of the Cleansing Offer are estimated to be approximately \$5,000 (excluding GST) comprising legal costs and other administrative expenses, including ASIC fees.

#### **7.8 Not financial product advice**

This Cleansing Prospectus is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction. This Cleansing Prospectus does not constitute investment or financial product advice or any recommendation to acquire WBT Shares and does not and will not form any part of any contract for the acquisition of Shares.

Each recipient of this Cleansing Prospectus should make their own enquiries and investigations regarding all information in this Cleansing Prospectus, including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of WBT and the impact that different future outcomes may have on WBT. This Cleansing Prospectus has been prepared without taking account of any person's investment objectives, financial situation or particular needs.

Before making an investment decision, Shareholders should consider the appropriateness of the information having regard to their own objectives, financial situation and needs, make their own assessment of the information and seek advice appropriate to their jurisdiction in relation to the information and any action taken on the basis of the information. Any reference to, or explanations of legislation, regulatory issues or any other legal commentary (if any) are indicative only, and do not summarise all relevant issues and are not intended to be a full explanation of a particular matter. WBT is not licensed to provide financial product advice in respect of WBT Shares.

#### **7.9 Financial forecasts**

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

#### **7.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship**

The Company will not be issuing share 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 certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that

sets out the number of Shares or Options issued to them under this Cleansing 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 CHESS 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.

#### **7.11 Governing law**

This Cleansing Prospectus and the Cleansing Offer and the contracts formed on acceptance of Applications made pursuant to the Cleansing Offer are governed by the law applicable in New South Wales, Australia. Each Shareholder who applies for Shares in the Company submits to the non-exclusive jurisdiction of the courts of that jurisdiction.

#### **7.12 Information availability**

Shareholders in Australia can obtain a copy of this Cleansing Prospectus during the period of the Cleansing Offer by calling the Company's corporate and investor relations advisor Market Eye on 03 9591 8901 (in Australia) or +61 3 9591 8901 (outside Australia) at any time from 9.00 am to 5.00pm (AEDT) Monday to Friday during the period of the Cleansing Offer.

Persons who access the electronic version of this Cleansing Prospectus should ensure that they download and read the entire Cleansing Prospectus.

Neither this Cleansing Prospectus nor the accompanying Application Form may be distributed to or relied upon by, persons in the United States or persons that are acting for the account or benefit of a person in the United States (to the extent such person holds WBT Shares and is acting for the account or benefit of a person in the United States), or otherwise distributed in the United States.

#### **7.13 Disclaimer of representations**

No person is authorised to give any information, or to make any representation, in connection with the Cleansing Offer that is not contained in this Cleansing Prospectus.

Any information or representation that is not in this Cleansing Prospectus may not be relied on as having been authorised by WBT, or its related bodies corporate, in connection with the Cleansing Offer. Except as required by law, and only to the extent so required, none of WBT, its directors, officers or employees or any other person, warrants or guarantees the future performance of WBT or any return on any investment made pursuant to this Cleansing Prospectus.

#### **7.14 Withdrawal of the Cleansing Offer**

WBT reserves the right to withdraw all or part of the Cleansing Offer and the information in this Cleansing Prospectus at any time, subject to applicable laws, in which case WBT will refund Application Monies in relation to Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to WBT will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to WBT.

#### **7.15 Privacy Act**

As a Shareholder, WBT and the Share Registry have already collected certain personal information from you. If you apply for Shares, WBT and the Share Registry may update that personal information or collect additional personal information for the purposes of:

- (a) processing your application and assessing your acceptance of the Shares;

- (b) servicing your needs as a Shareholder and providing facilities and services that you request; and
- (c) carrying out appropriate administration.

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

WBT and the Share Registry may disclose this information for these purposes to its subsidiaries and relevant organisations involved in providing, managing or administering your product or service such as third party suppliers, other organisations, printers, posting services, call centres, and our advisors. WBT and the Share Registry may need to share some of your information with organisations outside Australia.

Where personal information is disclosed, WBT will seek to ensure that the information is held, used or disclosed consistently with the *Privacy Act 1988* (Cth) and any other applicable privacy laws and codes.

You can ask us to access information that we hold about you or to correct information we hold about you by writing to WBT through the Share Registry or see the Share Registry Privacy Policy at <https://www.computershare.com/au/privacy-policies>.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

---

## 8 DIRECTORS' AUTHORISATION

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Cleansing Prospectus with the ASIC.



**Mr Coby Hanoch**  
**CEO and Managing Director**  
**For and on behalf of**  
**WEEBIT NANO LTD**



**\$ or A\$** means the lawful currency of the Commonwealth of Australia.

**ABN** means Australian business number.

**AEDT** means Australian Eastern Daylight Time.

**Application** means an application made to subscribe for Shares offered under this Cleansing Prospectus.

**Application Form** means the application form either attached to or accompanying this Cleansing Prospectus.

**Application Monies** means the aggregate amount payable for the Shares applied for in a duly completed Application Form.

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

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

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

**ASX Settlement Operating Rules** means the settlement rules of the securities clearing house which operates CHESS.

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

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

**Cleansing Prospectus** means this prospectus.

**Closing Date** means 5.00pm (Sydney time) on 20 January 2022 or such other date determined by WBT.

**Company** or **WBT** means Weebit Nano Ltd (ACN 146 455 576).

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

**Corporate Adviser** means Market Eye Pty Ltd (Australian Financial Services Licence No 517703).

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

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

**Eligible Investors** means a "professional investor" (within the meaning of sections 708(8) and 708(11) of the Corporations Act or section 15A(b)(1) of the Israeli Securities Law).

**Entitlement Offer** means entitlement offer announced by the Company on 10 November 2021.

**Official Quotation** means official quotation on ASX.

**Opening Date** means 19 January 2022.

**Placement** means placement announced by the Company on 10 November 2021.

**Register** means the register of WBT Shareholders maintained by the Share Registry.

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

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

**Share Registry** means Computershare Investor Services Pty Limited (ABN 48 078 279 277).

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

**Shortfall Shares Restricted** means 563,160 Shares issued at \$2.84 per share to Eligible Investors under the Entitlement Offer.

**United States** has the meaning given to this term in Rule 902(l) under the U.S. Securities Act.

**U.S. Person** has the meaning given to it in Rule 902(k) under the U.S. Securities Act.

**U.S. Securities Act** means the U.S. Securities Act of 1933, as amended.