

## Intention to raise capital.

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Universal Biosensors, Inc (ASX: UBI) ("UBI") advises that it intends to raise approximately \$12.5m of capital. The structure of the capital raise is designed to give existing shareholders the opportunity to support the company's growth ambitions and participate in UBI's future at an attractive price. The structure proposed is to be comprised of:

- an underwritten pro rata non-renounceable entitlement offer of new CHESS Depository Interests over fully paid shares of common stock of UBI ("New CDIs") to raise approximately A\$10 million at a proposed ratio (assuming completion of the Placement) of 1 New CDI for every 2.55 existing CDIs held as at the record date ("Entitlement Offer"); and
- a non-underwritten placement of New CDIs to institutional and sophisticated investors to raise up to A\$2.5 million ("Placement").
- the proposed terms of the capital raising are yet to be finalised, however, it is anticipated that the New CDIs will be issued at a price of A\$0.15 per New CDI (with the ability to accept oversubscriptions);
- in addition, participants in the Placement and Entitlement Offer shall receive one attaching Option for every New CDI issued, at an exercise price of A\$0.20. The Options will vest upon issue, expire 3 years from the date of issue, be exercisable in multiple tranches and each entitle the option holder to 1 CDI upon exercise (subject to any adjustments for reconstructions or bonus issues in accordance with the Listing Rules); and
- UBI also intends to apply for quotation of these Options on the ASX following the completion of the Entitlement Offer. Details of any potential quotation will be advised in a following announcement.

UBI has received a binding commitment from existing shareholder Viburnum Funds Pty Ltd ("Viburnum") to fully underwrite the Entitlement Offer. Viburnum is an associate of Mr. Craig Coleman (the Non-Executive Director of UBI who is also the Executive Chairman of Viburnum and a substantial shareholder in Viburnum). The underwriting commitment term sheet provides that Viburnum shall have the right to require the Entitlement Offer to be repriced in the event that the trading price of UBI CDI's falls below A\$0.10 per existing CDI for any three

consecutive days prior to the securityholder meeting (see below). In the event the parties are unable to agree the repriced amount, Viburnum shall be entitled to terminate the underwriting agreement.

Subject to receipt of securityholder approval for the purposes of ASX Listing Rule 10.11, proposed to be sought at an extraordinary general meeting, Viburnum will receive 13,849,567 options, as its underwriting fee ("Underwriter Options"), equal in value to 5.0% of the underwritten amount of A\$10 million. The Underwriter Options will be issued on the same terms as the Options issued to investors under the Entitlement Offer. If the Underwriter Options are not issued, including where securityholder approval is not obtained for the issue of Underwriter Options, UBI shall pay Viburnum an underwriting fee equal to 6% of the underwritten amount in cash, at the time of issue of CDIs under the Entitlement Offer.

UBI will be required to seek stockholder approval to amend its certificate of incorporation to increase the number of authorized shares of common stock available for issuance at a special meeting of stockholders. The consummation of the Entitlement Offer will be conditioned on such approval.

An Appendix 3B regarding the proposed capital raising will be separately lodged with ASX today.

Final details of the capital raising (once finalised), together with an updated indicative timetable will be advised in a further announcement.

**End**

***Announcement authorised by the Board of Directors of Universal Biosensors, Inc.***

For further information contact:

John Sharman  
Chief Executive Officer

Salesh Balak  
Company Secretary

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## **Forward Looking Statements and Risks**

This announcement contains certain forward-looking or hypothetical statements. The statements contained in this presentation that are not purely historical are forward-looking statements within the meaning of the U.S. Securities Exchange Act of 1934, as amended. Forward-looking statements in this presentation include statements regarding our expectations, beliefs, hopes, intentions or strategies. You can identify these forward-looking statements by the fact that they use words such as “anticipate”, “estimate”, “expect”, “project”, “should”, “can”, “could”, “propose”, “potential”, “outlook”, “future”, “illustration”, “predict”, “will”, “would”, “intend”, “plan”, “believe”, “target”, “may”, “assume” and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. All forward-looking statements included in this presentation are based upon information available to us as of the date hereof, and are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors are beyond the control of the Company, its directors and management. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of the Company, its representatives or advisers, and we assume no obligation to update any such forward-looking statement as a result of new information, future events or otherwise. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this Presentation. Our actual results could differ materially from our current expectations. All forward-looking statements are qualified in their entirety by the cautionary statements that UBI makes from time to time in its filings with the United States Securities and Exchange Commission and public communications. The Company is subject to a number of risks which may result in our actual results differing materially from our current expectations. These risks may be out of the control of, and unknown to, UBI and its officers, employees, advisors or agents. For a summary of key risks, refer to the Appendix B of the Investor Presentation released to ASX today, and the Company’s most recent Form 10-K filed with the United States Securities and Exchange Commission and the Australian Securities Exchange.

## **About Universal Biosensors**

Universal Biosensors, founded in 2001, specialises in the design and development of electrochemical cells (strips) used in conjunction with point of use devices that are used in various industries such as healthcare (point of care), wine, food, and agriculture. UBI’s ambition is to build a multi product stable of biosensors in large markets which generate ongoing revenue streams. For additional information regarding Universal Biosensors, Inc., refer to: <http://www.universalbiosensors.com>.