

Zimi Limited

ACN 113 326 524

PROSPECTUS

Options Offer

For the offer to Placement Participants to subscribe for 128,333,33 New Options exercisable at \$0.03 and expiring on 31 October 2023, at an issue price of nil (**Options Offer**).

Lead Manager Offer

For the offer to PAC Partners Securities Pty Ltd (or its nominees) to subscribe for 41,666,667 New Options exercisable at \$0.03 and expiring on 31 October 2023, at an issue price of nil, pursuant to the terms of the Lead Manager Engagement (**Lead Manager Offer**).

Share Offer

For the offer of 100,000 New Shares (ASX Code: ZMM) at an issue price of \$0.015 each to raise up to \$1,500 before costs (**Share Offer**).

The Share Offer opens on 27 August 2021 and closes at 5.00pm (WST) on Friday 8 October 2021.

Purpose of Prospectus

This Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act to remove any secondary trading restrictions that would otherwise apply to Shares and Options issued by the Company prior to the Closing Date.

IMPORTANT NOTICE

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. This is an important document that should be read in its entirety. Please read the instructions in this document and on the accompanying Application Forms regarding acceptance of each Offer. If you do not understand this document, you should consult your professional adviser. The Securities offered by this Prospectus should be considered as a speculative investment.

Important Information

General

This Prospectus is dated 27 August 2021 and was lodged with ASIC on that date. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is a transaction-specific prospectus for an offer of 'continuously quoted securities' (as defined in the Corporations Act). It 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 or 'full-form' prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a 'disclosing entity' for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers.

No securities will be issued on the basis of this Prospectus later than 13 months after the Prospectus Date.

Electronic prospectus

This Prospectus may be viewed in electronic form at <https://corporate.zimi.life/investors/investor-centre/> by Australian and New Zealand investors only. The electronic version of this Prospectus is provided for information purposes only. A paper copy of the Prospectus may be obtained free of charge on request during an Offer Period by contacting the Company. The information on the Company's website does not form part of this Prospectus.

Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors are set out in Section 4 of this Prospectus. These risks, together with other general risks applicable to all investments in quoted securities not specifically referred to, may affect the value of the Company's Securities in the future. An investment in the Company should be considered speculative. Investors should consider these risk factors in light of their personal circumstances and should consider consulting their professional advisers before deciding whether to apply for New Securities pursuant to this Prospectus.

Overseas Applicants

This Prospectus is not, and is not intended to constitute, an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation, or issue.

By applying for New Securities, including by submitting an Application Form or making a payment using BPAY®, an Applicant represents and warrants that there has been no breach of such laws.

The distribution of this Prospectus and accompanying Application Forms (including electronic copies) outside Australia and New Zealand may be restricted by law and persons who come into possession of these documents should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Company disclaims all liability to such persons.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including the

ASX website at www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers. 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. 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 in the Company or subscribe for New Securities.

The Company has not authorised any person to give any information or make any representation in connection with an Offer which is not contained in this Prospectus. Any such extraneous information or representation may not be relied upon as having been authorised by the Company in connection with this Prospectus.

Forward-looking statements

This Prospectus contains forward-looking statements that have been based on current expectations about future acts, events, and circumstances, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These forward-looking statements are subject to risks, uncertainties, and assumptions that could cause those acts, events, and circumstances to differ materially from the expectations described in such forward-looking statements.

Accordingly, the Company cannot and does not give any assurance that the results, performance, or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Further, except during an Offer Period and otherwise as required by law, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

Applications

Applications for New Securities offered by this Prospectus can only be made on an original Application Form accompanying this Prospectus. Please read the instructions in this Prospectus and on the accompanying Application Forms regarding the acceptance of an Offer.

By returning an Application Form, lodging an Application Form with a stockbroker or otherwise arranging for payment of New Securities in accordance with the instructions on the Application Form, an Applicant acknowledges that they have received and read this Prospectus, acted in accordance with the terms of the Offers to which the Application Form relates, and agrees to all of the terms and conditions as detailed in this Prospectus.

Meaning of terms

Capitalised terms and certain other terms used in this Prospectus are defined in the Glossary in Section 9.

References to "\$", "A\$", "AUD", or "dollar" are references to Australian currency, unless otherwise stated.

References to time relate to the time in Perth, Western Australia, unless otherwise stated.

Key Information

Indicative Timetable

Event	Date
Lodgement of Prospectus with ASIC and ASX.	Friday, 27 August 2021
Opening Date	Friday, 27 August 2021
General Meeting to approve issue of New Options and Tranche 2 Placement Securities	Wednesday, 6 October 2021
Closing Date	Friday, 8 October 2021
Issue of New Options and Tranche 2 Placement Securities	Friday, 8 October 2021

The above events, dates and times are indicative only and may be subject to change. The Company reserves the right to amend any of these events, dates and times without notice, subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the Closing Date and to accept late applications. The commencement of trading of New Shares on ASX is subject to confirmation by ASX.

Key Details of Offers

Key Details of Options Offer	
Offer Price	Nil
Number of New Options to be issued	128,333,333
Funds to be raised (before costs)	Nil
Key Details of Lead Manager Offer	
Offer Price	Nil
Number of New Options to be issued	41,666,667
Funds to be raised (before costs)	Nil
Key Details of Share Offer	
Offer Price	\$0.015 per New Share
Maximum number of New Shares to be issued	100,000
Maximum funds to be raised (before costs)	\$1,500
Minimum subscription	There is no minimum subscription to the Share Offer

Corporate Directory

Directors

Simon Gerard
Chairman

Brett Savill
Chief Executive Officer

Peter Rossdeutscher
Non-Executive Director

Jordan Tentori
Chief Technology Officer

Company Secretaries

Melissa Chapman

Catherine Grant-Edwards

Registered Office

Zimi Limited
Level 4, 216 St Georges Terrace
PERTH WA 6000

T: +61 8 6254 0200

F: +61 8 9268 2699

Web: www.zimi.life

ASX Code

ZMM

Solicitors to the Company

Blackwall Legal LLP
Level 26, 140 St Georges Terrace
Perth, Western Australia 6000

Share Registry*

Automic Group
Level 2, 267 St Georges Terrace, Perth WA
6000

Auditor*

HLB Mann Judd
Level 4, 130 Stirling Street
PERTH WA 6000

*Included for information purposes only. This entity has not been involved in the preparation of this Prospectus.

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1. Investment Overview

1.1 Capital Raising

On 20 August 2021, the Company announced that it had successfully arranged a \$3.85 million (before costs) capital raising by private placement of 256,666,666 ordinary shares in the Company (**Placement Shares**), at an issue price of \$0.015 per Placement Share, and 128,333,333 Options exercisable at \$0.03 each expiring 31 October 2023 (**New Options**), on the basis of one placement Option free-attaching for every two Placement Shares issued.

The Placement has been and will be conducted in two tranches as follows:

- (a) **Tranche 1 Placement:** the placement and issue of:
 - (i) 150,796,384 Shares issued on 26 August 2021 to various professional and sophisticated investors in Australia, as arranged by PAC Partners as Lead Manager to the Placement (none of whom are Related Parties of the Company) (**Tranche 1 Placement Participants**), being at an issue price of \$0.015 each, raising approximately \$2.26 million (before costs); and
 - (ii) 75,398,192 New Options to Tranche 1 Placement Participants, to be issued after the General Meeting and subject to Shareholder approval of the issue of the Options (**Tranche 1 New Options**);
- (b) **Tranche 2 Placement:** a proposed issue of a total of 105,870,269 Shares at an issue price of \$0.015 each and 52,935,141 New Options, comprising:
 - (i) 39,870,282 Placement Shares and 19,935,141 New Options to Tranche 2 Placement Participants who are not-Related Parties of the Company, raising approximately \$0.6 million (before costs);
 - (ii) a total of 42,666,668 Placement Shares and 21,333,334 New Options to Related Parties of the Company, being Peter Rossdeutscher, Brett Savill, Redorblack Pty Ltd ATF the Tentori Super Fund (associate of Jordan Tentori) and Madurta Pty Ltd (associate of Simon Gerard) or their nominees, at an issue price of \$0.015 per Placement Share payable in cash, raising approximately \$0.64 million (before costs), subject to Shareholder approval, and
 - (iii) 23,333,334 Placement Shares and 11,666,667 New Options to Gerard Private (associate of Simon Gerard) or its nominee, at an issue price of \$0.015 per Placement Share, in satisfaction of \$350,000 payable by the Company for services provided to the Company, subject to Shareholder approval.

The Tranche 1 Placement Shares were issued by the Company using its issuing capacities under Listing Rules 7.1 and 7.1A.

The issue of 75,398,192 New Options to Tranche 1 Placement Participants who are not Related Parties is subject to Shareholder approval.

The issue of Tranche 2 Placement Securities (Shares and Options) to Placement Participants who are not Related Parties is subject to Shareholder approval.

The issue of Tranche 2 Placement Securities (Shares and Options) to each Related Party of the Company is subject to Shareholder approval of each relevant issue to that Related Party.

The Company engaged PAC Partners as Lead Manager to arrange and manage the Placement and the fees payable to PAC Partners include the issue of 41,666,667 New Options to PAC Partners or its nominees, subject to Shareholder approval of the issue of those New Options.

1.2 Offers

Under this Prospectus, the Company makes the following offers (**Offers**):

- an offer to the Placement Participants to subscribe for a total of 128,333,333 New Options at an issue price of nil, pursuant to the terms of the Options Offer (**Options Offer**);
- an offer to PAC Partners Securities Pty Ltd (or its nominees) to subscribe for 41,666,667 New Options at an issue price of nil, pursuant to the terms of the Lead Manager Engagement (**Lead Manager Offer**); and
- an offer to Applicants as determined by the Directors to subscribe for a total of 100,000 New Shares at an Offer Price of \$0.015 each, to raise up to \$1,500 (before costs) (**Share Offer**).

Th Offers are not open to the general public.

1.3 Purpose of the Offers and cleansing of New Securities

The Company is obliged to ensure that the Securities issued by the Company which are to be quoted on ASX are not subject to the secondary sale restrictions in the Corporations Act.

The Company is unable to issue a cleansing notice under section 708A(5) of the Corporations Act as its Shares and Quoted Options have been suspended from trading on ASX for more than ten trading days in the last 12 months.

This Prospectus has been prepared for the purposes of section 708A(11) of the Corporations Act to remove any secondary trading restrictions applicable to quoted Securities issued on or after the Prospectus Date

Accordingly, the primary purpose of this Prospectus is to facilitate secondary trading of:

- the 150,796,384 Placement Shares issued to the Tranche 1 Placement Participants on 26 August 2021;
- the 105,870,283 Placement Shares proposed to be issued to the Tranche 2 Placement Participants after the General Meeting, subject to Shareholder approval of the issue of these Shares;
- the 128,333, 334 New Options that are proposed to be issued by the Company under the Options Offer to Placement Participants after the General Meeting, subject to Shareholder approval of the issue of these Options, and any Shares that may be issued on the exercise of those New Options;
- the 41,666,667 New Options that are proposed to be issued by the Company under the Lead Manager Offer after the General Meeting, subject to Shareholder approval of the issue of these Options, and any Shares that may be issued on the exercise of those New Options; and
- any New Securities that may be issued to sophisticated and professional investors under the Company's 15% placement capacity or its additional 10% placement capacity made before the Closing Date, being 5.00pm on 8 October 2021; as at the Prospectus Date the Company has not arranged any issue of additional New Securities.

1.4 General Meeting

The Company proposes to convene a general meeting of its Shareholders anticipated to be held on or about 6 October 2021 (**General Meeting**) at which Shareholder approval will be sought to:

- (a) ratify the issue of 150,796,384 Tranche 1 Placement Shares;
- (b) issue 75,398,192 New Options to Tranche 1 Placement Participants attaching to the 150,796,384 shares issued to the Tranche 1 Placement participants;
- (c) issue 45,870,268 New Shares and 22,935,134 New Options to Placement Participants who are not Related Parties of the Company;
- (d) issue 1,666,667 New Shares and 833,333 New Options to a Director, Peter Rossdeutsch (or his nominee) – for cash consideration \$25,000;
- (e) issue 1,666,667 New Shares and 833,333 New Options to a Director, Brett Savill (or his nominee) – for cash consideration \$25,000;
- (f) issue 20,000,000 New Shares and 10,000,000 New Options to a Related Party, Redorblack Pty Ltd ATF the Tentori Super Fund (a company controlled by a Director, Jordan Tentori) – for cash consideration \$300,000;
- (g) issue 13,333,334 New Shares and 6,666,667 New Options to a Related Party, Madurta Pty Ltd (a company controlled by a Director, Simon Gerard) – for cash consideration of \$200,000;
- (h) issue 23,333,334 New Shares and 11,666,667 New Options to a Related Party, Gerard Private Holdings (Finance) Pty Ltd (a company controlled by a Director, Simon Gerard) - for services to the value of \$350,000; and
- (i) issue 41,666,667 New Options to PAC Partners as a fee payable under the Lead Manager Engagement.

The Company will release the Notice of Meeting to ASX and the Notice of Meeting will be available on the Company's website (<https://corporate.zimi.life/investors/asx-announcements/>) and on ASX's website (www.asx.com.au using ASX code "ZMM").

1.5 The Board

The Company is managed by the Board of Directors. The Board currently comprises five Directors, including two Executive Directors and three Non-Executive Directors.

(a) **Simon Gerard – Chairman – appointed 11 December 2020**

In 2006, Simon Gerard returned to the family business of Gerard Corporation to form the Gerard Lighting Group.

After successfully positioning the lighting portfolio into a trusted global enterprise, listed on the ASX, in 2014, Simon retired from the Gerard Lighting Group to focus his attention back to the family business of Gerard Private.

In 2015, GSM Electrical, home of the TRADER Brand, was born.

Prior to 2006, Simon held the position of Executive General Manager, Clipsal Australia,

Australia's number one manufacturer of electrical accessories and automation products.

He attended Prince Alfred College and holds a Bachelor of Management from the University of South Australia.

(b) **Brett Savill – Chief Executive Officer and Executive Director – appointed 1 October 2018**

Brett Savill (BA (Hons) 2i, MBA, FAICD) has a track record in business development, growth, and acquisition strategy. Brett has held senior operational roles in Australia as well as being a former PricewaterhouseCoopers Partner in the UK, focused on technology, media, and telecoms. He brings twenty-five years' experience across strategy, innovation, regulation, business development, start-up growth, and innovation to the Company. Brett has worked, or advised, on more than 30 M&A transactions and is an experienced Non-Executive Director.

Brett does not have any directorships on any other listed companies, nor has he held such positions in the past 3 years.

(c) **Peter Rossdeutscher – Non-Executive Director – appointed 9 October 2018**

Peter Rossdeutscher (FAICD, MBA, BSc) is a Director with extensive leadership and strategic advisory experience. A fellow of the Australian Institute of Company Directors since 2008, Peter has been a Non-Executive Director and Chair of various boards. He is a regular key speaker on innovation, digital transformation, and the core drivers to grow and protect stakeholder value.

A former enterprise Managing Director leading multinational countries delivering annual incomes of more than \$500 million, Peter has considerable depth in strategic planning, value creation, and increasing brand and client experiences.

Peter's companies have provided agile innovation strategy advisory and initiatives to organisations such as Bankwest, CBH Group, METS Ignited, UWA, IBM, Murdoch University, CISCO, Woodside, Donhad Engineering, FESA, Curtin University, and the Chamber of Commerce and Industry.

Peter does not have any directorships on any other listed companies, nor has he held such positions in the past 3 years.

(d) **Jordan Tentori – Chief Technology Officer and Executive Director – appointed 11 December 2020**

Mr Tentori is an experienced Chief Technology Officer with a demonstrated history of working in the electrical and lighting industry to evolve technologies into commercial realities. Jordan's career started in the professional lighting industry where he pioneered the introduction of LED technology which over the decades has evolved to different industries at the forefront of technology.

Jordan does not have any directorships on any other listed companies, nor has he held such positions in the past 3 years.

1.6 Key risks

In addition to risks specific to the Company as described in detail in Section 4, the risks set out below have been identified as being key risks specific to an investment in the Company. These risks may adversely affect the Company's financial position, prospects and price of its securities.

Risk	Description
Capital and funding requirements	Given its focus on growing its market share, the Company has negative operating cashflow and, at present, it has minimal revenue. No assurance can be given that the Company will achieve commercial viability through its existing technology or otherwise. Until the Company is able to realise the full value from its technology, it is likely to incur ongoing operating losses.

Risk	Description
Development and commercialisation of the Company's technology	The success of the Company will depend upon the Company's ability to further develop and commercialise its technology and intellectual property. A failure to successfully develop and commercialise the technology could lead to a loss of opportunities and adversely impact on the Company's operating results and financial position.
Sales risk	In order to commercialise the technology, the Company will need to develop a successful sales model for delivery of the technology to customers. The reseller model provides significant advantages to a smaller business by increasing its reach to the customer. However, risk lies in the ability or motivation of the reseller achieving agreed sales volumes not being under the direct control of the Company.
Staffing and reliance on key management	The Company relies on the experience and knowledge of key members of its staff. In the event that key personnel leave and the Company is unable to recruit suitable replacements, such loss could have a materially adverse effect on the Company.
Relationships with suppliers	The Company relies on suppliers that are mainly located in Asia and charge in US dollars. The COVID pandemic has made supply chain management more difficult, there is a shortage of certain components and currencies more volatile. A material adverse change in these suppliers, the exchange rate and/or in the supply chain could have a negative impact on the Company's operations.
Competition risk	There is significant competition in the Internet of Things industry generally, with companies offering a variety of competitive products and services. Competition in the Internet of Things industry is expected to intensify in the future as new and existing competitors introduce new or enhanced products that are potentially more competitive than the Company's products. The Internet of Things industry has a multitude of participants, including many large, broad-based consumer electronic companies that compete in the market.

2. Details of the Offers

2.1 Options Offer

The Options Offer made under this Prospectus invites Placement Participants to subscribe for 128,333,333 New Options at an issue price of nil, under the Placement.

By offering the New Options under the Options Offer, the New Options will be issued with disclosure under Chapter 6D of the Corporations Act. Accordingly, the New Options (and any Shares issued on their exercise) will not be subject to secondary trading restrictions.

The full terms and conditions of the New Options offered under the Options Offer are set out in Section 5.2.

The Options Offer and the issue of 128,333,333 New Options to the Placement Participants is subject to and conditional upon approval of Shareholders at the General Meeting.

The Options Offer is not made to any person other than the Placement Participants and their nominees.

2.2 Lead Manager Offer

The Lead Manager Offer made under this Prospectus invites PAC Partners Securities Pty Ltd (**PAC Partners**) (or its nominees) to subscribe for 41,666,667 New Options at an issue price of nil, pursuant to the terms of the Lead Manager Engagement.

The primary purpose of the Lead Manager Offer is for the Company to fulfil its obligation under the Lead Manager Engagement to issue the 41,666,667 New Options to PAC Partners (or its nominees).

By offering the New Options under the Lead Manager Offer, the New Options will be issued with disclosure under Chapter 6D of the Corporations Act. Accordingly, the New Options (and any Shares issued on their exercise) will not be subject to secondary trading restrictions.

The full terms and conditions of the New Options offered under the Lead Manager Offer are set out in Section 5.2.

The Lead Manager Offer and the issue of 41,666,667 New Options to the Lead Manager is subject to and conditional upon the approval of Shareholders at the General Meeting.

The Lead Manager Offer is not made to any person other than the Lead Manager and its nominees.

2.3 Share Offer

Under this Prospectus, the Company invites investors identified by the Directors to apply for up to 100,000 New Shares at an Offer Price of \$0.015 per New Share to raise up to \$1,500 (before expenses).

The Share Offer will only be extended to specific investors on invitation from the Company. Application Forms will only be provided by the Company to these parties.

All of the New Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus.

2.4 Purpose of Share Offer

The Company is seeking to raise only a nominal amount of \$1,500 under this Prospectus and, accordingly, the purpose of this Prospectus is not to raise capital.

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Securities issued by the Company before the Closing Date.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (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 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.

2.5 Applications for New Shares under Share Offer

(a) Application Form

Applications for New Shares under the Share Offer may be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for the New Shares must be made in full at the issue price of \$0.015 per Share.

An original, completed, and lodged Application Form constitutes a binding and irrevocable offer to subscribe for the number of New Shares specified in that Application Form. The Application Form does not need to be signed to be valid.

If an Application Form is not completed correctly, it may be treated by the Company as valid at its discretion. The Directors' decision as to whether to treat such an Application Form as valid and how to construe, amend, or complete a form is final.

(b) Payment by cheque or money order

Unless an Applicant pays using BPAY® as outlined below, an Application Form must be accompanied by a personal cheque or money order, payable in Australian dollars, for an amount equal to the number of New Shares for which the Applicant wishes to apply, multiplied by the Offer Price (i.e. \$0.015) of those New Shares.

Cheques or money orders must be made payable to "Zimi Limited" and should be marked "Not Negotiable".

Completed Application Forms and accompanying cheques or money orders must be received by the Company before **5.00pm (WST) on the Closing Date** at the following address:

By hand	By post
Zimi Limited c/- Automic Group Level 2, 267 St Georges Tce Perth, Western Australia 6000	Zimi Limited c/- Automic Group GPO Box 5193 Sydney NSW 2001

(c) **Payment using BPAY®**

Applicants who wish to submit an Application and make payment using BPAY® should follow the instructions on the Application Form which includes the 'Biller Code' and the Applicant's individual 'Customer Reference Number'.

Applicants can only make payment using BPAY® if they have an account with an Australian financial institution that supports such transactions.

Applicants must ensure to use the specific 'Biller Code' and 'Customer Reference Number' on their individual Application Form. An Application may not be accepted if these details are incorrect. The 'Customer Reference Number' is used to identify each Applicant's holding.

Payments must be made in Australian dollars for an amount equal to the number of New Shares for which the Applicant wishes to apply, multiplied by the Offer Price (\$0.015).

If an Applicant makes a payment using BPAY®, an Application Form does not need to be submitted to the Company. However, by paying Application Moneys by BPAY®, the Applicant will be taken to have made the declarations on the Application Form.

BPAY® payments of Application Moneys must be received before 5.00pm (WST) on the Closing Date.

Applicants should take into account when making an Application that their individual financial institutions may implement earlier cut-off times for BPAY® payments. It is an Applicant's responsibility to ensure that the Application Moneys are received by the Company before the Closing Date.

2.6 **Timetable for Share Offer**

The Share Offer will open for receipt of Applications on 27 August 2021 and will close at 5.00pm (WST) on Friday 8 October 2021.

The Directors reserve the right to extend the Offer Period or close the Share Offer prior to the stated Closing Date, subject to the requirements of the Corporations Act and the Listing Rules.

2.7 **Issue of New Shares under Share Offer**

If issued, the New Shares offered under the Share Offer are expected to be issued on or before Friday 8 October 2021, and in any event as soon as practicable following the Closing Date for the Share Offer.

Holding Statements with respect to the Securities offered under the Share Offer are expected to be issued within 3 Business Days of the issue of New Securities. The sale by an Applicant of any Securities prior to the receipt of a Holding Statement is at the Applicant's own risk.

2.8 **ASX quotation**

The Company will apply for Official Quotation on ASX of the New Shares issued pursuant to this Prospectus within 7 days of the date of this Prospectus.

If ASX does not grant Official Quotation of the New 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 any New Shares under the Share Offer and will repay all application monies for the New Shares within the time prescribed under the Corporations Act, without interest.

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

The Company will not apply for Official Quotation on ASX of the New Options issued pursuant to this Prospectus.

2.9 Minimum subscription

The Offers are not subject to any minimum subscription condition or requirement.

2.10 Underwriting

The Offers are not underwritten.

2.11 Withdrawal

The Directors may decide to withdraw this Prospectus or the Offers at any time before issue of any New Securities.

2.12 Application Moneys to be held on trust

Application Moneys for New Shares under the Share Offer will be held by the Company on trust in accordance with the requirements of the Corporations Act until the New Shares to which the Application Moneys relates are issued under the Share Offer, or a refund of Application Moneys occurs in the circumstances described in this Prospectus.

The Company will retain any interest earned on Application Moneys, including in the event of any refund of Application Moneys.

2.13 Applicants outside of Australia

This Prospectus does not constitute the offer of Securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the offer.

It is the responsibility of any Applicant who is resident outside Australia to ensure compliance with all laws of any country relevant to their Application, and any such Applicant should consult their professional adviser as to whether any government or other consents are required, or whether any formalities need to be observed to enable them to apply for and be issued New Securities. Return of a duly completed Application Form will constitute a representation and warranty by an Applicant that there has not been any breach of such regulations.

The Company has not taken any action to register or qualify the New Securities or the Offers, or otherwise to permit a public offering of Securities, in any jurisdiction outside Australia.

Prospective investors located outside Australia are advised that the information contained within this Prospectus has not been prepared with regard to matters that may be of particular concern to them. Accordingly, prospective investors located outside Australia should consult with their own legal, financial and tax advisors concerning the information contained within the Prospectus and as to the suitability of an investment in the Shares in their particular circumstances.

2.14 CHES and issuer sponsorship

The Company participates in the Clearing House Electronic Sub-Register System (**CHES**), operated by ASX Settlement (a wholly owned subsidiary of ASX), in accordance with the Listing

Rules and ASX Settlement Rules. The Company operates an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of its Securities.

Under CHESS, the Company does not issue certificates to the holders of Securities. Instead, the Company provides holders with a Holding Statement (similar to a bank account statement) that sets out the number of Securities allotted and issued to them.

This Holding Statement also advises investors of either their Holder Identification Number (**HIN**) in the case of a holding on the CHESS sub-register or Security Holder Reference Number (**SRN**) in the case of a holding on the issuer sponsored sub-register.

A statement is routinely sent to holders at the end of any calendar month during which their holding changes. A holder may request a statement at any other time; however, a charge may be incurred for additional statements.

2.15 **Taxation implications**

The Directors do not consider that it is appropriate to give potential Applicants advice regarding the taxation consequences of applying for New Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions for potential Applicants.

Neither the Company nor any of its advisers or officers accept any responsibility or liability for any taxation consequences to potential Applicants in relation to the Offers. Potential Applicants should, therefore, consult their own tax adviser in connection with the taxation implications of the Offers.

2.16 **Privacy disclosure**

The Company collects information about each Applicant from the Application Forms for the purpose of processing the Application and, if the Applicant is successful, for the purposes of administering the Applicant's Security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information in the Application Form for the purposes set out in this privacy disclosure statement.

The Company and the Securities Registry may disclose an Applicant's personal information for purposes related to the Applicant's investment to their agents and service providers including those listed below or as otherwise authorised under the *Privacy Act 1988* (Cth) (**Privacy Act**):

- (a) the Securities Registry for ongoing administration of the Company's register;
- (b) the Company's related bodies corporate (as that term is defined in the Corporations Act), agents, contractors and third-party service providers, as well as to ASX, ASIC, and other regulatory authorities (including the Australian Taxation Office); and
- (c) the printers and the mailing house for the purposes of preparing and distributing Holding Statements and for the handling of mail.

If an Applicant becomes a Security holder of the Company, the Corporations Act requires the Company to include information about the Security holder's (name, address and details of the Securities held) in its public register. This information must remain in the Company's register even if that person ceases to be a Security holder of the Company. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports, and other information that the Company may wish to communicate to its Security holders) and compliance by the Company with legal and regulatory requirements.

If an Applicant does not provide the information required on the Application Form, the Company may not be able to accept or process their Application.

Under the Privacy Act, a person may request access to their personal information held by (or on behalf of) the Company or the Securities Registry. An Applicant can request access to their personal information by writing to the Company through the Securities Registry.

2.17 Enquiries

This Prospectus provides information for potential investors in the Company and should be read in its entirety.

If after reading this Prospectus you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or financial advisor.

3. Effect of the Offers

3.1 Principal effect of Offers on the Company

The principal effects of the Offers, assuming the Offers are fully subscribed, will be to:

- increase the number of Options on issue by 170,000,000, from 61,041,001 Options immediately prior to the Offers, to 231,041,001 Options;
- increase the number of Shares on issue by 100,000, from 857,352,188 Shares anticipated to be on issue following completion of the Placement and prior to the issue of New Shares under the Share Offer, to 857,452,188 Shares (assuming that no Options are exercised); and
- increase cash reserves by up to \$1,500 (on a full subscription basis) immediately after completion of the Offers and payment of the costs and expenses set out in Section 7.7, including the estimated expenses of the Offers.

3.2 Effect of Placement and Offers on capital structure

The capital structure of the Company following completion of the Tranche 2 Placement and Offers, assuming the Offers are fully subscribed, is set out below:

Securities	Full subscription
Shares	
Shares on issue as at Prospectus Date	753,981,919
New Shares to be issued under the Tranche 2 Placement	105,870,269
New Shares to be issued under Share Offer (maximum)	100,000
Total Shares on issue at completion of the Offers	859,952,188
Options	
Quoted Options on issue as at Prospectus Date (ASX:ZMMOC) ¹	36,041,001
Unquoted Options on issue as at Prospectus Date ²	25,000,000
New Options to be issued to Placement Participants ³	128,333,333
New Options to be issued to the Lead Manager ³	41,666,667
Total Options on issue at completion of the Offers	231,041,001
Performance Securities	
Performance Shares on issue	16,000,031
Performance Rights on issue	111,440,000

Notes:

1. Options exercisable at \$0.10 each and expiring 25 February 2022.
2. Options exercisable at \$0.0001 each and expiring 10 December 2023.
3. Options exercisable at \$0.03 each and expiring 31 October 2023.

3.3 Effect on control of the Company

The Company does not anticipate that:

- (a) the acquisition of Shares by any person under the Placement will result in any person obtaining a relevant interest in Shares of 20% or more of the total Shares on issue on completion of the Offers; and

- (b) in the case of the issue of New Securities to Gerard Private, result in Gerard Private increasing its relevant interest in Shares beyond its current relevant interest of 31.44%.

The Company therefore does not anticipate that the issue of New Securities under the Offers will have any material effect on control of the Company.

3.4 Substantial holdings

A “substantial holding” is defined under section 9 of the Corporations Act to mean a relevant interest in 5% or more of the voting shares of a company.

The table below sets out the Shareholders with a substantial holding based on the Company’s register of Shareholders as at the day before the Prospectus Date, i.e. before the issue of New Securities under the Offers.

Name	Number of Shares	Percentage interest
Gerard Private Holdings (Finance) Pty Ltd	236,250,000	31.33%
Perennial Value Management Limited	91,463,068	12.13%

Notes:

1. Percentage interest has been calculated based on 753,981,919 Shares on issue on the day before the Prospectus Date and before issue of 105,870,269 New Shares under the Tranche 2 Placement and any issue of 100,000 New Shares under the Share Offer.
2. The information in the table above has been extracted from the Company’s register of Shareholders as at the Prospectus Date, and not from substantial holding notices received from, or otherwise required to be provided by, the relevant Shareholders.

3.5 Effect on financial position of the Company

After paying the expenses of the Offers of approximately \$15,100 (exclusive of GST), there will be no net proceeds from the Offers. The expenses of the Offers will be met from the Company’s existing cash reserves and the moneys raised from the Capital Raising Placement.

3.6 Pro forma statement of financial position

Set out below is:

- the reviewed statement of financial position of the Company as at 31 December 2020; and
- the unaudited pro forma statement of financial position of the Company as at 31 December 2020 incorporating the effect of the Offers and the Acquisition.

The unaudited pro-forma statement of financial position has been prepared on the assumption that all proposed Shares pursuant to the Offers, Acquisition, and Capital Raising are issued, and it reflects the changes to the Company’s financial position following completion of the Acquisition and Capital Raising.

The reviewed statement of financial position of the Company as at 31 December 2020 was prepared by Zimi Ltd.

The pro-forma financial information is presented in an abbreviated form, in so far as it does not include all of the disclosure statements or comparative information required by Australian Accounting Standards applicable to annual financial statements.

The financial information should be read in conjunction with the Company’s half year report for the half year ended 31 December 2020, the risk factors described at Section 4, and the policies of the Company as disclosed in its most recent financial reports.

No allowance has been made for immaterial expenditure incurred in the normal course of business from 31 December 2020 to the Prospectus Date.

	Reviewed 31-Dec-20 \$'000	Material Events & Assumptions \$'000	Capital Raising adjustments \$'000	Pro-forma After Capital Raising and Offers \$'000
Current assets				
Cash and cash equivalents	3,282,319	-2,787,319	3,500,000	3,995,000
Receivables	182,834	697,626		880,460
Prepayments	14,007			14,007
Inventory	11,924			11,924
Total current assets	3,491,084	-2,089,693	3,500,000	4,901,391
Non-current assets				
Plant and equipment	370,491			370,491
Intangible assets	6,908,693	727,138		7,635,831
Right of Use asset	167,764	100,292		268,056
Total non-current assets	7,446,948	827,430	0	8,274,378
Total assets	10,938,032	-1,262,263	3,500,000	13,175,769
Current liabilities				
Trade and other payables	-1,720,192	100,146	350,000	-1,270,046
Provisions	-78,906			-78,906
Lease liability	-117,737	28,095		-89,642
Total current liabilities	-1,916,835	128,241	350,000	-1,438,594
Non-current liabilities				
Lease liability	-65,308	-121,080		-186,388
Total non-current liabilities	-65,308	-121,080	0	-186,388
Total liabilities	-1,982,143	7,161	350,000	-1,624,982
Net assets	8,955,889	-1,255,102	3,850,000	11,550,787
Equity				
Issued capital	42,754,029	48,871	3,850,000	46,652,900
Unissued Share Capital	60,000	0		60,000
Reserves	3,901,941	529,941		4,431,882
Accumulated losses	-37,760,081	-1,833,914		-39,593,995
Total equity	8,955,889	-1,255,102	3,850,000	11,550,787

The pro-forma statement of financial position is calculated by adding the effect of the Capital Raising adjustments to the reviewed financial position of the Company as at 31 December 2020.

The pro-forma statement of financial position incorporates the following material events and assumptions:

- Reduction in cash as a result of 8 months' of further development work (both capitalised against intangibles and expensed through the P&L), and working capital expenditure (impacting Trade and other payables, and P&L) since 31 December 2021;

- Inclusion of R&D receivable of \$697,626 which is due to be received in September 2021;
- Right-of-use asset and lease liabilities have moved materially as a result of the commencement of 2 new leases in Queensland to assist local operations, and the closure of the Western Australian office during the 2020/2021 financial year;
- A deferred tax asset and liability which was recognised as a result of fair value uplift of intangible and fixed assets, arising from the acquisition of GSM Innovations Pty Ltd; and
- An increase in reserves as a result of continued amortisation of share-based payments throughout the period.

3.7 Potential dilutive effect of Options

The table below sets out the potential dilutive effect on Shareholders if Shares are issued on the exercise of all existing Options and all proposed New Options following completion of the issue of the New Shares under the Tranche 2 Placement and New Options under the Options Offer and the Lead Manager Offer:

Event	Number of Shares or Options	Shares issued on Option exercise	Number of Shares post-issue	Dilution (rounded)
Shares on issue at Prospectus Date	753,981,919	-	753,981,919	-
Tranche 2 Placement Shares issued on completion of Offers	105,870,269	-	859,852,188	-
Exercise of existing Options	51,041,001	51,041,001	910,893,189	5.60%
Exercise of New Options issued under the Options Offer	128,333,333	128,333,333	1,039,226,522	12.34%
Exercise of existing Quoted Options and New Options issued under the Lead Manager Offer	41,666,667	41,666,667	1,080,893,189	3.85%

Notes:

The interests shown in the table above assume that:

1. the existing Options do not lapse prior to exercise or conversion;
2. no other Shares are issued prior to exercise of Options.

4. Risk Factors

4.1 Introduction

Activities in the Company and its controlled entities, as in any business, are subject to risks which may impact upon the Company's future performance. There can be no guarantee that the Company will achieve its stated objectives.

Potential investors should read the entire Prospectus and review announcements made by the Company to ASX (at www.asx.com.au under the code "ZMM") in order to gain an appreciation of the Company, its activities, operations, financial position, and prospects.

An investment in the Company's Securities should be considered speculative. Securities carry no guarantee with respect to the payment of any dividends, returns of capital or the market value of those Securities.

Potential investors should consider the risk factors set out in Sections 4.2 and 4.3 below which the Directors believe represent some of the general and specific risks that Shareholders should be aware of when evaluating the Company and deciding whether to acquire any Securities in the Company. The following risk factors are not intended to be an exhaustive list of all of the risk factors to which the Company is exposed.

4.2 Specific risks relating to the Company

The following risks have been identified as being risks specific to an investment in the Company. These risks may adversely affect the Company's financial position, prospects and price of its listed securities.

(a) Capital and funding requirements

Given its focus on growing its market share, the Company has negative operating cashflow and, at present, it has limited revenue. No assurance can be given that the Company will achieve commercial viability through its existing technology or otherwise. Until the Company is able to realise the full value from its technology, it is likely to incur ongoing operating losses. Depending on how successfully the Company times and executes its monetisation and depending on the opportunities that arise for business development, the Company may require further resources to achieve its aims going forward. Beyond its regular operating expenses, additional funding may also be deemed necessary to take advantage of promotional or other business opportunities. These funds may come in the form of further investments or loans. The Company may not be able to secure funding on acceptable terms. Its ability to raise further capital and the terms on which it does so may depend on macro-economic conditions, the performance of the Company and of the broader Internet of Things technology industry at the time. If the Company is unable to access these funds, or is unable to do so on acceptable terms, this could adversely affect its position.

(b) Development and commercialisation of the Company's technology

The success of the Company will depend upon the Company's ability to develop and commercialise its technology and intellectual property. A failure to successfully develop and commercialise the technology could lead to a loss of opportunities and adversely impact on the Company's operating results and financial position. The global marketplace for most products is ever changing due to new technologies, new products, changes in preferences, changes in regulation and other factors influencing market acceptance or market rejection. This market volatility and risk exists despite the best endeavours of market research, promotion and sales and licensing campaigns. There is a risk that, if the Company technology is not accepted by the market, it will not be able to commercialise its Internet of Things products, which could adversely impact its operations. There is no guarantee that the Company's sales and marketing initiatives will be successful.

The market for “Internet of Things” (**IoT**) within building automation is still relatively new. It is uncertain whether “Internet of Things” devices will achieve wide market acceptance. The Company’s success will depend to a substantial extent on the willingness of consumers to widely adopt these devices. In part, adoption of the Company’s products will depend on the increasing prevalence of “Internet of Things” devices and the profile of the market as a whole. Furthermore, some consumers may be unwilling to use “Internet of Things” devices because they have concerns regarding data privacy and security. If consumers do not perceive the benefits of “Internet of Things” devices or choose not to adopt them, the market may develop more slowly than expected which would adversely affect the Company’s business, financial condition and operating results.

The Company could experience delays in further development and introduction of its products. For example, the Company may not be able to obtain certifications for the sale of its products in a timely fashion or at all.

Problems in the design or quality of the Company’s products may also have an adverse effect on the Company’s business, financial condition, and operating results. If product introductions are delayed or not successful, the Company may not be able to achieve an acceptable return, if any, on its research and development efforts, and the Company’s business may be adversely affected. Expenditure on research and development may not produce the intended results. Additionally, investments in new technologies, processes and products may not produce returns for the Company above the cost of development of those technologies, products and processes.

(c) Sales risk

In order to commercialise the technology, the Company will need to develop a successful sales model for delivery of the technology to customers. Sales models include the reseller strategy and direct sales model. The reseller model provides significant advantages to a smaller business by increasing its reach to the customer. However, risk lies in the ability or motivation of the reseller achieving agreed sales volumes not being under the direct control of the Company. This can only be mitigated through the reseller agreements providing clauses in relation to non-performance of meeting mutually agreed sales targets.

(d) Staffing and reliance on key management

The Company relies on the experience and knowledge of key members of its staff. In the event that key personnel leave and the Company is unable to recruit suitable replacements, such loss could have a materially adverse effect on the Company.

The responsibility of successfully implementing the Company’s development and commercialisation strategy depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment with the Company. There is also a risk to the business where there is a turnover of development staff that have knowledge of the technology and business. This loss of knowledge could result in leakage or misappropriation of confidential information. Whilst the Company aims to mitigate this risk by imposing contractual restraints on use and ownership of confidential information, there could also be increased costs for the Company in having to replace the implicit knowledge and skills of departing employees.

(e) Relationships with suppliers

The Company relies on suppliers that are mainly located in Asia and charge in US dollars. The COVID pandemic has made supply chain management more difficult, there is a shortage of certain components and currencies are more volatile. A material adverse change in these suppliers, the exchange rate and/or in the supply chain could have a negative impact on the Company’s operations.

(f) Competition risk

There is significant competition in the Internet of Things industry generally, with companies offering a variety of competitive products and services. Competition in the Internet of Things industry is expected to intensify in the future as new and existing competitors introduce new or enhanced products that are potentially more competitive than the Company's products. The Internet of Things industry has a multitude of participants, including many large, broad-based consumer electronic companies that compete in the market.

There is no assurance that competitors will not succeed in developing products that are more effective or economic than the products developed by the Company, or which would render the products obsolete and/or otherwise uncompetitive.

The large number of market participants can complicate customers' discrimination between competitors, increasing the difficulty of achieving market share and revenue. The Company may be unable to compete successfully against future competitors where aggressive policies are employed to capture market share. Such competition could result in price reductions, reduced gross margins and loss of market share, any of which could materially adversely affect the Company's future business, operating results and financial position.

There is also the potential for significant consolidation in the Company's targeted market, resulting in a fewer number of competitors each having greater financial and other resources. Any such consolidation before the commercialisation of the Company's technology could also adversely affect the Company's ability to gain market share and commercialise its technology.

(g) Global market risk

The Company's aim is to sell a more complete family of connected products. The Company will create a single, powerful software platform for its connected products. The Company's continued growth is dependent on it entering new markets. Any expansion into new markets could expose the Company to a number of risks including different regulatory systems, difficulties managing foreign operations, exchange rate fluctuations, differences in consumer behaviour, potential political and economic instability and potential difficulties in enforcing contracts and intellectual property rights. Any of these factors could materially affect the Company's business, financial performance and operations.

(h) Intellectual property

Securing rights to intellectual property, and in particular patents, is an integral part of securing potential product value from the development of the Company's 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. The granting of a patent does not guarantee that the rights of others are not infringed nor that competitors will not develop competing intellectual property that circumvents such patents. The Company's success depends, in part, on its ability to obtain patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties.

The Company currently holds trade mark rights, patents and patent applications. As some of the patents have not yet been granted, without the priority date for some of its intellectual property there is a risk of third parties lodging patents in the same field with an earlier priority date, as well as the publication of similar methods to those envisioned in the patents which would invalidate any future patent claims by the Company.

There is also a risk of third parties claiming involvement in technological developments, and if any disputes arise, they could adversely affect the Company's business. The Company is not aware of any third-party interests in relation to the intellectual property rights of the Company's technology, there has not been any external analysis of patents to determine whether the Company technology infringes any existing patents. This provides for the potential risk of claims being made at a later point which may incur costs for the Company through the need for licensing of further patents. The Company's prospects may also depend on its ability to licence third party proprietary technology necessary for the development of the technology. Breach of

any licence agreements, or infringement of the licensed intellectual property by third parties, may have an adverse impact on the Company's ability to develop its technology.

(i) Lack of patent protection in some jurisdictions

A part of the Company's business will be its ability to obtain and sustain patents, maintain trade secret protection and operate without infringing proprietary rights of third parties. The granting of protection, such as a registered patent, does not guarantee that the rights of others are not infringed, that competitors will not develop technology to avoid the patent or that third parties will not claim an interest in the intellectual property with a view to seeking a commercial benefit from the Company or its partners. In this regard, based on the perceived cost versus benefit of doing so, the Company has decided not to pursue patent filing in certain jurisdictions. This may allow competitors in such jurisdictions to develop products functionally identical to the Company's products and the Company may not be able to seek injunctive or financial relief against those companies by virtue of not having registered interests in those jurisdictions. No guarantee can be given that the patents will give the Company commercially significant protection of its intellectual property.

(j) Dependence on the Internet and telecommunications infrastructure

The success of the Company and its products will depend to some extent on the availability and stability of telecommunications infrastructure, and in particular the infrastructure over which devices directly communicate with each other and the internet. The utility of both connectivity and the internet for carrying communications between devices can be adversely impacted upon as a result of the rapidly increasing demands for bandwidth, data security, reliability, cost, accessibility and quality of service. The performance of the internet has been harmed by "viruses," "worms" and similar malicious programs, and the internet has experienced a variety of outages and other delays as a result of damage to portions of its infrastructure. Note that the Company's platform does not rely on access to the internet for basic functionality.

(k) Hacker risk, technology, disruption, corruption, systems failure

Security concerns and the possibility of data corruption and data manipulation are particular concerns with most wireless technology. Where consumers perceive that the Company is insecure and open to being hacked then the adoption of the Company's technology may be impacted. This may ultimately impact on the success of the Company's business. No assurance can be given at this time that the Company's technology will be immune from the usual range of IoT technology risks.

(l) Privacy laws

Currently there are few IoT-specific laws and regulations. However in Australia, IoT-based technologies may be impacted by informational privacy laws. Such laws differ from jurisdiction to jurisdiction. In Australia, the collection, use, storage and disclosure of "personal information" is principally regulated by the *Privacy Act 1988 (Cth)* (**Privacy Act**). The Privacy Act does not prohibit IoT-based technologies but it could in certain circumstances impose additional compliance obligations on businesses who use or commercialise those technologies. If the Company's technology collects data which falls within the definition of "personal information", or the data aggregated with other datasets which together could be considered personal information, then the compliance regime under the Privacy Act will apply to the Company in respect of the collection, use, storage and disclosure of that "personal information". The Company will take steps to ensure compliance with any applicable requirements of the Privacy Act. There is the risk that increased regulation may be imposed on IoT-based technologies and therefore the Company's business may incur additional regulatory compliance costs, potentially affecting the Company's business, financial performance and operations.

4.3 General risks

The business activities of the Company are subject to various general economic and investment risks that may impact on the future performance of the Company. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. There are a number of general economic

and investment risk factors that apply to companies generally and may include economic, financial, market or regulatory conditions. These risk factors include, but are not limited to, the following:

(a) COVID-19 risk

The global economic outlook is facing uncertainty due to the current COVID-19 pandemic, which has been having, and will likely continue to have, a significant impact on global capital markets and foreign exchange.

(b) Economic

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

(c) Market conditions

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

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

(d) Additional requirements for capital

Additional Funding may be required in the event that costs exceed the Company's estimates and to effectively implement its business and operations plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which Zimi may incur. If such events occur, additional funding will be required.

Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Capital Raising Placement. 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 scale back its business. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(e) Dividends

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

(f) Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(g) Unforeseen expenditure

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(h) General economic climate

Factors such as inflation, currency fluctuation, interest rates and supply and demand have an impact on operating costs, and stock market prices. The Company's future revenues and security price may be affected by these factors, which are beyond the Company's control.

(i) Global credit and investment market

Global credit, commodity and investment markets have recently experienced a high degree of uncertainty and volatility. The factors which have led to this situation have been outside the control of the Company and may continue for some time resulting in continued volatility and uncertainty in world stock markets (including the ASX). This may impact the price at which the Company's Shares trade regardless of operating performance, and affect the Company's ability to raise additional equity and/or debt to achieve its objectives, if required.

(j) Force majeure risk

Events may occur within or outside the markets in which the Company operates that could impact upon the global and Australian economies, the operations of the Company and the market price of its securities. These events include acts of terrorism, outbreaks of international hostilities, fires, pandemics, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease, and other man-made or natural events or occurrences that can have an adverse effect on the demand for the Company's services and its ability to conduct business. Given the Company has only a limited ability to insure against some of these risks, its business, financial performance and operations may be materially adversely affected if any of the events described above occurs.

(k) Litigation

The Company may in the ordinary course of business become involved in litigation and disputes, for example with service providers, customers or third parties infringing the Company's intellectual property rights. Any such litigation or dispute could involve significant economic costs and damage to relationships with contractors, customers or other stakeholders. Such outcomes may have an adverse impact on the Company's business, reputation and financial performance.

(l) Taxation

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

(m) Speculative Nature of Investment

The above list of risk factors should not be taken as exhaustive of the risks faced by the Company or by investors in the Company. Shareholders should consider that an investment in

the Company is speculative and should consult their professional advisors before deciding whether to participate in the Offers.

Whether or not future income will result from the Company's operations is dependent on the successful implementation of the Company's business plan.

Factors including costs, consumer preferences and platform/marketing costs affect successful development. In particular, changes in global economic conditions (including changes in interest rates, inflation, foreign exchange rates and labour costs) as well as general trends in the Australian and overseas equity markets may affect the Company's operations and particularly the trading price of the Shares on the ASX.

Shareholders should consider that an investment in the Company is speculative and should consult their professional advisors. The New Securities to be issued pursuant to this Prospectus should be regarded as speculative in nature and carry no guarantee with respect to the payment of dividends, return of capital or their market value.

5. Rights and Liabilities Attached to New Securities

5.1 Rights and liabilities attaching to New Shares

The New Shares issued under this Prospectus will be fully-paid ordinary shares in the capital of the Company and will rank equally with the Shares on issue at the Prospectus Date.

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to Shares. Full details of the rights and liabilities attaching to the Shares are contained in the Constitution and, in certain circumstances, are regulated by the Corporations Act, the Listing Rules, the ASX Settlement Rules, and the common law. The Constitution is available for inspection free of charge at the Company's registered office.

(a) Voting

At a general meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every fully paid up Share held by them. In the case of a partly paid share, a fraction of a vote equivalent to the proportion which the amount paid up on that member's share bears to the total amounts paid and payable (excluding amounts credited) on that share.

(b) Dividends

Subject to law and any special rights and restrictions attached to any Shares:

- (i) the directors may declare and pay dividends as appear to them to be justified by the profits of the Company; and
- (ii) the person entitled to a dividend on a Share is entitled to:
 - A. if the Share is fully paid (whether the issue price of the Share was paid or credited or both), the entire dividend; or
 - B. if the Share is partly paid, a proportion of that dividend equal to the proportion which the amount paid on that Share bears to the total issue price of that Share. Any amounts credited without payment in money or other consideration being made to the Company and any amounts paid up in advance of the applicable due date for payment are ignored when calculating the proportion.

(c) Winding up

If the Company is wound up and after payment of all debts and satisfaction of liabilities a surplus remains, it may be distributed amongst Shareholders entitled to it in proportion to the number of Shares held by each of them regardless of the amounts paid up on the Shares.

(d) Further increases in capital

Subject to restrictions on the issue or grant of securities contained in the Listing Rules, ASX Settlement Operating Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors have the right to issue shares or grant options over unissued shares to any person and they may do so at such times as they think fit and on the conditions they think fit.

Such shares may have preferred, deferred or other special rights or special restrictions about dividends, voting, return of capital, participation in the property of the Company on a winding up or otherwise, as the directors think fit.

(e) **Variation of rights**

The rights attached to any class of shares may, unless their terms of issue state otherwise, be varied:

- (i) with the written consent of the holders of 75% of the shares of the class; or
- (ii) by a special resolution passed at a separate meeting of the holders of shares of the class.

(f) **Transfer of securities**

Generally, the shares and options in the Company will be freely transferable, subject to satisfying the usual requirements of security transfers on the ASX. The Directors may decline to register any transfer of shares but only where permitted to do so under its Constitution or the Listing Rules

(g) **Sale of small holdings**

The Company may take steps in respect of non-marketable holdings of shares in the Company to effect an orderly sale of those shares in the event that holders do not take steps to retain their holdings.

The Company may only take steps to eliminate non-marketable holdings in accordance with the Constitution and the Listing Rules

(h) **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

5.2 **Terms and conditions of New Options**

The terms and conditions of the New Options are as follows:

- (a) **Entitlement:** Each New Option entitles the holder (**Option Holder**) to subscribe for one fully paid ordinary Share in the Company.
- (b) **No payment on grant:** The Option Holder is not required to pay any amount on the grant of an Option.
- (c) **Exercise price:** The exercise price of each New Option is \$0.03 (**Exercise Price**).
- (d) **Expiry date:** Each New Option may be exercised at any time before 5.00pm (WST) on or before 31 October 2023 (**Expiry Date**). Any New Option not exercised by the Expiry Date will automatically expire.
- (e) **Certificate or Holding Statement:** The Company must give the Option Holder a certificate or Holding Statement stating:
 - (i) the number of New Options issued to the Option Holder;
 - (ii) the Exercise Price of the New Options; and
 - (iii) the date of issue of the New Options.
- (f) **Transfer:**
 - (i) The New Options are transferable, subject to applicable law.

- (ii) Subject to the Listing Rules and the Corporations Act, the Option Holder may transfer some or all of the New Options at any time before the Expiry Date by:
 - A. a proper ASTC regulated transfer (as defined in the Corporations Act) or any other method permitted by the Corporations Act; or
 - B. a prescribed instrument of transfer.
 - (iii) An instrument of transfer of a New Option must be:
 - A. in writing;
 - B. in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
 - C. subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
 - D. delivered to the Company, at the place where the Company's register of option holders is kept, together with the certificate (if any) of the New Option to be transferred and any other evidence as the Directors require to prove the title of the transferor to that New Option, the right of the transferor to transfer that New Option and the proper execution of the instrument of transfer.
- (g) **Quotation of New Options:** The Company will not apply to ASX for Official Quotation of New Options.
- (h) **Quotation of Shares:** The Company will apply to ASX for Official Quotation of the Shares issued on exercise of New Options.
- (i) **New issues:** The Option Holder is not entitled to participate in any new issue to Shareholders of Securities in the Company unless it has exercised its New Options before the record date for determining entitlements to the new issue of Securities and participate as a result of holding Shares.
- (j) **Bonus issues:** If the Company makes a bonus issue of Shares or other Securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the New Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the New Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the New Option before the record date for determining entitlements to the issue.
- (k) **Reorganisation:**
 - (i) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of New Options to which the Option Holder is entitled to and the Exercise Price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
 - (ii) Any calculations or adjustments which are required to be made will be made by the Company's Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.
 - (iii) The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any New Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of a New Option.

(l) **Exercise of New Options:**

- (i) To exercise New Options, the Option Holder must give the Company or its Share Registry, at the same time:
 - A. a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of New Options being exercised and Shares to be issued;
 - B. payment of the Exercise Price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company; and
 - C. any certificate for the New Options.
- (ii) The Option Holder may only exercise New Options in multiples of 10,000 New Options unless the Option Holder exercises all Options held by the Option Holder.
- (iii) New Options will be deemed to have been exercised on the date the exercise notice and Exercise Price are received by the Company.
- (iv) If the Option Holder exercises less than the total number of New Options registered in the Option Holder's name:
 - A. the Option Holder must surrender their New Option certificate (if any); and
 - B. the Company must cancel the New Option certificate (if any) and issue the Option Holder a new certificate or Holding Statement stating the remaining number of New Options held by the Option Holder.

(m) **Issue of Shares on exercise of New Options:**

- (i) Within five Business Days after receiving an application for exercise of New Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.
- (ii) Subject to the Constitution, all Shares issued on the exercise of New Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.

- (n) **Governing law:** These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

6. Continuous Disclosure Documents

6.1 Continuous disclosure obligations

This is a Prospectus for the offer of continuously quoted securities (as defined in the Corporations Act), and options to acquire continuously quoted securities, of the Company and is issued pursuant to section 713 of the Corporations Act as a transaction-specific prospectus. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offering Prospectus.

The Company is a “disclosing entity” for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. As a listed company, the Company is subject to the Listing Rules which require it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of its Shares, subject to certain exceptions.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the provisions of the Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASIC of information available to the financial market conducted by ASX throughout the 12 months before the issue of this Prospectus.

The New Shares to be issued under this Prospectus are in a class of securities that were quoted on the financial market of ASX at all times in the 12 months before the issue of this Prospectus. The New Options to be issued under this Prospectus are options to acquire Shares, being in a class of securities that were quoted on the financial market of ASX at all times in the 12 months before the issue of this Prospectus.

6.2 Documents available for inspection

The Company has lodged the following announcements with ASX since the lodgement of the Company’s half year financial report for the period ended 31 December 2020:

Date	Description of ASX Announcement
20 August 2021	Proposed issue of securities - ZMM
20 August 2021	Proposed issue of securities - ZMM
20 August 2021	Zimi Raises \$3.85 million via Placement
18 August 2021	Trading Halt
16 August 2021	Zimi Investor Presentation
11 August 2021	\$300,000 device order from new integration partner Polyaire
6 August 2021	Launch of major new device range on back of Trader order
30 July 2021	Appendix 4C - quarterly
13 July 2021	Option Expiry Notice
2 July 2021	Trading Update - first revenue from 30,000 device orders
10 June 2021	Change of Registered Address
31 May 2021	New \$200,000 device order from Steel-Line Garage Doors
25 May 2021	Trading update Purchase orders for 30,000 devices
4 May 2021	Change of Company Secretary
30 April 2021	Holding lock on Shares
30 April 2021	Section 708A Notice

Date	Description of ASX Announcement
30 April 2021	Appendix 2A
30 April 2021	Appendix 4C - quarterly
29 April 2021	\$500,000 Order from Beacon Lighting
28 April 2021	Becoming a substantial holder
28 April 2021	Ceasing to be a substantial holder
28 April 2021	Zimi Investor Presentation
26 April 2021	Change of Name and Ticker Code
22 April 2021	Results of Meeting
18 March 2021	Notice of General Meeting/Proxy Form

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

Copies of documents lodged with ASX, in relation to the Company, including the Company's corporate governance policies, may be obtained from the Company's website <https://corporate.zimi.life/investors/asx-announcements/> or at ASX's website (www.asx.com.au using ASX Code "ZMM").

The Company will provide a copy of each of the following documents, free of charge, to any person on request from the Prospectus Date until the Closing Date:

- the annual financial report of the Company for the financial year ended 30 June 2020, being the annual financial report of the Company most recently lodged with the ASIC before the issue of this Prospectus;
- the half year financial report of the Company for the half financial year ended 31 December 2020, being the half year financial report of the Company most recently lodged with the ASIC before the issue of this Prospectus; and
- any documents used to notify ASX of information relating to the Company in the period from lodgement of the half-yearly financial report of the Company for the half financial year ended 31 December 2020 until the issue of this Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

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

7. Additional Information

7.1 Distribution Agreement with GSM Electrical (Australia) Pty Ltd

The Company's subsidiary GSM-I has entered into a distribution agreement for the distribution of GSM-I's products (**Distribution Agreement**) with GSM Electrical (Australia) Pty Ltd (**Distributor**), which is a wholly-owned subsidiary of Gerard Private.

Under the Distribution Agreement, the Distributor is the exclusive distributor into the electrical wholesale market whereby it distributes, promotes, stocks and sells GSM-I's products into the more than 900 electrical wholesalers across Australia.

The principal terms of the Distribution Agreement are:

- initial three-year term; the term may be extended for further periods, each of 12 months' duration, by the agreement of both parties;
- the agreement will apply to distribution in Australia and New Zealand;
- the consideration payable to the Distributor by customers and by the Distributor to GSM-I for the sale of GSM-I's products will be on the basis of an agreed scheduled price per device sold, inclusive of firmware licence; the consideration will be received monthly during the term of Distribution Agreement;
- the Distributor must use commercially reasonable endeavours to actively market GSM-I's products, exercise due care and skill and submit annual sales plans; should the Distributor breach these obligations and not remedy the default for 120 days' after notice, GSM-I may terminate exclusivity and continue to engage the Distributor on a non-exclusive basis;
- the Distributor may terminate the agreement with six months' notice, immediately in the event of GSM-I's insolvency or on 30 days' notice for unremedied material breach of agreement; and
- GSM-I may terminate the agreement if the Distributor becomes insolvent; undergoes a change in control; commits a material breach which is not capable of remedy; commits a material breach and fails to remedy such breach within 30 days of receipt of written notice from GSM-I requiring it to do so; commits any breach three or more times in any six month period; or commits any breach and has failed to remedy such breach within 90 days of receipt of written notice from GSM-I requiring it to do so.

Annual sales plans are submitted by the Distributor to GSM-I under the Distribution Agreement, which include minimum sales targets, to be reviewed and agreed with GSM-I.

7.2 Personnel and quality assurance services provided by Gerard Private

Personnel and quality assurance services are provided to the Company under two arrangements between the Company and Gerard Private.

Under a secondment agreement between the Company and Gerard Private, Gerard Private has been providing a project manager and mechanical engineer (**Personnel**) since January 2021. The terms of the secondment agreement provide for a cash fee payable by the Company on a monthly basis for each member of personnel seconded. The cost of the Personnel payable by the Company to Gerard Private is approximately \$18,000 to \$20,000 per month (**Personnel Costs**).

In a second arrangement, quality assurance (**QA**) and logistics services are provided to the Company from Gerard Private's offices in Hong Kong at a fee of 5.5% of the cost of the products.

The Company and Gerard Private propose that the Company issue Placement Securities to the value of \$350,000 as payment and pre-payment for:

- (a) \$250,000 of Personnel Costs, comprising \$60,000 accrued during the period 1 July 2021 to 30 September 2021 and \$150,000 Personnel Costs that will be payable by the Company in respect of Personnel provided over a period following 1 October 2021 (estimated to be 8 months); and
- (b) \$100,000 for QA and logistics services, of which \$83,000 has been incurred as at the Notice Date with the remainder expected to be incurred and payable over the next six months.

7.3 Lead Manager Engagement

Under the Lead Manager Engagement, the Lead Manager has been engaged on an exclusive basis to assist the Company where possible or requested in relation to introductions, co-ordination and advisory services for the Placement, including identifying and arranging investors to the Placement.

For performing these services, the Lead Manager has or will be paid the following amounts:

- (a) a management fee equal to 2% (plus GST) on the gross proceeds of the Capital Raising;
- (b) a selling fee equal to 4% (plus GST) on the gross proceeds of the Capital Raising, excluding proceeds from certain investors including the Related Parties identified in Sections 1.1(d) to 1.4(h);
- (c) a selling fee equal to 1% (plus GST) on new capital introduced by a certain institutional investor (the amount of this fee will be \$8,000); and
- (d) 41,666,667 New Options. The grant of the New Options to the Lead Manager is conditional on Shareholder approval and the Company achieving a raising at least \$2.5 million under the Placement. As at the Prospectus Date, the Company has raised \$2.26 million from the issue of the Tranche 1 Placement Shares.

7.4 Litigation

As at the Prospectus Date, the Company is not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company, except as stated above.

7.5 Security holding interests of Directors

At the date of this Prospectus the relevant interest of each of the Directors and in the Shares, Options, and Performance Rights of the Company are as follows:

Director	Shares	Options	Performance Shares	Performance Shares/Rights
Peter Rossdeutscher	1,600,000 ¹		1,600,000	1,600,000 ²
Brett Savill	2,026,989 ³	405,398	3,200,000 ^{3,4}	3,200,000 ³
Jordan Tentori	1,250,000 ⁵	-	-	-
Simon Gerard ¹	236,250,000 ⁶	-	-	110,000,000 ⁶

Notes:

- 1. Held by Peter Rossdeutscher and Evelyn De Silva-Rossdeutscher <PEBI Super Fund A/C>.
- 2. Held by Peter Rossdeutscher <Rainbow Property Trust>.

3. Held by Jane Elizabeth Mary Savill <Savill Family A/C> (Spouse).
4. Options exercisable at \$0.10 each on or before 26 February 2022.
5. Held by Jayteetee Pty Ltd <Tentori Family Trust>.
6. Held by Gerard Private Holdings (Finance) Pty Ltd. Simon Gerard is a director of Gerard Private and ultimate controlling shareholder as to 60% of the shares in Gerard Private.

7.6 Remuneration of Directors

The Constitution provides that the Directors may be paid for their services as Directors, as determined by the Company prior to the first annual general meeting. Such payment, in relation to Non-Executive Directors, is to be paid by way of a fixed sum and not by a commission or percentage of operating revenue or Company profits. The sum fixed, which is currently \$300,000, may be divided amongst the Directors as they may from time to time agree or, in the absence of agreement, in equal shares.

Subject to the provisions of any contract between the Company and any Executive Director, the remuneration for Executive Directors may be fixed by the Directors from time to time.

A Director may be paid fees or other amounts as the Directors determine, where a Director performs duties or provides services outside the scope of their normal duties. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

The table below sets out the cash remuneration of each Director (including superannuation) for the financial years ended 30 June 2020 and 30 June 2021.

Director	Financial year ended 30 June 2020	Financial year ended 30 June 2021
Peter Rossdeutscher	\$93,600	\$74,400
Brett Savill	\$284,826	\$294,578
Simon Gerard	\$0	\$0
Jordan Tentori	\$0	\$141,983

Notes:

Simon Gerard and Jordan Tentori were appointed as Directors on 11 December 2020.

7.7 Directors' indemnity and insurance deeds

The Company has agreed to indemnify all of the Directors of the Company for any liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

The agreements otherwise contain terms and conditions considered standard for agreements of this nature.

7.8 Expenses of the Offers

The expenses of the Offers (assuming full subscription) are expected to comprise the following estimated costs, exclusive of GST.

Expense	Amount
ASIC fees	\$3,206
ASX fees	\$1,922
Legal fees	\$10,000
Total (rounded to nearest \$100)	\$15,100

7.9 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus:

- all other 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 do not have, and have not had in the 2 years before the Prospectus Date, any interest in:
 - the formation or promotion of the Company;
 - property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
 - the Offers; and
- no amounts have been paid or agreed to be paid (whether in cash, Securities or otherwise), and no other benefits have been given or agreed to be given, to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Offers.

Expert/advisor	Service or function	Amount paid or to be paid
PAC Partners Securities Pty Ltd	Lead Manager	For performing services under the Lead Manager Engagement, PAC Partners has or will be paid the amounts described in Section 7.3 and granted 41,666,667 New Options. PAC Partners has been paid a total of \$302,500 for other capital raising and advisory services provided to the Company in the period 2 years prior to the Prospectus Date.
Blackwall Legal LLP	Solicitors to the Company	Blackwall Legal LLP will be paid approximately \$10,000 (plus GST) for services related to this Prospectus and the Offers. Blackwall Legal LLP has been paid or is entitled to be paid approximately \$74,399 (plus GST) for legal services provided to the Company in the period 2 years prior to the Prospectus Date.
Automic Pty Ltd (t/as Automic Group)	Share Registry	Automic Group will be paid approximately \$3,000 (plus GST) for services to be provided in relation to the Capital Raising Placement. Automic Group has been paid or is entitled to be paid approximately \$37,834 (plus GST) for the provision of share registry services to the Company in the period 2 years prior to the Prospectus Date.
HLB Mann Judd	Auditor	HLB Mann Judd has been paid or is entitled to be paid \$84,831 (plus GST) for the provision of audit services to the Company in the period 2 years prior to the Prospectus Date. HLB Mann Judd has not provided any services to the Company in relation to this Prospectus.

7.10 Market prices of Shares on ASX

Information about the closing market price of Shares quoted on ASX during the 3-month period prior to Prospectus Date is set out in the table below.

	Price	Date(s)
Highest	\$0.022	31 May 2021
Lowest	\$0.014	30 June 2021
Latest	\$0.015	24 August 2021

The above trading data has been sourced from ASX, which has not consented to its use in this Prospectus.

7.11 Consents and liability statements

The following persons have given their written consent to be named in the Prospectus in the form and context in which they are named and to the inclusion of a statement or report in this Prospectus in the form and context in which it is included:

Party	Capacity in which named	Statement or report in this Prospectus
PAC Partners Securities Pty Ltd	Lead Manager to the Placement and the Offers	Not applicable
Blackwall Legal LLP	Solicitors to the Company	Not applicable
Automic Registry Services	Share Registry	Not applicable
HLB Mann Judd	Auditor	Financial statements as at 31 December 2020 set out in Section 3.6, on which the pro forma statement of financial position is based.

Each of the parties named above as providing their consent:

- did not authorise or cause the issue of this Prospectus;
- does not make, or purport to make, any statement in this Prospectus nor is any statement in this Prospectus based on any statement by any of those parties other than as specified in this Section 7.11; and
- to the maximum extent permitted by law, expressly disclaims any responsibility or liability for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with consent of that party as specified in this Section 7.11.

8. Directors' Statement

The 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 and Proposed Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

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

A handwritten signature in blue ink, appearing to read 'Brett Savill', with a stylized flourish at the end.

Brett Savill
Managing Director

Date: 27 August 2021

9. Glossary of Terms

A\$ or \$	Australian dollars.
Applicant	A person who applies for New Securities under and in accordance with this Prospectus.
Application	A valid application for New Securities offered under this Prospectus.
Application Form	An application form that accompanies this Prospectus for an offer of New Securities under this Prospectus.
Application Moneys	Money received from an Applicant in respect of an Application for New Shares.
ASIC	The Australian Securities and Investments Commission.
ASX	ASX Limited (ACN 008 624 691) trading as the 'Australian Securities Exchange'.
ASX Settlement	ASX Settlement Pty Limited (ACN 008 504 532).
ASX Settlement Rules	The settlement rules of ASX Settlement.
Board	The board of Directors of the Company.
Business Day	Has the meaning given to that term in the Listing Rules.
Capital Raising	The capital raised by the Company from the issue of the Placement .
CHESS	Clearing House Electronic Sub-register System operated by ASX Settlement.
CHESS Statement or Holding Statement	A statement of shares registered in a CHESS account.
Closing Date	The closing date of the Share Offer, being 5.00pm WST on 8 October 2021 or such other date as determined by the Directors.
Company or Zimi	Zimi Limited (ACN 113 326 524).
Constitution	The constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Company Secretary	The company secretary of the Company.
Director	A director of the Company as at the Prospectus Date.
Executive Director	An executive Director of the Company.
Gerard Private	Gerard Private Holdings (Finance) Pty Ltd (ACN 603 283 085).
GSM-Electrical	GSM Electrical (Australia) Pty Ltd (ACN 603 377 484).
GSM-I	GSM Innovations Pty Ltd (ACN 616 530 708).

GST	Goods and services tax levied under the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
IoT	Internet of things.
Lead Manager or PAC Partners	PAC Partners Securities Pty Ltd (ACN 623 653 912).
Lead Manager Engagement	The Lead Manager Engagement between the Company and PAC Partners as described in Section 0.
Lead Manager Offer	The offer under this Prospectus of 41,666,667 New Options to the Lead Manager pursuant to the terms of the Lead Manager Engagement.
Listing Rules	The official listing rules of ASX.
New Option	An Option exercisable at \$0.03 each and expiring 31 October 2023, and otherwise having the terms and conditions set out in Section 5.2, to be issued or offered under the Options Offer and the Lead Manager Offer.
New Securities	New Shares and New Options.
New Share	A new Share, which the Company may issue to investors under the Share Offer.
Non-Executive Director	A non-executive Director of the Company.
Offer Period	The period that an Offer is open, being the period between the Opening Date and the Closing Date.
Offer Price	\$0.015 per New Share.
Offers	The Options Offer, the Lead Manager Offer and the Share Offer, or any one of those offers as the case may be.
Official Quotation	The admission of Securities to the official list of the ASX.
Opening Date	The opening date of the Share Offer, being 27 August 2021 or such other date as determined by the Directors.
Option	An option to subscribe for a Share.
Options Offer	The offer under this Prospectus of 128,333,333 New Options to Placement Participants.
Performance Rights	Performance rights granted by the Company. Each performance right entitles the holder to be issued one Share subject to satisfaction of vesting conditions.
Performance Shares	Performance shares granted by the Company. Each performance share converts one Share subject to satisfaction of vesting conditions.
Placement	The Tranche 1 Placement and the Tranche 2 Placement, pursuant to which the Company will issue a total of 256,666,666 Shares and 128,333,333 New Options, to raise \$3.85 million (before costs), as described in Section 1.1.
Placement Participants	Has the meaning given to that term in Section 1.1.

Placement Shares	Shares issued under the Placement.
Privacy Act	<i>Privacy Act 1988</i> (Cth).
Prospectus	This document.
Prospectus Date	The date of this Prospectus, being the date that this Prospectus is lodged with ASIC.
Quoted Options	Options quoted on ASX (ASX Code: ZMMOC).
Related Bodies Corporate	Has the meaning given to that term in the Corporations Act.
Section	A section of this Prospectus.
Securities	The securities of the Company within the meaning of section 761A of the Corporations Act and includes a Share and an Option.
Share	A fully-paid ordinary share in the capital of the Company.
Share Offer	The offer under this Prospectus of 100,000 New Shares.
Shareholder	The holder of a Share.
Share Registry	The Company's Share Registry, Automic Registry Services.
Tranche 1 Placement	The placement by the Company of 150,796,384 Shares issued at an issue price of \$0.015 each and 75,398,192 New Options, to non-Related Party sophisticated and professional investors, raising approximately \$2.26 million (before costs), as described in Section 1.1.
Tranche 1 Placement Participants	The persons identified in Section 1.1 to whom Tranche 1 Placement Shares were issued.
Tranche 2 Placement	The placement by the Company of up to 105,870,269 Shares at an issue price of \$0.015 each and 59,935,141 New Options, to raise approximately \$1.59 million (before costs), as described in Section 1.1.
Tranche 2 Placement Participants	The persons to whom Tranche 2 Placement Securities are to be issued, being persons identified in Section 1.1 to whom Tranche 1 Placement Shares were issued, and the Related Parties of the Company comprising Peter Rossdeutscher, Brett Savill, Redorblack Pty Ltd ATF the Tentori Super Fund (associate of Jordan Tentori) and Madurta Pty Ltd (associate of Simon Gerard) or their nominees
Tranche 2 Placement Securities	New Shares and New Options proposed to be issued under the Tranche 2 Placement.
WST	Western Standard Time, being the time in Perth, Western Australia.

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