



## **Osteopore Limited ACN 630 538 957**

### **ENTITLEMENT OFFER PROSPECTUS**

This Prospectus is primarily being issued for a non-renounceable pro-rata offer to Eligible Shareholders of 1 new Share for every 4 Shares held on the Record Date, at an issue price of \$0.085 per new Share, together with 1 free-attaching Quoted Option for every 1 new Share subscribed for (**Entitlement Offer**).

This Prospectus is also being issued for the Placement Option Offer, Top-Up Offer, Shortfall Offer and Lead Manager Option Offer described in this Prospectus.

The Entitlement Offer, Top-Up Offer and Placement Option Offer close at 5.00pm (AEST) on 4 April 2023 (**Closing Date**).

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.**

**IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.**

**THE SECURITIES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A SPECULATIVE NATURE. REFER TO SECTION 4 FOR A SUMMARY OF THE KEY RISKS ASSOCIATED WITH AN INVESTMENT IN SECURITIES.**

\*The Company reserves the right, subject to the Corporations Act and Listing Rules to extend or shorten the Closing Date for the Offers.

## Important information

This Prospectus is dated 10 March 2023 and was lodged with ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the registered office of the Company at Ground Floor, 16 Ord Street West Perth WA 6005 during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 5.5).

The Securities offered by this Prospectus should be considered speculative. Please refer to Section 4 for details relating to investment risks.

This Prospectus is important and should be read in its entirety before deciding to participate in the Offers. This does not take into account the investment objectives, financial or taxation, or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in Section 4.

This Prospectus will be made available in electronic form on the Company's website at [www.osteopore.com/investors#asx-announcements](http://www.osteopore.com/investors#asx-announcements) and the ASX markets platform. Persons having received a copy of the Prospectus in electronic form, or other prospective investors may obtain a paper copy of this Prospectus and the relevant Application Form free of charge from the offices of the Company for the duration of the offer period by contacting the Company. Contact details for the

Company are detailed in the Corporate Directory.

By paying for your Securities by BPAY® or EFT in accordance with the instructions at <https://events.miracle.com/osx-offer>, in Section 2 and on the Application Form you acknowledge that you have read this Prospectus and you have acted in accordance with and agree to the terms of the Offers detailed in this Prospectus.

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

No action has been taken to permit the offer of Securities under this Prospectus in any jurisdiction other than Australia, New Zealand, Malaysia and Singapore.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

### Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Quoted Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (<https://www.osteopore.com/>). By making an application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

This Prospectus does not constitute an offer of Securities in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia or New Zealand except to the extent permitted below.

### **Malaysia**

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to the offer of Securities. The Securities under the Offers may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, Schedules 6 and 7 of the Malaysian Capital Markets and Services Act.

### **New Zealand**

The Securities are not being offered to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This Prospectus is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### **Singapore**

This Prospectus and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document relating to the Securities may not be issued, circulated or distributed, nor may they be offered or sold, or be made the subject of an invitation for subscription or purchase,

whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are an existing holder of the Company's shares. In the event that you are not such a shareholder, please return this Prospectus immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party in Singapore. There are on-sale restrictions in Singapore that may be applicable to investors who acquire such Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

### **Forward-looking statements**

This Prospectus includes forward looking statements that have been based on current expectations about future acts, events and circumstances. These forward looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in the forward looking statements.

### **Defined terms and interpretation**

Definitions of certain terms used in this Prospectus are contained in Section 8. All references to currency are to Australian dollars and all references to time are to WST unless otherwise indicated.

## Corporate directory

### Directors

Mark Leong	Executive Chairman
Professor Teoh	Non-Executive Director
Swee Hin	
Daniel Ow	Non-Executive Director

### Share Registry\*

Link Market Services Limited  
Level 12, QV1 Building  
250 St Georges Terrace  
Perth, WA 6000

### Company Secretaries

Deborah Ho	Joint Company Secretary
Kellie Davis	Joint Company Secretary

### Registered Office

Ground Floor, 16 Ord Street  
West Perth WA 6005

Telephone: +61 8 9482 0500  
Email: [investor\\_relations@osteopore.com](mailto:investor_relations@osteopore.com)  
Website: [www.osteopore.com/](http://www.osteopore.com/)

### Solicitors

Hamilton Locke Pty Ltd  
Level 48, 152-158 St Georges Terrace  
Perth, WA 6000

### Lead Manager and Corporate Advisor

Cadmon Advisory Pty Ltd  
Level 2  
Professional Chambers  
120 Collins Street  
Melbourne, VIC 3000

### ASX Codes:

Shares: OSX  
Quoted Options: OSXO

### Auditors\*

Grant Thornton Audit Pty Ltd  
Central Park  
Level 43, 152-158 St Georges Terrace  
Perth, WA 6000

\* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

## Proposed timetable for the Offers\*

Event	Date
Lodgement of Appendix 3B with ASX	10 March 2023 (after market close)
Lodgement of Prospectus with the ASIC and ASX	10 March 2023 (after market close)
Ex-date	15 March 2023
Record Date for determining Entitlements	16 March 2023
Despatch of Prospectus and Application Form	21 March 2023
Opening date for the Offers	21 March 2023
Last day to extend the Closing Date of the Offers (other than the Shortfall Offer and Lead Manager Offer)	Before noon (Sydney time) on 30 March 2023
Company holds General Meeting and ASX notified of results of the General Meeting	31 March 2023
Closing Date of the Offers (other than the Shortfall Offer and Lead Manager Offer) as at 5.00pm (AEST)*	4 April 2023
Securities under the Entitlement Offer, Top-Up Offer and Placement Option Offer quoted on a deferred settlement basis	5 April 2023
Announcement of results of Entitlement Offer and Top-Up Offer	12 April 2023
Issue date and lodgement of Appendix 2A with ASX applying for quotation of Shares and Quoted Options subscribed for under the Entitlement Offer, Top-Up Offer and Placement Option Offer	Before noon (Sydney time) on 13 April 2023
Quotation of Securities issued under the Entitlement Offer, Top-Up Offer and Placement Option Offer*	14 April 2023
Issue of Remaining Shortfall Securities under Shortfall Offer (if any) and Lead Manager Options under the Lead Manager Option Offer	By no later than 4 July 2023

\* All dates (other than the date of the Prospectus and the date of lodgement of the Prospectus with ASIC and ASX) are indicative only. The Directors may extend the Closing Date in respect of the Entitlement Offer and Top-Up Offer by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Securities issued under the Offers are expected to commence trading on ASX may vary.

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# Letter from the Chairperson

Dear Shareholder

On behalf of your Directors, I am pleased to invite you to participate in this non-renounceable pro-rata 1-for-4 entitlement offer at an issue price of \$0.085 per share to raise up to approximately \$2,633,617 (before costs) (**Entitlement Offer**).

Under the Entitlement Offer, Eligible Shareholders are entitled to subscribe for 1 new Share for every 4 existing Shares in the Company held on the Record Date, being 5.00pm (AWST) on 16 March 2023 (**Record Date**). Participants in the Entitlement Offer will also be issued 1 free attaching Quoted Option exercisable at \$0.225 and expiring on the date that is three years from the date of issue (**Quoted Options**) for every 1 new Share subscribed for under the Entitlement Offer. Further details in respect of how Eligible Shareholders can participate in the Entitlement Offer are set out in Sections 2.2 and 2.3.

Eligible Shareholders may also apply (in excess of their Entitlement) for new Shares and Quoted Options not subscribed for pursuant to the Entitlement Offer at the same issue price as the Entitlement Offer (subject to the allocation policy set out in Section 1.2) (**Top-Up Offer**). Further details in respect of how Shareholders can participate in the Top-Up Offer are set out in Section 2.4.

Proceeds from the Offers will be principally used to:

- (a) support sales momentum;
- (b) develop and launch new breakthrough products;
- (c) secure regulatory clearances in new markets and provide capacity for continued exploration of potential partnerships and acquisition opportunities aimed at increasing Company value;
- (d) provide general working capital; and
- (e) pay the costs of the Offers (further details in respect of which are set out in Section 1.6).

The Entitlement Offer, the Top-Up Offer and the Placement Option Offer are scheduled to close at 5.00pm (AEST) on 4 April 2023. Eligible Shareholders wishing to participate in the Entitlement Offer and the Top-Up Offer should refer to the instructions on the Application Form and Section 2 of this Prospectus.

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on +61 (08) 9482 0500. If you have any doubts or questions in relation to the Prospectus you should consult your stockbroker, accountant, solicitor or other suitably qualified professional adviser to evaluate whether or not to participate in the Offers.

On behalf of the Board, I look forward to your continued support and on updating you on the Company's progress.

Yours faithfully



Mark Leong  
Executive Chairman  
**Osteopore Limited**

## Investment overview

This Section is intended to highlight key information for potential investors. It is an overview only and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in Shares.

Key Information	Further Information
<p><b>Transaction specific prospectus</b></p> <p>This Prospectus is a transaction specific prospectus for offers of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	Section 5.3
<p><b>Risk factors</b></p> <p>Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <p>(a) <b>Loss making operation, future capital needs and additional funding</b></p> <p>The Company is currently loss making (having incurred net losses in each year since inception) and will require further financing in the future, in addition to amounts raised pursuant to the Offers. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or Issue Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.</p> <p>The future capital requirements of the Company will depend on many factors, including the pace and magnitude of the development of its business and sales, increasing operating costs and inflation risks which may adversely affect the Company's performance. As such, the Company may need to raise additional funds from time to time to finance the ongoing development and commercialisation of its technology and to meet its other longer-term objectives.</p> <p>Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.</p>	Section 4



Key Information	Further Information
<p>(b) <b>Supplier and manufacturing risk</b></p> <p>The Company may be unable to successfully sustain and to further scale-up manufacturing of its products in sufficient quality and quantity, which would delay or prevent it from developing and commercialising any approved products. The Company sources certain key components for its devices from third party suppliers. The Company relies in particular on a primary third-party supplier located in the Netherlands for materials used in its products, thereby making the Company vulnerable to supply shortages and price fluctuations, which could harm its business, operations, financial condition and cash flows (particularly if the Company is unable to reduce its expenses including on a per unit costs basis).</p> <p>(c) <b>Reliance on key customers</b></p> <p>The Company's largest markets by revenue are currently South Korea, Vietnam and Singapore. This geographic concentration makes the Company particularly sensitive to regulatory, economic, and competitive conditions in those countries, and any material change in such conditions in these countries could have a disproportionate effect on its business, results of operations and financial condition. Furthermore, the Company's operating results may vary significantly from quarter to quarter because of seasonality, bulk orders, shipments to distributors or otherwise. If the Company were to lose one or more of its significant customers, its revenue may significantly decline. The loss of one or more of the Company's significant customers could adversely affect its business, results of operations, and financial condition.</p> <p>(d) <b>Competition, marketing and new technologies</b></p> <p>The Company's success depends, in large part, on effectively marketing its products to surgeons. In order for the Company's products to gain widespread adoption, the Company must successfully demonstrate to surgeons the medical and economic benefits of its products compared to competitors' products, including Rapidsorb (DePuy Synthes), Medpor(Stryker), and Titanium Burr Hole Cover (DePuy Synthes). The Company also may face challenges because in situ tissue engineering is relatively new as compared to the current standard of care for bone regeneration. Standard care for the previous several decades has involved permanent implants and bone grafts whereas the Company's products have only been commercially available since approximately 2006 (such that the Company has a limited track record compared with its competitors).</p> <p>Acceptance of the Company's products depends on educating surgeons as to the distinctive characteristics, perceived benefits, safety, ease of use and cost-effectiveness of its products as compared to its competitors' products and communicating to surgeons the proper use of its products. If the Company is not successful in convincing surgeons of the merits of its products or educating them on the benefits of its products, they may not use its products and the Company may be unable to increase its sales, sustain its growth or achieve profitability. In addition, the Company believes support of its products by surgeons is essential for market acceptance and adoption. If the Company does not receive support from surgeons or long-term data does not show the benefits of using its products, surgeons may not use it. In such</p>	

Key Information	Further Information
<p>circumstances, the Company's results of operations would be materially adversely affected.</p> <p>(e) <b>Intellectual property risk</b></p> <p>Osteopore International has a patent portfolio of 25 patents, trade secrets and registered trademarks. The Company relies on laws relating to patents, trade secrets, copyright and trademarks to assist to protect its proprietary rights. However there is a risk that unauthorised use or copying of the Company's software, data, specialised technology, manufacturing processes or platforms will occur (including as a result of cyber-attacks and network security breaches). The process of obtaining patent protection is expensive and time-consuming, and the Company may not be able to prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. If the Company fails to protect its intellectual property secrets, competitors may gain access to its proprietary information which could harm the Company's businesses.</p> <p>The Company is also currently in service of a complaint and summons alleging patent infringement by the Company (further details in respect of which are set out in Section 4.1(o)). There is a further risk that the Company will be unable to register or otherwise protect new intellectual property it develops in the future.</p> <p>(f) <b>Contractual risk</b></p> <p>There are a number of risks associated with contracts entered into by the Company, including the risk that those contracts may contain unfavourable provisions, or be terminated, lost or impaired, or renewed on less favourable terms. It is not possible for the Company to predict or protect itself against all such risks.</p> <p>The Company entered into a binding asset purchase deed (<b>APA</b>) with Mr Lim Jae Hoon (<b>Vendor</b>) on 22 January 2023, pursuant to which completion is subject to various certain conditions precedent which are yet to be satisfied such that there is a risk completion may not occur on schedule, or at all. Even if Completion does occur, there is a risk the Company may not be able to satisfy its trailing payment obligations thereunder (further details in respect of which are set out in Section 4.1(e)).</p> <p>(g) <b>Medical or product liability claims</b></p> <p>Generally, medical technology companies may be subject to claims alleging negligence, product liability or breach of warranty that may involve large claims and significant defence costs whether or not such liability is imposed. These claims may be brought by individuals seeking relief for themselves, or increasingly, by groups seeking to represent a class. Claims could be made against the Company for liabilities resulting from adverse medical consequences to patients.</p>	

Key Information	Further Information
<p><b>Entitlement Offer</b></p> <p>The Entitlement Offer is a non-renounceable entitlement issue of 1 new Share for every 4 existing Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.085 per new Share to raise up to approximately \$2,633,617 (before costs). Participants in the Entitlement Offer will also be issued 1 free Quoted Option for every 1 new Share subscribed for under the Entitlement Offer.</p> <p>Eligible Shareholders may apply for Securities under the Entitlement Offer subject to such Applications being received by the Closing Date.</p>	Section 1.1
<p><b>Top-Up Offer</b></p> <p>Any Securities not validly subscribed for pursuant to the Entitlement Offer will form the Top-Up Offer.</p> <p>The issue price for each new Share to be issued under the Top-Up Offer shall be \$0.085, being the price at which Shares are being offered under the Entitlement Offer. Participants in the Top-Up Offer will also be issued 1 free Quoted Option for every 1 new Share subscribed for under the Top-Up Offer.</p> <p>Eligible Shareholders who have applied for their full Entitlement, may apply for additional Securities under the Top-Up Offer subject to such Applications being received by the Closing Date.</p> <p>Any Securities to be issued pursuant to the Top-Up Offer will be allocated at the discretion of the Directors (in consultation with the Lead Manager), pursuant to the allocation policy outlined in Section 1.2. Accordingly, there is no guarantee that Eligible Shareholders who apply for Securities in excess of the Entitlement, pursuant to the Top-Up Offer will receive such Securities.</p>	Section 1.2

Key Information	Further Information
<p><b>Eligible Shareholders</b></p> <p>The Entitlement Offer and the Top-Up Offer are made to Eligible Shareholders only. Eligible Shareholders are those Shareholders who:</p> <p>(a) are the registered holder of Shares on the Record Date; and</p> <p>(b) have a registered address in Australia, or subject to the offer restrictions in Sections 1.17 to 1.19 (inclusive), New Zealand, Malaysia and Singapore.</p>	<p>Sections 1.16 to 1.19 (inclusive)</p>
<p><b>Shortfall Offer</b></p> <p>Any Shares which are not taken up in accordance with the Entitlement Offer or the Top Up Offer (<b>Remaining Shortfall Securities</b>) may be placed by the Company (in consultation with the Lead Manager) to New Investors within three months of the Closing Date.</p> <p>Accordingly, this Prospectus also incorporates an offer to New Investors who have received an invitation to apply for Remaining Shortfall Securities (<b>Shortfall Offer</b>).</p> <p>The Shortfall Offer is only open to New Investors who have received an invitation to apply for Remaining Shortfall Securities pursuant to the Shortfall Offer.</p> <p>The issue price for each new Share to be issued under the Shortfall Offer shall be \$0.085, being the price at which new Shares are being offered under the Entitlement Offer. Participants in the Shortfall Offer will also be issued 1 free Quoted Option for every 1 new Share subscribed for under the Shortfall Offer.</p> <p>Any Remaining Shortfall Securities will be allocated at the discretion of the Company (in consultation with the Lead Manager) pursuant to the allocation policy outlined in Section 1.3. Accordingly, there is no guarantee that New Investors will receive any Securities pursuant to the Shortfall Offer.</p>	<p>Section 1.3</p>
<p><b>Lead Manager Option Offer</b></p> <p>The Prospectus also includes a separate offer of up to 15,000,000 Lead Manager Options to be issued to the Lead Manager (and/or its nominees) as part consideration for lead manager and corporate advisory services pursuant to the Capital Raising Mandate and Entitlement Offer Engagement Letter.</p> <p>The issue of 5,000,000 Lead Manager Options pursuant to the Capital Raising Mandate is subject to Shareholder approval at the Company's general meeting intended to be held on 31 March 2023 (<b>General Meeting</b>).</p> <p>The remaining 10,000,000 Lead Manager Options will be issued to the Lead Manager pursuant to the Entitlement Offer Engagement Letter and subject to any Shareholder or regulatory approvals to the extent required.</p>	<p>Sections 1.4 and 3.4</p>
<p><b>Placement Option Offer</b></p> <p>This Prospectus also includes a separate offer of 6,666,666 Quoted Options to be issued to existing and sophisticated investors as free attaching Quoted Options pursuant to the Placement (<b>Placement Options</b>). The issue of the Placement Options is subject to Shareholder approval at the Company's General Meeting.</p>	<p>Sections 1.5 and 2.8</p>

<b>Key Information</b>	<b>Further Information</b>																																																
<p><b>Use of funds</b></p> <p>The proceeds from the Offers will be used to support sales momentum, develop and launch new breakthrough products, secure regulatory clearances in new markets and provide capacity for continued exploration of potential partnerships and acquisition opportunities aimed at increasing Company value, provide general working capital and to pay the costs of the Offers.</p>	Section 1.6																																																
<p><b>Effect on control of the Company</b></p> <p>The Company is of the view that the Offers will not affect the control of the Company as no investor or existing Shareholder will increase its voting power from below 20% to over 20% as a result of the Offers.</p> <p>Shareholders should note that if they do not participate in the Entitlement Offer, their holdings will be diluted. Examples of how the dilution may impact Shareholders are set out in Section 1.10.</p>	Sections 1.9 and 1.10																																																
<p><b>Indicative capital structure and pro-forma balance sheet</b></p> <p>The indicative capital structure upon completion of the Offers (assuming the Entitlement Offer is fully subscribed) is set out below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Securities</th> <th style="text-align: center;">Shares</th> <th style="text-align: center;">%</th> <th style="text-align: center;">Quoted Options</th> <th style="text-align: center;">Unquoted Options</th> <th style="text-align: center;">Performance Rights</th> </tr> </thead> <tbody> <tr> <td>Existing Securities on issue</td> <td style="text-align: right;">123,934,904</td> <td style="text-align: center;">80</td> <td style="text-align: center;">-</td> <td style="text-align: right;">3,187,500</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Placement Options</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: right;">6,666,666</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Shares and Quoted Options to be issued under the Entitlement Offer and Top-Up Offer</td> <td style="text-align: right;">30,983,726</td> <td style="text-align: center;">20</td> <td style="text-align: right;">30,983,726</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Lead Manager Options to be issued under the Lead Manager Option Offer</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: right;">15,000,000</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Vendor Performance Rights</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: right;">2,400,000</td> </tr> <tr> <td>Director Performance Rights</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: right;">11,100,000</td> </tr> <tr> <td><b>TOTAL</b></td> <td style="text-align: right;"><b>154,918,630</b></td> <td style="text-align: center;"><b>100</b></td> <td style="text-align: right;"><b>52,650,392</b></td> <td style="text-align: right;"><b>3,187,500</b></td> <td style="text-align: right;"><b>13,500,000</b></td> </tr> </tbody> </table> <p>Further details in respect of the Company's capital structure are set out in Section 3. The indicative pro-forma balance sheets showing the effect of the Offers is in Section 7.</p>	Securities	Shares	%	Quoted Options	Unquoted Options	Performance Rights	Existing Securities on issue	123,934,904	80	-	3,187,500	-	Placement Options	-	-	6,666,666	-	-	Shares and Quoted Options to be issued under the Entitlement Offer and Top-Up Offer	30,983,726	20	30,983,726	-	-	Lead Manager Options to be issued under the Lead Manager Option Offer	-	-	15,000,000	-	-	Vendor Performance Rights	-	-	-	-	2,400,000	Director Performance Rights	-	-	-	-	11,100,000	<b>TOTAL</b>	<b>154,918,630</b>	<b>100</b>	<b>52,650,392</b>	<b>3,187,500</b>	<b>13,500,000</b>	Sections 3.1 and 7
Securities	Shares	%	Quoted Options	Unquoted Options	Performance Rights																																												
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Vendor Performance Rights	-	-	-	-	2,400,000																																												
Director Performance Rights	-	-	-	-	11,100,000																																												
<b>TOTAL</b>	<b>154,918,630</b>	<b>100</b>	<b>52,650,392</b>	<b>3,187,500</b>	<b>13,500,000</b>																																												

Key Information							Further Information																												
<p><b>Directors' interests in Shares and Entitlements</b></p> <p>The relevant interest of each of the Directors in Shares as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:</p> <table border="1"> <thead> <tr> <th>Director</th> <th>Shares</th> <th>Voting power (%)</th> <th>Unquoted Options</th> <th>Performance Rights (subject to Shareholder approval)</th> <th>Entitlement (Shares)</th> <th>Entitlement (Quoted Options)</th> </tr> </thead> <tbody> <tr> <td>Mark Leong</td> <td>150,000</td> <td>0.12</td> <td>-</td> <td>9,250,000</td> <td>37,500</td> <td>37,500</td> </tr> <tr> <td>Professor Teoh Swee Hin</td> <td>7,130,309</td> <td>5.75</td> <td>-</td> <td>925,000</td> <td>1,782,578</td> <td>1,782,578</td> </tr> <tr> <td>Daniel Ow</td> <td>-</td> <td>-</td> <td>-</td> <td>925,000</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <p>It is the intention of all Directors (other than Mr Ow who does not have an Entitlement) to take up all or part of their Entitlement specified above under the Entitlement Offer.</p>							Director	Shares	Voting power (%)	Unquoted Options	Performance Rights (subject to Shareholder approval)	Entitlement (Shares)	Entitlement (Quoted Options)	Mark Leong	150,000	0.12	-	9,250,000	37,500	37,500	Professor Teoh Swee Hin	7,130,309	5.75	-	925,000	1,782,578	1,782,578	Daniel Ow	-	-	-	925,000	-	-	Section 5.8(b)
Director	Shares	Voting power (%)	Unquoted Options	Performance Rights (subject to Shareholder approval)	Entitlement (Shares)	Entitlement (Quoted Options)																													
Mark Leong	150,000	0.12	-	9,250,000	37,500	37,500																													
Professor Teoh Swee Hin	7,130,309	5.75	-	925,000	1,782,578	1,782,578																													
Daniel Ow	-	-	-	925,000	-	-																													
<p><b>Lead Manager's interest in the Offers</b></p> <p>The Company will pay to the Lead Manager the following fees in connection with the Placement and the Offers:</p> <ul style="list-style-type: none"> <li>(a) pay a retainer of \$5,000 per month (excluding GST) for a period of at least 6 months after completion of the Placement;</li> <li>(a) pay: <ul style="list-style-type: none"> <li>(i) a management fee of 2% of the amount raised in the Placement, Entitlement Offer, Top-Up Offer and Shortfall Offer (excluding GST); and</li> <li>(ii) a selling fee of 4% of the amount raised in the Placement and Shortfall Offer (excluding GST);</li> </ul> </li> <li>(b) issue 10,000,000 Lead Manager Options to the Lead Manager (and/or its nominees), of which 5,000,000 Lead Manager Options are subject to Shareholder approval at the General Meeting; and</li> <li>(c) subject to the Company placing all Remaining Shortfall Securities under the Shortfall Offer, issue 5,000,000 Lead Manager Options to the Lead Manager (and/or its nominees) as a success fee. In the event that valid Applications are received for all Securities pursuant to the Entitlement Offer and the Top Up Offer by the Closing Date, and there are no Remaining Shortfall Securities, then the Company will not be required to issue these 5,000,000 Lead Manager Options to the Lead Manager.</li> </ul>							Section 3.4																												

Key Information	Further Information
<p><b>Forward looking statements</b></p> <p>This Prospectus contains forward-looking statements which are identified by words such as ‘may’, ‘could’, ‘believes’, ‘estimates’, ‘targets’, ‘expects’, or ‘intends’ and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do 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 and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.</p> <p>These forward looking statements are subject to various risk factors that could cause the Company’s actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4.</p>	<p>Important Information and Section 4</p>

# 1. Details of the Offers

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## 1.1 Entitlement Offer

The Company is making an offer to all Eligible Shareholders to participate in a non-renounceable entitlement offer to raise up to approximately \$2,633,617 (before costs) by the issue of up to approximately 30,983,726 Shares (**Entitlement Offer**). The Entitlement Offer will be determined on the basis of 1 new Share for every 4 Shares held at the Record Date at an issue price of \$0.085 each and otherwise on the terms and conditions contained in this Prospectus.

Participants in the Entitlement Offer will also be issued 1 free Quoted Option, exercisable at \$0.225 each and expiring on the date that is three years from the date of issue, for every 1 new Share subscribed for under the Entitlement Offer (**Quoted Options**).

The purpose of the Entitlement Offer is to:

- (a) provide Eligible Shareholders with the opportunity to take up Shares proportional to their shareholding, and to mitigate the effect of dilution; and
- (b) provide the Company with additional funds to be attributed in accordance with the use of funds set out in Section 1.6.

On 22 December 2022, the Company announced that it had received firm commitments from existing and sophisticated investors to subscribe for 6,666,666 Shares (**Placement Shares**) (and 6,666,666 free attaching Quoted Options) to raise \$1,000,000 (before costs) pursuant to a placement (**Placement**). The issue price of the Placement Shares was \$0.15 per Share. The Placement Shares were issued on 3 January 2023 using the Company's existing placement capacity under Listing Rule 7.1A.

As at the date of this Prospectus, the Company has on issue 123,934,904 Shares and 3,187,500 Unquoted Options.

Assuming no Options are exercised into Shares prior to the Record Date (and subject to Entitlement rounding) the Entitlement Offer is for a maximum of approximately 30,983,726 Shares (and 30,983,726 Quoted Options) to raise up to approximately \$2,633,617 (before costs).

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a Security, such fraction will be rounded up to the nearest whole Share. Shares issued under the Entitlement Offer (and upon exercise of the Quoted Options) will be issued as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to the Shares and Quoted Options offered under the Entitlement Offer are in Sections 5.1 and 5.2, respectively.

The Company will apply for quotation of the Quoted Options subject to compliance with the requirements of ASX and the ASX Listing Rules, however, the Quoted Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the ASX Listing Rules)).

The fact that ASX may agree to grant official quotation of the Quoted Options is not to be taken in any way as an indication of the merits of the Company or the Quoted Options. ASX takes no responsibility for the contents of this Prospectus.



If official quotation of the Quoted Options is not granted by ASX within three months of the date of this Prospectus, the Quoted Options will be Unquoted Options in accordance with Section 5.2(i)(ii).

## 1.2 Top-Up Offer

This Prospectus includes a separate offer to Eligible Shareholders who have subscribed for their full Entitlement to apply for Shares not subscribed for by other Shareholders pursuant to the Entitlement Offer at the same issue price as the Entitlement Offer (**Top-Up Offer**). Participants in the Top-Up Offer will also be issued 1 free Quoted Option for every 1 new Share subscribed for under the Top-Up Offer.

Shares issued under the Top-Up Offer (and upon exercise of the Quoted Options) will be issued as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to Shares and Quoted Options offered under the Top-Up Offer are in Sections 5.1 and 5.2, respectively.

The Company will apply for quotation of the Quoted Options, as summarised in Section 1.1.

Securities will only be issued pursuant to the Top-Up Offer if the Entitlement Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions.

Eligible Shareholders can subscribe for Securities pursuant to the Top-Up Offer by following the instructions set out in Section 2.4.

The Directors, in consultation with the Lead Manager, reserve the right to issue Securities pursuant to the Top-Up Offer at their absolute discretion. Accordingly, there is no guarantee that any applications under the Top-Up Offer will be successful. In exercising this discretion, the Board, in consultation with the Lead Manager, will take into consideration a number of factors, including the Company's best interests, the Applicant's existing Securities, the extent to which an Applicant has sold or bought Securities before and after both the announcement of the Entitlement Offer and the Record Date, the financial needs of the Company, and the optimal composition of the Company's register following the Offers.

It is a term of the Top-Up Offer that, should the Company scale back applications for Securities thereunder, the Applicant will be bound to accept such lesser number allocated to them. There is no guarantee that Applicants will receive Securities applied for under the Top-Up Offer. The Directors, in consultation with the Lead Manager, reserve the right to issue to an Applicant a lesser number of Securities pursuant to the Top-Up Offer than the number for which the Applicant applies, or to reject an Application, or to not proceed with the Top-Up Offer. In that event, Application Monies for Shares pursuant to the Top-Up Offer will be refunded by the Company (without interest) in accordance with the provisions of the Corporations Act.

The Company will not issue Securities pursuant to the Top-Up Offer where the Company is aware that to do so would result in a breach of the Corporations Act (including section 606 of the Corporations Act) or the Listing Rules. Eligible Shareholders wishing to apply for Securities pursuant to the Top-Up Offer must consider whether the issue of Securities pursuant to the Top-Up Offer applied for would breach the Corporations Act or the Listing Rules having regard to their own circumstances (including the existence of any associates). The Company expressly disclaims any responsibility for monitoring such applications or ensuring that individual Shareholders do not breach the Corporations Act or the Listing Rules in connection with participation in the Top-Up Offer.

Directors and related parties of the Company will not be issued any Securities pursuant to the Top-Up Offer without the prior approval of Shareholders.

### 1.3 Shortfall Offer

This Prospectus includes a separate offer (**Shortfall Offer**) to New Investors which are not related to the Company and who are invited to apply for Remaining Shortfall Securities, being the balance of any Securities which are not taken up pursuant to the Entitlement Offer and the Top Up Offer (**Remaining Shortfall Securities**).

The issue price of Shares offered under the Shortfall Offer will be \$0.085 each, which is the issue price at which Shares have been offered to Eligible Shareholders under the Entitlement Offer and the Top Up Offer. Participants in the Shortfall Offer will also be issued 1 free Quoted Option for every 1 new Share subscribed for under the Shortfall Offer.

Shares under the Shortfall Offer (and upon exercise of the attaching Quoted Options) will be issued as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to Shares and Quoted Options are in Sections 5.1 and 5.2, respectively.

The Company will apply for quotation of the Quoted Options, as summarised in Section 1.1.

New Investors can subscribe for Remaining Shortfall Securities by following the instructions set out in Section 2.5. The Company (in consultation with the Lead Manager) reserves the right to allocate Remaining Shortfall Securities to selected investors who are not related to the Company in their discretion and subject to the terms of the Entitlement Offer Engagement Letter.

To the extent commercially practicable and taking into account the Company's requirement for funds, the Directors will endeavour to allot the Remaining Shortfall Securities to a spread of investors, in order to mitigate any control effects which may arise from issuing Securities to a single or small number of investors.

It is a term of the Shortfall Offer that, should the Company scale back applications for Securities pursuant to the Shortfall Offer, the Applicant will be bound to accept such lesser number allocated to them. There is no guarantee that Applicants will receive Securities applied for under the Shortfall Offer. The Directors reserve the right to issue to an Applicant a lesser number of Remaining Shortfall Securities than the number for which the Applicant applies, or to reject an Application, or to not proceed with the Shortfall Offer. In that event, Application Monies for Remaining Shortfall Securities will be refunded by the Company (without interest) in accordance with the provisions of the Corporations Act.

Pursuant to the Shortfall Offer, any Remaining Shortfall Securities will be placed within three months of the Closing Date of the Entitlement Offer and the Top Up Offer.

In exercising their discretion to allocate the Remaining Shortfall Securities, the Company, in consultation with the Lead Manager, will take into consideration a number of factors, including the Company's best interests, the Applicant's existing Securities (if any), the extent to which an Applicant has sold or bought Securities before and after both the announcement of the Offers and the Record Date, the financial needs of the Company, and the optimal composition of the Company's register following the Offers.

The Company will not issue Remaining Shortfall Securities where the Company is aware that to do so would result in a breach of the Corporations Act (including section 606 of the Corporations Act) or the Listing Rules. New Investors wishing to apply for Remaining Shortfall Securities must consider whether the issue of the Remaining Shortfall Securities applied for would breach the Corporations Act or the Listing Rules having regard to their own circumstances (including the existence of any associates). The Company expressly disclaims any responsibility for monitoring such applications or ensuring that individual Shareholders do not breach the Corporations Act or the Listing Rules as a result of participation in the Shortfall Offer.

Directors and related parties of the Company will not be issued any Remaining Shortfall Securities.

#### 1.4 **Lead Manager Option Offer**

This Prospectus includes a separate offer of up to 15,000,000 Lead Manager Options to be issued to Cadmon (and/or its nominees) as part consideration for lead manager and corporate advisory services pursuant to the Capital Raising Mandate and Entitlement Offer Engagement Letter (**Lead Manager Option Offer**).

The issue of 5,000,000 Lead Manager Options to Cadmon pursuant to the Capital Raising Mandate is subject to Shareholder approval at the Company's general meeting intended to be held on 31 March 2023 (**General Meeting**) pursuant to Listing Rule 7.1.

The remaining 10,000,000 Lead Manager Options will be issued to Cadmon pursuant to the Entitlement Offer Engagement Letter and subject to any Shareholder or regulatory approvals to the extent required.

No funds will be raised from the Lead Manager Option Offer.

Only the Lead Manager (and/or its nominees) may accept the Lead Manager Option Offer. The Lead Manager Option Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares issued upon exercise of any Lead Manager Options into Shares, that are issued under the Lead Manager Option Offer.

An Application Form in relation to the Lead Manager Option Offer will be issued to the Lead Manager (and/or its nominees) together with a copy of this Prospectus.

Further details of the Capital Raising Mandate and Entitlement Offer Engagement Letter are set out in Section 3.4.

The Lead Manager Options issued under the Lead Manager Option Offer will be in the same class and will rank equally in all respects with the Quoted Options issued under the Entitlement Offer, Top Up Offer, Shortfall Offer and Placement Option Offer. A summary of the rights and liabilities attaching to the Quoted Options offered under the Lead Manager Offer is in Section 5.2. All Shares issued upon the exercise of the Lead Manager Options will rank equally with the existing Shares on issue, as summarised in Section 5.1.

The Company will apply for quotation of the Quoted Options, as summarised in Section 1.1.

#### 1.5 **Placement Option Offer**

This Prospectus includes a separate offer of 6,666,666 Quoted Options (**Placement Options**) to be issued to existing and sophisticated investors pursuant to the Placement, on the basis of 1 free attaching Quoted Option for every one Placement Share issued (**Placement Option Offer**).

The issue of the Placement Options is subject to Shareholder approval at the Company's General Meeting pursuant to Listing Rule 7.1.

No funds will be raised from the Placement Option Offer.

Only the participants in the Placement may accept the Placement Option Offer. The Placement Option Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares issued upon exercise of any Placement Options into Shares, that are issued under the Placement Option Offer.

An Application Form in relation to the Placement Option Offer will be issued to the participants in the Placement together with a copy of this Prospectus.

The Placement Options issued under the Placement Option Offer will be in the same class and will rank equally in all respects with the Quoted Options issued under the Entitlement Offer, Top Up Offer, Shortfall Offer and Lead Manager Offer. A summary of the rights and liabilities attaching to the Quoted Options offered under the Placement Option Offer is in Section 5.2. All Shares issued upon the exercise of the Placement Options will rank equally with the existing Shares on issue, as summarised in Section 5.1.

The Company will apply for quotation of the Quoted Options, as summarised in Section 1.1.

## 1.6 Use of funds

Following completion of the Offers (assuming the Entitlement Offer is fully subscribed and the maximum of \$2,633,617 (before costs) is raised), the following funds will be available to the Company:

Source of funds	\$
Existing cash reserves as at 27 February 2023 <sup>1</sup>	556,537
Proceeds from the Offers	2,633,617
<b>Total funds available</b>	<b>3,190,154</b>

The following table shows the intended use of funds following completion of the Offers:

Use of funds	\$	%
Marketing, customer acquisition and sales growth <sup>2</sup>	774,714	24.28
Continual development of Osteopore technologies <sup>3</sup>	759,415	23.81
Estimated expenses of the Offers <sup>4</sup>	115,113	3.61
Working capital <sup>5</sup>	1,540,912	48.30
<b>Total Funds allocated<sup>6</sup></b>	<b>3,190,154</b>	<b>100</b>

### Notes:

- Includes the Placement proceeds of \$1,000,000 (before costs).
- For the purpose of growing revenue (such as attending medical conferences and trade shows, Key Opinion Leader engagement) and to fund potential revenue accretive acquisitions.
- For the purpose of increasing product line and application to build future value of the Company, including new technologies that accelerate bone regeneration.
- Expenses paid or payable by the Company in relation to the Offers are set out in Section 5.11.
- Working capital includes the general costs associated with the management and operation of the business including administration expenses, rent and other associated costs. Working capital also includes surplus funds.

6. Assumes no Quoted Options are converted to Shares. The application of funds received on conversion of Quoted Options will depend on when Quoted Options are exercised and the status of the Company's requirements at the relevant time.
7. In the event that the Entitlement Offer is not fully subscribed, the Company will adjust the use of funds to reflect the amount actually raised and intends to evenly scale back the funds attributable to (i) marketing, customer acquisition and sales growth; (ii) continual development of Osteopore technologies; and (iii) working capital.

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

The amounts and timing of the actual expenditures and investments may vary significantly and will depend on numerous factors including market conditions, the development of new opportunities and/or any number of other factors (including the risk factors summarised in Section 4), and actual expenditure levels, may differ significantly from the above estimates.

## 1.7 Opening and Closing Dates

The Company will accept Applications from the date it dispatches the Prospectus until 5:00pm (AEST) on 4 April 2023 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules, the Corporations Act and the Lead Manager Mandates (**Closing Date**).

## 1.8 Substantial shareholders

Based on available information as at the date of this Prospectus, those persons which together with their associates have a voting power in 5% or more of the Shares on issue are set out below:

Substantial shareholder	Number of Shares	Voting Power (%) <sup>1</sup>
Irene Ng Ai Chen <sup>2</sup>	9,882,481	7.97
Professor Teoh Swee Hin <sup>3</sup>	7,130,309	5.75
Patrick John McHale <sup>4</sup>	6,850,000	5.53
Goh Khoon Seng	6,835,316	5.52

### Notes:

1. Calculated based on the Shares on issue as at the date of this Prospectus.
2. Shares held directly by Irene Ng Ai Chen.
3. As set out in the Appendix 3Y lodged with ASX on 15 June 2022.
4. Shares held directly by Patrick John McHale.

## 1.9 Effect on control of the Company

Section 606(1) of the Corporations Act prohibits a person, unless an exception applies, from increasing their voting power in the Company:

- (a) from 20% or below to above 20%; or
- (b) from a starting point of above 20% and below 90%.

The Company is of the view that the Offers will not affect the control of the Company as no investor or existing Shareholder will increase its voting power from below 20% to over 20% as a result of the Offers.

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings will be diluted. Examples of how the dilution may impact Shareholders are set out in Section 1.10.

## 1.10 Potential dilution

Shareholders should note that if they do not participate in the Offers, their holdings are likely to be diluted (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlement to Shares	% holding if Entitlement taken up	% holding if Entitlement not taken up
Shareholder 1	10,000,000	8.07	2,500,000	8.07	6.46
Shareholder 2	5,000,000	4.03	1,250,000	4.03	3.23
Shareholder 3	2,500,000	2.02	625,000	2.02	1.61
Shareholder 4	1,000,000	0.81	250,000	0.81	0.65
Shareholder 5	500,000	0.40	125,000	0.40	0.32

The dilution effect shown in the table above is the maximum percentage on the assumption that those Entitlements not accepted are subscribed for under the Top-Up Offer or Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting shortfall is not subsequently taken up, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

The above table also assumes that no other Shares are issued or equity securities converted into Shares prior to the Record Date (including the Quoted Options).

The below table shows how the dilution may impact Shareholders on the same assumptions as the table above and also assuming that the Quoted Options under the Offers (which, for the avoidance of doubt, also includes the Placement Options and Lead Manager Options) are exercised:

Holder	Holding as at Record Date	% at Record Date	Entitlement to Shares	Entitlement to Quoted Options	% holding if Entitlement taken up	% holding if Entitlement not taken up
Shareholder 1	10,000,000	8.07	2,500,000	2,500,000	7.23	4.82
Shareholder 2	5,000,000	4.03	1,250,000	1,250,000	3.61	2.41
Shareholder 3	2,500,000	2.02	625,000	625,000	1.81	1.20
Shareholder 4	1,000,000	0.81	250,000	250,000	0.72	0.48
Shareholder 5	500,000	0.40	125,000	125,000	0.36	0.24

### 1.11 No rights trading

The rights to Shares under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your Entitlement to any other party. If you do not take up your Entitlement by the Closing Date, your Entitlement will lapse.

### 1.12 Issue Date and dispatch

All Securities under the Offers are expected to be issued on or before the date specified in the proposed timetable in this Prospectus.

Security holder statements will be dispatched at the end of the calendar month following the issue of the Shares and Quoted Options under the Offers.

It is the responsibility of Applicants to determine their allocation prior to trading in the Securities. Applicants who sell Securities before they receive their holding statements do so at their own risk.

### 1.13 Application Monies held on trust

All Application Monies received for the Shares under the Offers will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Shares are issued. All Application Monies will be returned (without interest) if the Shares are not issued.

### 1.14 ASX quotation

Application has been or will be made for the official quotation of the Securities offered by this Prospectus. If permission is not granted by ASX for the official quotation of the Securities offered by this Prospectus within three months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

The Company will apply for quotation of the Quoted Options subject to compliance with the requirements of ASX and the ASX Listing Rules, however, the Quoted Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the ASX Listing Rules)). If these requirements are not met, the Quoted Options will be Unquoted Options.

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

### 1.15 **CHESS**

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities.

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

The CHESS statement will specify the number of Securities issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Securities, including a notice to exercise the Quoted Options.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by the Share Registry and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

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

### 1.16 **Ineligible Foreign Shareholders**

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of Securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Securities under the Offers. In particular, this Prospectus may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia except to the extent permitted in Sections 1.17 and 1.19 (inclusive).

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The Company believes that it is unreasonable to extend the Entitlement Offer and Top-Up Offer to Ineligible Foreign Shareholders. The Company has formed this view having considered:

- (a) the number and value of the Shares that would be offered to those Shareholders; and
- (b) the cost of complying with the legal requirements and the requirements of regulatory authorities in the overseas jurisdictions.

Ineligible Foreign Shareholders will not be entitled to participate in the Offers.



### 1.17 **Malaysia**

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Securities. The Securities under the Offers may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, Schedules 6 and 7 of the Malaysian Capital Markets and Services Act.

### 1.18 **New Zealand**

The Securities are not being offered to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This Prospectus is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### 1.19 **Singapore**

This Prospectus and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document relating to the Securities may not be issued, circulated or distributed, nor may they be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are an existing holder of the Company's shares. In the event that you are not such a shareholder, please return this Prospectus immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party in Singapore. There are on-sale restrictions in Singapore that may be applicable to investors who acquire such Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

### 1.20 **Notice to nominees and custodians**

Nominees and custodians that hold Securities should note that the Entitlement Offer and Top Up Offer are available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offers are compatible with applicable foreign laws.

### 1.21 **Risk factors**

An investment in Securities should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 4.

## 1.22 **Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Securities under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Securities under this Prospectus.

## 1.23 **Major activities and financial information**

A summary of the major activities and financial information relating to the Company, for the year ended 31 December 2021, can be found in the Company's Annual Report announced on ASX on 31 March 2022 and, for the half-year ended 30 June 2022, the Company's Half Yearly Report and Accounts announced on ASX on 31 August 2022. The Company's continuous disclosure notices (i.e. ASX announcements) since 31 March 2022 are listed in Section 5.5. Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

## 1.24 **Privacy**

The Company collects information about each Applicant for the purposes of processing the Acceptance and, if the Acceptance is successful, to administer the Applicant's Shareholding in the Company.

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

If you do not provide the information required, the Company may not be able to accept or process your Acceptance or Application (as applicable).

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

## 2. Action required by Eligible Shareholders

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### 2.1 Action in relation to the Offers

Should Eligible Shareholders wish to acquire Securities as part of the Entitlement Offer, Eligible Shareholders may either take up all of their Entitlement (refer to Section 2.2) or part of their Entitlement (refer to Section 2.3).

Eligible Shareholders who have applied for their full Entitlement may also apply for Securities in excess of their Entitlement pursuant to the Top-Up Offer (refer Section 2.4).

If you do not wish to take up any of your Entitlement, you may allow your Entitlement to lapse (refer to Section 2.6).

New Investors may apply for Remaining Shortfall Securities (being any Securities which are not taken up in accordance with the Entitlement Offer or the Top Up Offer) pursuant to the Shortfall Offer (refer to Section 2.5).

If you wish to participate in the Offers you must make payment by BPAY® (for Australian based Shareholders) or Electronic Funds Transfer (**EFT**) (for New Zealand, Malaysia and Singapore Shareholders that are unable to pay via BPAY®). You must follow the instructions for BPAY® or EFT (as applicable) set out in the Application Form. Note that if you make a payment by EFT, you must complete and return an Application Form to the Company once your payment has been made.

### 2.2 Eligible Shareholders wishing to Accept Entitlement in full

If you wish to take up all of your Entitlement, you are required to make payment via BPAY® or EFT. Payment is due by no later than 5.00pm (AEST) on the Closing Date. Note that when paying by BPAY® you are not required to submit the personalised Application Form but are taken to make the statements on that form. For instructions on how to pay by BPAY® refer to Section 2.9 below.

### 2.3 Eligible Shareholders wishing to take up only part of their Entitlement

If you only wish to take up part of your Entitlement under the Entitlement Offer you are required to make payment via BPAY® or EFT. Payment is due by no later than 5.00pm (AEST) on the Closing Date. Note that when paying by BPAY® you are not required to submit the personalised Application Form but are taken to make the statements on that form. For instructions on how to pay by BPAY® refer to Section 2.9 below.

### 2.4 Eligible Shareholders wishing to participate in the Top-Up Offer

If you are an Eligible Shareholder and you wish to apply for Securities in excess of your Entitlement under the Entitlement Offer by applying for Securities pursuant to the Top-Up Offer, you are required to apply for more Securities than the number shown when you log into <https://events.miraqle.com/osx-offer> or on your Application Form. To do this, make a payment for more than your Entitlement via BPAY® or EFT. The excess will be taken to be an application for additional Securities under the Top-Up Offer.

Payment is due by no later than 5.00pm (AEST) on the Closing Date. Any Securities applied for pursuant to the Top-Up Offer will be issued in accordance with the allocation policy described in Section 1.2.

Note that when paying by BPAY® you are not required to submit the personalised Application Form but are taken to make the statements on that form. For instructions on how to pay by BPAY® refer to Section 2.9 below.

## 2.5 **New Investors wishing to participate in the Shortfall Offer**

If you are a New Investor and you have been invited to apply for Remaining Shortfall Securities pursuant to the Shortfall Offer, you are required to apply for Remaining Shortfall Securities on your Application Form.

Payment is due by no later than 5.00pm (AEST) on the date specified by the Company or Lead Manager. Any Securities applied for pursuant to the Shortfall Offer will be issued in accordance with the allocation policy described in Section 1.3.

For instructions on how to pay by EFT refer to the Application Form in respect of the Remaining Shortfall Securities.

## 2.6 **Entitlements not taken up**

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of Securities you hold and the rights attached to those Securities will not be affected should you choose not to accept any of your Entitlement.

## 2.7 **Lead Manager Option Offer**

Only the Lead Manager (and/or its nominees) may accept the Lead Manager Option Offer. A personalised application form in relation to the Lead Manager Option Offer will be issued to the Lead Manager (and/or its nominees) together with a copy of this Prospectus.

No monies are payable for the Lead Manager Options to be issued pursuant the Lead Manager Option Offer.

## 2.8 **Placement Option Offer**

Only the participants in the Placement may accept the Placement Option Offer. Participants in the Placement will receive instructions from the Company on how to participate in the Placement Option Offer.

No monies are payable for the Placement Options to be issued pursuant the Placement Option Offer.

## 2.9 **How to Pay**

The price of \$0.085 per Share is payable on acceptance of your Application.

If you wish to participate in the Offers you must make payment by BPAY® or EFT. Australian based Shareholders may only pay via BPAY®.

Cash, cheques, bank drafts and money order payments will not be accepted. Receipts for payments will not be issued.

The Company will treat Eligible Shareholders as applying for as many Securities as their BPAY® or EFT payment will pay for in full. If an Eligible Shareholder's payment will pay for more than their full Entitlement, the Company will treat the Eligible Shareholder as applying for their full Entitlement and the excess will be taken to be an application for additional Securities pursuant to

the Top-Up Offer. Any Application Monies received from Eligible Shareholders for more than their final allocation of Securities will be refunded except for where the amount is less than \$1.00. No interest will be paid on any Application Monies received or refunded.

Application Monies received from Eligible Shareholders will be held on trust until such time as the relevant Shares are issued or the Application Monies are refunded.

To the fullest extent permitted by law, each Eligible Shareholder agrees that any Application Monies paid by them to the Company will not entitle them to any interest against the Company and that any interest earned in respect of Application Monies will belong to the Company. This will be the case, whether or not all or none (if any Offer is withdrawn) of the Securities applied for by a person are issued to that person.

For payment by BPAY® or EFT, please follow the instructions set out at <https://events.miraqle.com/osx-offer>, in Section 2 or on your personalised Application Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please make sure to use the specific Biller Code and unique Reference Number which can be obtained by providing your details when prompted at <https://events.miraqle.com/osx-offer> and on your personalised Application Form. If Eligible Shareholders pay by BPAY® or EFT and do not pay for their full Entitlement, their remaining Entitlements will lapse.

If Eligible Shareholders have more than one holding, they must login separately for each holding and use the Reference Number specific to the relevant holding. Alternatively, if Eligible Shareholders have requested a personalised Application Form and have more than one holding, they will receive separate forms for each holding. If Eligible Shareholders do not use the correct Reference Number specific to that holding, or inadvertently use the same Reference Number for more than one of their holdings, their application will be recorded against the holding associated with Reference Number they use.

Please note that when paying by BPAY® you do not need to submit the personalised Application Form but are taken to have made the statements on that personalised Application Form. If you do not pay for your full Entitlement by BPAY® or EFT, you are deemed to have taken up your Entitlement in respect of such whole number of Securities which is covered in full by your Application Monies received.

You should be aware that your Australian financial institution branch may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. It is your responsibility to ensure that your BPAY® or EFT payment is received by the Share Registry by no later than the relevant date by which funds are required to have been received.

Your Acceptance cannot be withdrawn once received. No cooling off period applies.

## 2.10 Warranties made on acceptance of an Offer

Making a payment via BPAY® or EFT creates a legally binding contract between the Applicant and the Company for the number of Securities accepted by the Company.

By making a payment via BPAY® or EFT, you will also be deemed to have:

- (a) represented and warranted that you have received a copy of the Prospectus with the Application Form;
- (b) represented and warranted that you are an Eligible Shareholder if you receive an Application Form;

- (c) represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus;
- (d) agreed to be bound by the terms of the Offers, the Company's constitution and to be recorded in the Company's register of members and optionholders (as applicable) as the registered holder of the relevant Securities;
- (e) declared that all details and statements outlined when you verify yourself through <https://events.miraqle.com/osx-offer> and your Application Form are complete and accurate;
- (f) declared that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under <https://events.miraqle.com/osx-offer>, the Application Form and as described in this Prospectus;
- (g) authorised the Company and its respective officers or agents, to do anything on your behalf necessary for the Securities to be issued to you, including correcting errors or to act on instructions of the Company's share registry upon using the contact details set out on <https://events.miraqle.com/osx-offer> and in the Application Form;
- (h) acknowledged that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that the Securities are suitable for you given your investment objectives, financial situation or particular needs; and
- (i) acknowledged that the Securities offered under this Prospectus have not, and will not be, registered under the securities laws in any jurisdictions outside Australia.

## 2.11 Enquiries concerning your Entitlement

For enquiries concerning the Application Form, your Entitlement or general enquiries, please contact the Share Registry on 1300 847 879 (within Australia) and +61 1300 847 879 (outside Australia) or consult your professional advisor.

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on +61 8 9482 0500.

### 3. Effect of the Offers

#### 3.1 Capital structure on completion of the Offers

Assuming that no existing Options are exercised before the Record Date, the effect of the Offers on the Company's issued capital as at the date of this Prospectus is as shown in the following table:

Securities	Shares	%	Quoted Options	Unquoted Options <sup>1</sup>	Performance Rights
Existing Securities on issue <sup>2</sup>	123,934,904	80	-	3,187,500	-
Placement Options	-	-	6,666,666	-	-
Shares and Quoted Options to be issued under the Entitlement Offer, Top-Up Offer and Shortfall Offer	30,983,726	20	30,983,726	-	-
Lead Manager Options to be issued under the Lead Manager Option Offer <sup>3</sup>	-	-	15,000,000	-	-
Vendor Performance Rights <sup>4</sup>	-	-	-	-	2,400,000
Director Performance Rights <sup>5</sup>	-	-	-	-	11,100,000
<b>TOTAL<sup>6</sup></b>	<b>154,918,630</b>	<b>100</b>	<b>52,650,392</b>	<b>3,187,500</b>	<b>13,500,000</b>

**Notes:**

- 3,187,500 Unquoted Options comprising:
  - 3,000,000 Unquoted Options exercisable at \$1.20 each on or before 28 August 2023; and
  - 187,500 Unquoted Options exercisable at \$0.624 each and expiring on or before 2 November 2025.
- Includes 6,666,666 Placement Shares issued under the Placement on 3 January 2023.
- Assumes that the maximum number of Lead Manager Options are issued to the Lead Manager (and/or its nominees) pursuant to the Capital Raising Mandate and Entitlement Offer Engagement Letter (refer to Sections 1.4 and 3.4 for further details).

4. As announced on 23 January 2023, the Company has agreed to issue 2,400,000 Performance Rights to Mr Lim Jae Hoon (**Vendor Performance Rights**) as part consideration for the proposed acquisition of 100% of the business activities carried on by Lomic Korea Co., Ltd, 3D Aesthetic Solutions Pte Ltd, 3D Healthcare Solutions Co., Ltd and 3D Aesthetic Medical Equipment and Supplies Trading (**Target Businesses**) relating to the marketing, sales and distribution of the Company's products (**Proposed Acquisition**). As at the date of this Prospectus, the Company has not issued the Vendor Performance Rights and is seeking Shareholder approval at the General Meeting to ratify the issue or agreement to issue the Vendor Performance Rights pursuant to Listing Rule 7.4. The terms and conditions of the Vendor Performance Rights are set out in schedule 3 of the Company's notice of general meeting announced on ASX on 2 March 2023 (**Notice of Meeting**).
5. As set out in the Notice of Meeting, the Company is proposing to issue up to a total of 11,100,000 Performance Rights to the Directors (and/or their respective nominees) (**Director Performance Rights**). Subject to Shareholder approval at the General Meeting, the Director Performance Rights will be issued on the terms and conditions in schedule 4 of the Notice of Meeting and are intended to be issued to the Directors as soon as practicable following the receipt of approval at the General Meeting.
6. Assumes that the Offers are fully subscribed and there are no Remaining Shortfall Securities.

### 3.2 Effect of the Offers on the Company's financial position

#### (a) Reviewed Statement of Financial Position – 30 June 2022 (refer Section 7.1)

To illustrate the effect of the Offers on the financial position of the Company, set out in Section 7.1 is the reviewed statement of financial position of the Company and the unaudited pro forma statement of financial position, both as at 30 June 2022 (**Balance Date**). Each has been prepared on the basis of the accounting policies normally adopted by the Company.

The unaudited pro forma statement of financial position has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The unaudited pro forma statement of financial position has been prepared on the basis that the assets and liabilities of the Company have not been subject to any material change between 30 June 2022 and the completion of the Offers except for movements in working capital resulting from transactions and expenditures incurred in the normal course of business including corporate costs and the Placement.

Other than as specified above and in the ordinary course of business, there have been no other material transactions between 30 June 2022 and the date of this Prospectus.

#### (b) Unaudited Statement of Financial Position – 31 December 2022 (refer Section 7.2)

For completeness, and given the length of time that has passed since the Balance Date and the fact that the Company's preliminary financial report for the year ended 31 December 2022 is now available (having been lodged with ASX on 28 February 2023) (**Preliminary Financial Report**), set out in Section 7.2 is an additional unaudited pro forma statement of financial position of the Company which utilises a balance date as at 31 December 2022.

### 3.3 Market price of Shares

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

Lowest:	\$0.115 on 17 and 22-24 February 2023
Highest:	\$0.20 on 16 December 2022



The latest closing market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.125 per Share on 9 March 2023.

### 3.4 Lead Manager's interests in the Offers

#### (a) Fees Payable to the Lead Manager

The Company is party to the following agreements with Cadmon Advisory Pty Ltd (**Cadmon or Lead Manager**):

- (i) a capital raising mandate dated 14 December 2022 (as amended) pursuant to which Cadmon has agreed to act as lead manager to the Placement (**Capital Raising Mandate**); and
- (ii) an engagement letter dated 23 February 2023 (as amended) pursuant to which Cadmon has agreed to provide corporate advisory services to the Entitlement Offer, the Top-Up Offer and the Shortfall Offer (**Entitlement Offer Engagement Letter**).

Pursuant to the Entitlement Offer Engagement Letter, to the extent there remains any Securities for which valid Applications have not been received after the Entitlement Offer and the Top-Up Offer, the Lead Manager will assist the Company to place those Remaining Shortfall Securities within three months of the Closing Date pursuant to the Shortfall Offer on a best endeavour basis (refer Section 1.3).

Pursuant to the Capital Raising Mandate, the Company has agreed to:

- (i) pay a retainer of \$5,000 per month (excluding GST) for a period of at least 6 months after completion of the Placement;
- (ii) pay:
  - (A) a management fee of 2% of the amount raised in the Placement (excluding GST); and
  - (B) a selling fee of 4% of the amount raised in the Placement (excluding GST); and
- (iii) issue 5,000,000 Lead Manager Options to the Lead Manager (and/or its nominees), subject to receipt of Shareholder approval at the General Meeting (refer Section 1.4 for details).

Pursuant to the Entitlement Offer Engagement Letter, the Company has agreed to:

- (i) pay:
  - (A) a management fee of 2% of the amount raised in the Entitlement Offer, Top Up Offer and Shortfall Offer (excluding GST); and
  - (B) a selling fee of 4% of the amount raised in the Shortfall Offer (excluding GST);
- (ii) issue 5,000,000 Lead Manager Options to the Lead Manager (and/or its nominees); and
- (iii) subject to the Company placing all Remaining Shortfall Securities under the Shortfall Offer, issue 5,000,000 Lead Manager Options to the Lead Manager

(and/or its nominees) as a success fee. In the event that valid Applications are received for all Securities pursuant to the Entitlement Offer and the Top Up Offer by the Closing Date, and there are no Remaining Shortfall Securities, then the Company will not be required to issue these 5,000,000 Lead Manager Options to the Lead Manager.

Each of the Quoted Options to be issued to the Lead Manager pursuant to the Lead Manager Mandates will be issued on the same terms and conditions of the Quoted Options being offered under the Offers.

The Capital Raising Mandate and Entitlement Offer Engagement Letter also contains a number of indemnities, representations and warranties from the Company to the Lead Manager that are considered standard for agreements of this type.

(b) **Lead Manager's interests in Securities**

As at the date of this Prospectus, the Lead Manager and its associates have an interest in 5,005 Shares in the Company (being a 0.004% voting power). Since the Lead Manager and its associates were issued these Shares pursuant to their participation in the Placement, 5,005 Placement Options will also be issued pursuant to the Placement Option Offer.

## 4. Risk Factors

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Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entity have implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Shareholders should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

### 4.1 Risks specific to the Company

#### (a) **Loss making operation, future capital needs and additional funding**

The Company is currently loss making (having incurred net losses in each year since inception) and will require further financing in the future, in addition to amounts raised pursuant to the Offers. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or Issue Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

The future capital requirements of the Company will depend on many factors, including the pace and magnitude of the development of its business and sales, increasing operating costs and inflation risks which may adversely affect the Company's performance. As such, the Company may need to raise additional funds from time to time to finance the ongoing development and commercialisation of its technology and to meet its other longer-term objectives.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Shares and of securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing shareholders will be diluted.

#### (b) **Competition, marketing and new technologies**

The industry in which the Company is involved is subject to increasing global competition which is fast-paced and fast-changing. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of the Company's projects and business. For instance, new technologies could result in the Company not being differentiated to other similar offerings.

The Company's success depends, in large part, on effectively marketing its products to surgeons. In order for the Company's products to gain widespread adoption, the Company must successfully demonstrate to surgeons the medical and economic benefits of its products compared to competitors' products, including Rapidsorb (DePuy Synthes), Medpor (Stryker), and Titanium Burr Hole Cover (DePuy Synthes). The Company also may face challenges because in situ tissue engineering is relatively new as compared to the current standard of care for bone regeneration. Standard care for the previous several decades has involved permanent implants and bone grafts whereas the Company's products have only been commercially available since approximately 2006 (such that the Company has a limited track record compared with its competitors).

Acceptance of the Company's products depends on educating surgeons as to the distinctive characteristics, perceived benefits, safety, ease of use and cost-effectiveness of its products as compared to its competitors' products and communicating to surgeons the proper use of its products. If the Company is not successful in convincing surgeons of the merits of its products or educating them on the benefits of its products, they may not use its products and the Company may be unable to increase its sales, sustain its growth or achieve profitability. In addition, the Company believes support of its products by surgeons is essential for market acceptance and adoption. If the Company does not receive support from surgeons or long-term data does not show the benefits of using its products, surgeons may not use it. In such circumstances, the Company's results of operations would be materially adversely affected.

A number of third-party competitors are currently offering products and services similar to the Company's products. Furthermore, the competitive landscape for bone regeneration is crowded and continues to evolve at a rapid pace. Various other companies, many with greater resources, are developing or commercializing products that potentially compete with the Company's products. This competition could have a material adverse effect on potential acceptance, use, pricing and sales of the Company's products.

(c) **Intellectual property risk**

Osteopore International has a patent portfolio of 25 patents, trade secrets and registered trademarks. The Company relies on laws relating to patents, trade secrets, copyright and trademarks to assist to protect its proprietary rights. However there is a risk that unauthorised use or copying of the Company's software, data, specialised technology, manufacturing processes or platforms will occur (including as a result of cyber attacks and network security breaches). The process of obtaining patent protection is expensive and time-consuming, and the Company may not be able to prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. If the Company fails to protect its intellectual property secrets, competitors may gain access to its proprietary information which could harm the Company's businesses. The Company is also currently in service of a complaint and summons alleging patent infringement by the Company (further details in respect of which are set out in Section 4.1(o)).

There is a risk that the Company will be unable to register or otherwise protect new intellectual property it develops in the future. Competitors may be able to work around any of the applications or other intellectual property rights used by the Company, or independently develop technologies or competing products that are not covered by the Company's intellectual property rights. This may materially adversely impact the Company's revenue, legal expenses and profitability.

The patent positions of pharmaceutical and medical device companies can be highly uncertain and involve complex legal, scientific and factual questions for which important legal principles remain unresolved. The Company seeks to protect its trade secrets, in part, by entering into non-disclosure and confidentiality agreements with parties who have access to them, such as its consultants and vendors, or its former or current employees.

The Company also enters into confidentiality and invention and patent assignment agreements with its employees and consultants. Despite these efforts, however, any of these parties may breach the agreements and disclose the Company's trade secrets and other unpatented or unregistered proprietary information, and once disclosed, the Company is likely to lose trade secret protection.

If the Company believes its intellectual property rights have been infringed, it may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of the Company's rights. Any litigation, whether or not it is successful, could result in significant expense to the Company and divert the efforts of its personnel. In addition, unauthorised use of the various brands of the Company in counterfeit products or services could not only result in potential revenue loss, but also have an adverse impact on its brand value and perception of product quality.

(d) **Medical or product liability claims**

Generally, medical technology companies may be subject to claims alleging negligence, product liability or breach of warranty that may involve large claims and significant defence costs whether or not such liability is imposed. These claims may be brought by individuals seeking relief for themselves, or increasingly, by groups seeking to represent a class. Claims could be made against the Company for liabilities resulting from adverse medical consequences to patients.

(e) **Contractual risk**

There are a number of risks associated with contracts entered into by the Company, including the risk that those contracts may contain unfavourable provisions, or be terminated, lost or impaired, or renewed on less favourable terms. As with any contract, there is a risk that the business could be disrupted in situations where there is a disagreement or dispute in relation to a term of the contract. Should such a disagreement or dispute occur, this may have an adverse impact on the Company's operations and performance generally. It is not possible for the Company to predict or protect itself against all such risks.

In accordance with the Company's Proposed Acquisition (refer to Section 3.1 for further information), the Company entered into a binding asset purchase deed (**APA**) with Mr Lim Jae Hoon (**Vendor**) on 22 January 2023. Completion of the APA is subject to certain conditions precedent which are required to be satisfied by the date that is 15 days after the date of the APA (or such later date as agreed between the Company and the Vendor in writing). There is a risk that if any of the conditions to completion under the APA are not satisfied (or waived), completion may not occur and the Company will not proceed with the Proposed Acquisition.

In accordance with the terms of the APA, the Company has committed to make the following cash payments to the Vendor (further details in respect of which are set out in the Company's announcement dated 23 January 2023):

- (i) on completion of the Proposed Acquisition, \$550,000 (exclusive of VAT) (actual net payment will be nil as a result of offsetting existing debtor balances owing from the Vendor to the Company at completion of the APA); and
- (ii) three future payments of \$300,000 (exclusive of VAT) in aggregate, subject to the satisfaction of milestones relating to the Target Businesses generating particular cumulative amount of sales during the 24 month period after completion of the APA (**Milestone Payments**).

There can be no certainty that the Company will have sufficient funds to satisfy the Milestone Payments if and when they become payable. In the event that the Company doesn't have the available cash to meet the Milestone Payments and isn't able to raise sufficient funds, it may default on its payment obligations, which may give rise to a potential claim against the Company. There is no guarantee that further capital will be available on terms satisfactory to the Company, or at all, and further equity raisings will dilute the interests of existing Shareholders.

(f) **Regulatory risk**

The Company is subject to continuing regulation, including quality regulations applicable to the manufacture of its devices and various reporting, certification renewal and audit requirements and regulations. The Company has policies and procedures in place which are designed to ensure continuing compliance with applicable regulations for its existing products in the jurisdictions in which it operates. There can be no guarantee that the regulatory environment in which the Company operates may not change in the future which may impact on the Company's existing approvals and products. The Company intends to expand the application of its products in target jurisdictions (including Australia, USA, Europe and China). Further regulatory approvals may be required to expand into these jurisdictions including but not limited to Australian TGA approval, China FDA registration, registration of second generation materials with the US FDA and further CE Mark conformity). The Company may not be able to obtain the necessary approvals and clearances in a timely fashion or may not be able to obtain the necessary approvals and clearances at all.

(g) **Supplier and manufacturing risks**

The Company may be unable to successfully sustain and to further scale-up manufacturing of its products in sufficient quality and quantity, which would delay or prevent it from developing and commercialising any approved products.

Osteopore sources certain key components for its devices from third party suppliers. The Company relies in particular on a primary third-party supplier located in the Netherlands for materials used in its products, thereby making the Company vulnerable to supply shortages and price fluctuations, which could harm its business, operations, financial condition and cash flows (particularly if the Company is unable to reduce its expenses including on a per unit costs basis).

The delivery of such components may be delayed, or a specific supplier may not be able to deliver at all, which may lead to a longer sales cycle or may force the Company to shift to another supplier. There is a risk that the Company could be disrupted if no alternative suppliers were able to be sought which may (among other things) cause significant delays in the shipment of the Company's products which may in turn cause the Company to breach its obligations to customers. Even if operations are not disrupted, potential price fluctuations for the Company's products may have a material affect on the Company's operations, financial performance and cash flow. Additionally, there is a risk that key components provided by third party suppliers may be defective.

(h) **Equipment risk**

Osteopore uses 3D printing technology to develop biomimetic microarchitectures that facilitates natural tissue regeneration. The core micro-extruder technology is integrated with a 3D printer. Whilst there are other providers of equipment (including 3D printers), inability to access the appropriate equipment in a timely fashion and on commercial terms may have an adverse effect on Osteopore's business and financial position.

(i) **Licenses risk**

Osteopore licences software from a third-party provider for use in development of fused deposition modelling 3D printing instruction software. Whilst there are other alternative software providers, there is a risk that the business could be disrupted if there is a disagreement, dispute or the third-party provider is no longer able to provide its service to the Company.

The Company is also party to license agreements that give it various commercialization rights, the loss of which (whether due to the Company's actions or inactions or those of the respective counterparties) may adversely affect its business.

The loss of (i) the licenses granted under such agreements, or (ii) the rights provided under such agreements, would prevent the Company from developing, manufacturing or marketing products covered by the license, and could materially harm its business, financial condition, results of operations and prospects.

(j) **New applications/products and clinical testing**

The Company has identified a number of new applications that are complementary to its existing products, including dental, spinal/orthopaedic and long bone market segments. These new products must still undergo further clinical studies (and the Company may in the future identify further products which may similarly require clinical studies) and those tests and trials may show that its new products do not work in a safe and effective manner. The Company intends to conduct clinical studies of the licensed intellectual property in the future, but there can be no guarantee that relevant regulatory agencies will allow the Company to undertake such trials and/or the development and approval process for any new products or applications of existing products may take longer, cost more than expected and may result in the licensed intellectual property not producing a viable device.

If serious adverse events or other undesirable side effects are identified during the use of the Company's products in clinical trials or investigator-sponsored trials, it may adversely affect the Company's development of such product candidates.

Clinical trials by their nature are very expensive, take a long time to complete, and are difficult to design and implement and involve uncertain outcomes. Furthermore, results of earlier preclinical studies and clinical trials may not be predictive of results of future preclinical studies, clinical trials or commercial success. Clinical trials may be delayed, suspended or terminated for many reasons, which will increase the Company's expenses and delay the time it takes to develop and expand our products in additional applications.

(k) **New markets**

The Company will look to expand its product offerings into new markets. Any efforts to enter a new market space holds the risk that the product offering does not meet the needs of the market at an acceptable price point, the product does not meet the relevant regulatory standards and/or the underlying intellectual property is not registrable in the market. New markets usually cost substantially more to penetrate than a known market.

(l) **Distribution risk**

The Company has a number of distribution agreements in place with third party distributors and currently depends on third-party distributors for the majority of its product sales. The Company intends to focus on developing and marketing the Company's products through the use of distributors in key target markets. Each distributor is required to maintain all regulatory approvals with respect to each of the Company's products, and

is required to keep the Company generally informed of the regulatory requirements in the relevant territory.

Under each distribution agreement, there is a risk of:

- (i) failure by the distributor to pay any amount owing to the Company under the distribution agreement;
- (ii) failure by the distributor to comply with post market requirements pertaining to tracking, vigilance and reporting procedures per ISO 13485 and any national or state requirements; or
- (iii) failure by the distributor to obtain all regulatory approvals required to sell and distribute the Company's products in the territory.

The Company may be required to terminate the relevant agreement upon any of the above occurring and the Company may be unable to replace that distributor without disruption to its business. Further, there is a risk that the Company enters into distribution agreements on terms that may not be commercially acceptable or may have a negative impact on the Company's growth and profitability.

**(m) Reliance on key personnel**

Success of the business will depend on the Directors and the management of the Company to develop the business and manage operations, and on the ability to attract and retain key quality staff and consultants.

The Company has key management personnel including Goh Khoon Seng and Lim Jing. It is important to retain and attract additional suitable qualified personnel. Although these individuals have entered into contracts with the Company, there is no assurance that such contracts will not be terminated. If such contracts are terminated or breached, or if these individuals no longer continue in their current roles, new personnel will need to be employed, which may adversely affect the business. The Company is also substantially dependent on the continued service of its existing development personnel because of the complexity of its services and technologies. There is no assurance that the Company will be able to retain the services of these persons.

**(n) Reliance on key customers**

The Company's largest markets by revenue are currently South Korea, Vietnam and Singapore. This geographic concentration makes the Company particularly sensitive to regulatory, economic, and competitive conditions in those countries, and any material change in such conditions in these countries could have a disproportionate effect on its business, results of operations and financial condition. Furthermore, the Company's operating results may vary significantly from quarter to quarter because of seasonality, bulk orders, shipments to distributors or otherwise.

If the Company were to lose one or more of its significant customers, its revenue may significantly decline. The loss of one or more of the Company's significant customers could adversely affect its business, results of operations, and financial condition. Because of these and other factors, it is possible that in some future period the Company's operating results may not meet investor expectations or those of public market analysts.



(o) **Legal Proceedings**

Legal proceedings may arise from time to time in the course of the business of the Company including enforcing or defending its intellectual property rights against infringement and unauthorised use by the competitors or in relation to a contract dispute.

On 15 February 2023, the Company was served with a complaint and summons from a third party in connection with an alleged infringement of a US patent by the Company's Osteoplug and Osteostrip products. The Company intends to rigorously defend the patent infringement claim, which pertains solely to non-core products of the Company which are an immaterial revenue source and have been minimally sold throughout the US. While the Company is continuing to assess the Patent Claim in consultation with its US legal counsel, it currently considers the Patent Claim to be without merit and low risk and estimates its exposure in respect of the Patent Claim not exceeding approximately USD60,000 for direct damages (excluding attorney's fees). To the extent there is any material change in the circumstances relating to the Patent Claim, the Company will keep the market informed in accordance with its continuous disclosure obligations.

Other than as set out above and as at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

(p) **Dilution Risk**

Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the Entitlement Offer and may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities. The Company may undertake offerings of securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, voting power of the Company's existing Shareholders may be diluted.

(q) **Quotation risk**

The Company will apply for quotation of the Quoted Options subject to compliance with the requirements of ASX and the ASX Listing Rules, however, the Quoted Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the ASX Listing Rules)). The Company makes no guarantee that any such application for quotation will be successful and there is a risk that the Company will not be able to satisfy the ASX requirements for quotation.

In the event that the Company is unable to satisfy the ASX requirements, the Quoted Options will still be issued, but will be Unquoted Options and there will be no public market for the Quoted Options. If the Quoted Options are admitted to official quotation by ASX, the price of the Quoted Options is subject to uncertainty and there can be no assurance that an active market for the Quoted Options will develop or continue after the Offers.

(r) **Pandemic**

A pandemic, including new waves or variants of COVID-19, may prevent the Company, its suppliers, customers, and other business partners from conducting business activities for an indefinite period of time, including due to shutdowns that may be requested or mandated by governmental authorities. Such measures taken in response to a pandemic

may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The outbreak of COVID-19 has impacted global economic markets. COVID-19 has also impacted, and may continue to impact, the Company's headquarters, manufacturing, and warehousing and distribution facilities, as well as those of its third-party vendors, including through the effects of facility closures, employee furloughs, reductions in operating hours, staggered shifts and other social distancing efforts, labor shortages, decreased productivity and unavailability of materials or components. The long term effects of the outbreak and the global reaction to it, on the performance of the Company remains unknown.

The Directors continue to monitor the situation and have considered the impact of COVID-19 on the Company's business and financial performance. In compliance with its continuous disclosure obligations, the Company will continue to update the market regarding the impact of COVID-19 on its revenue channels and any other material adverse impacts on the Company.

(s) **Unforeseen expenditure risk**

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 such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(t) **Future acquisitions and strategic investments risk**

The Company may in the future explore potential acquisitions of companies or technologies, strategic investments, or alliances to strengthen its business. Acquisitions involve numerous risks, any of which could harm the Company's business and operating results and there is no guarantee acquisition opportunities will be identified or that they will successfully complete or improve the Company's operations or financial performance.

(u) **Personal information collation risk**

The Company collects, stores and processes highly sensitive, highly regulated and confidential information. The provision of secure and reliable information storage and processing services is integral to the businesses and operations of the Company in the corporate wellness industry. While the Company has in place strict policies and procedures when collecting data, if the Company's systems or data is compromised for any reason there is a risk that the Company may become involved in legal action due to breaching data confidentiality agreements.

## 4.2 **General risks**

(a) **General economic climate**

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs. The

Company's future income, asset values and share price can be affected by these factors and, in particular, by exchange rate movements.

**(b) Policies and legislation**

Any material adverse changes in government policies or legislation of markets in which the Company's products are sold, or any other country that the Company has economic interests in, may affect the viability and profitability of the Company.

**(c) Enforcement of contracts in foreign jurisdictions**

From time to time, as part of its business, the Company has entered and will continue to enter into contracts which are governed by the laws of countries other than Australia.

Should a contractual dispute result in court action or should the Company be required to enforce its rights, the procedure of the courts in the various foreign jurisdictions may be different to those in Australia.

**(d) Negative publicity may adversely affect the Share price**

Any negative publicity or announcement relating to any of the Company's substantial Shareholders, key personnel or activities may adversely affect the stock performance of the Company, whether or not this is justifiable. Examples of such negative publicity or announcements may include involvement in legal or insolvency proceedings, failed attempts in takeovers, joint ventures or other business transactions.

**(e) Stock market conditions**

As with all stock market investments, there are risks associated with an investment in the Company. Share prices may rise or fall and the price of Shares might trade below or above the issue price of the Shares under the Offers. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company. Further, the stock market is prone to price and volume fluctuations. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the Shares, regardless of Company's operational performance.

General factors that may affect the market price of Shares include without limitation; economic conditions in Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

**(f) Foreign Currency and exchange rate risks**

The Company conducts business in other jurisdictions and is therefore exposed to the effects of changes in currency exchange rates. Unhedged, unfavourable movements in foreign exchange rates may have an adverse effect of the Company's revenue and/or

cost of operating and therefore affect the market price of the Shares. The most common foreign currency to be used is Singaporean dollars.

#### 4.3 **Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

## 5. Additional Information

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### 5.1 Rights and liabilities attaching to Shares

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

#### (a) General meeting and notices

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

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

#### (b) Ranking of Shares

At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.

#### (c) Voting rights

Subject to any rights or restrictions, at general meetings of Shareholders or classes of shareholders:

- (i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder, has one vote for every fully paid Share held and a fraction of one vote for each partly paid up Share held, equal to the proportion which the amount paid up on that Share (excluding amounts credited) is to the total amounts paid up and payable (excluding amounts credited) on that Share.

#### (d) Dividend rights

Subject to the rights of the holders of any shares with special rights to dividends, the Directors may determine or declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid is of the total amounts paid and payable in respect of such Shares.

No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment

of the dividend. The Directors may capitalise any profits of the Company and distribute that capital to the Shareholders, in the same proportions as the Shareholders are entitled to a distribution by dividend.

(e) **Variation of rights**

If at any time the share capital is divided into different classes of shares, the rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares in that class.

(f) **Transfer of Shares**

Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien. The Company must refuse to register a transfer of Shares where the Corporations Act, Listing Rules or ASX Settlement Operating Rules or a law about stamp duty requires the Company to do so.

(g) **Future increase in capital**

The issue of any Shares is under the control of the Board of the Company as appointed from time to time. Subject to restrictions on the issue or grant of Securities contained in the Listing 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 may issue Shares and other Securities as they shall, in their absolute discretion, determine.

(h) **Rights on winding up**

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

(i) **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 Quoted Options**

The terms and conditions of the Quoted Options (**Options**) are as follows:

- (a) **(Entitlement)** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

- (b) **(Exercise Price)** The amount payable upon exercise of each Option is \$0.225 per Option **(Exercise Price)**.
- (c) **(Expiry Date)** Each Option will expire at 5:00pm (WST) on the date that is three (3) years from the date of issue **(Expiry Date)**. An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **(Exercise)** A holder may exercise their Options by lodging with the Company, before the Expiry Date:
  - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
  - (ii) a electronic funds transfer for the Exercise Price for the number of Options being exercised.
- (e) **(Exercise Notice)** An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds. The Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 10,000 must be exercised on each occasion.
- (f) **(Timing of issue of Shares on exercise)** Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (g) **(Transferability)**
  - (i) to the extent they are quoted on ASX's official list, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws, the Options will be freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws; and
  - (ii) to the extent they are not quoted on ASX's official list, the Options will not be transferable without the prior written approval of the Company.
- (h) **(Ranking of Shares)** All Shares allotted upon the exercise of Options will upon allotment be fully paid and rank *pari passu* in all respects with other Shares.
- (i) **(Quotation)**
  - (i) The Company will apply for quotation of the Options on ASX. Quotation of the Options will be subject to compliance with the ASX Listing Rules. In the event that the Options do not satisfy the quotation conditions of the ASX Listing Rules, the Options will remain on issue as unquoted options. The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 5 Business Days after the date of allotment of those Shares. However, the Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other

things, there being a minimum of 100,000 Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the ASX Listing Rules).

- (ii) If official quotation of the Options is not granted by ASX in accordance with Section 5.2(i)(i) above, the Options will not be quoted.
- (j) **(Reconstruction)** If at any time the issued capital of the Company is reconstructed, all rights of a holder of Options are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (k) **(Participating rights)** There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (l) **(Amendments)** An Option does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (m) **(Dividend and voting rights)** An Option does not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

### 5.3 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.5 below). Copies of all documents announced to the ASX can be found at <https://www.osteopore.com/investors#asx-announcements>.

### 5.4 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

### 5.5 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offers a copy of:

- (a) the Annual Report for the period ending 31 December 2021 lodged with ASX on 31 March 2022 (**Annual Financial Report**);
- (b) the half year report of the Company for the half year ended 30 June 2022 lodged with ASX on 31 August 2022; and



- (c) the following continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Financial Report referred to in paragraph (a) above, until the date of this Prospectus:

<b>Date lodged</b>	<b>Subject of Announcement</b>
2 March 2023	Notice of General Meeting/Proxy Form
28 February 2023	Appendix 4E Preliminary Final Report
27 February 2023	Osteopore Advisory Panel of Distinguished Industry Leaders
20 February 2023	Investor Presentation
14 February 2023	OSX Enters Orthopaedic Market in Great Britain
31 January 2023	Activities Update Qtr Ending December 2022 and Appendix 4C
25 January 2023	Appointment of Joint Company Secretary
23 January 2023	Integration of Acquired Business for Higher Sales & Margin
4 January 2023	Cleansing Notice
4 January 2023	Application for quotation of securities - OSX
3 January 2023	Notification of cessation of securities - OSX
22 December 2022	Reinstatement to Official Quotation
22 December 2022	Proposed issue of securities - OSX
22 December 2022	Firm Commitments and Non-Binding Proposed Acquisition
21 December 2022	Suspension from Official Quotation
19 December 2022	Trading Halt
8 December 2022	Increased presence and commercial opportunities across SEA
31 October 2022	Activities Update Qtr Ending September 2022 and Appendix 4C
5 October 2022	Ceasing to be a substantial holder
5 October 2022	Change in substantial holding
28 September 2022	Chile Government and University co-fund Osteopore research
28 September 2022	More Osteopore Products Available on Prostheses List

<b>Date lodged</b>	<b>Subject of Announcement</b>
31 August 2022	Half Yearly Report and Accounts
24 August 2022	Change in substantial holding
24 August 2022	Becoming a substantial holder
23 August 2022	Osteopore Moves Closer to China Market Entry
10 August 2022	Investor Presentation
3 August 2022	Osteopore Gains Access to US Federal Healthcare Facilities
2 August 2022	SHG: Clarification regarding collaboration with OSX
1 August 2022	SHG: Collaborative Agreement signed with OSX
1 August 2022	Osteopore to Leverage on AI/VR to Enhance Market Access
25 July 2022	Activities Update Qtr Ending June 2022 and Appendix 4C
4 July 2022	Notification of cessation of securities - OSX
1 July 2022	Change of Director's Interest Notice
20 June 2022	Collaboration With Healthcare Group To Develop New Products
15 June 2022	Change of Director's Interest Notice
14 June 2022	OSX Expands into Africa with Initial Sales to South Africa
1 June 2022	Constitution
1 June 2022	Employee Securities Incentive Plan
31 May 2022	Results of Annual General Meeting
10 May 2022	OSX Enter Oral & Maxillofacial Market in Australia & NZ
29 April 2022	Notice of Annual General Meeting
29 April 2022	Activities Update Qtr Ending March 2022 and Appendix 4C
28 April 2022	Appointment of Chief Operating Officer
14 April 2022	OSX Expands Further into Europe with Initial Sales to Spain
7 April 2022	Annual General Meeting Date
7 April 2022	OSX Expands to Latin America with Initial Sales to Colombia

Date lodged	Subject of Announcement
31 March 2022	Appendix 4G and Corporate Governance Statement

The following documents are available for inspection throughout the period of the Offers during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 5.12 and the consents provided by the Directors to the issue of this Prospectus.

## 5.6 Information excluded from continuous disclosure notices

While the Company currently has no intention to delist from ASX, the Company is currently considering a potential dual listing of its shares on a US securities exchange, the potential benefits of which may include (among other things) an expanded investor base, increased access to strategic and institutional investors, enhanced global visibility, increased share liquidity, increased M&A opportunities and access to a second market announcements platform to communicate with shareholders globally. However, there is no guarantee as to if and when the listing process will occur or, if it does occur, whether it will be successful, as there are various contingencies on which it depends (some of which are beyond the Company's control) including various US regulatory requirements and usual capital markets risks. As such, Shareholders (and investors generally) are cautioned not to place any reliance on the Company's potential US listing in making an investment decision in relation to the Company. The foregoing language shall not constitute an offer to sell or the solicitation of an offer to buy any securities of the Company, nor shall there be any sale of securities in any states or jurisdictions in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, or an exemption therefrom.

Other than as is set out in this Prospectus, there is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules.

## 5.7 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

## 5.8 Interests of Directors

### (a) Information disclosed in this Prospectus

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

- (i) the formation or promotion of the Company;
- (ii) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- (iii) the Offers,

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

- (iv) as an inducement to become, or to qualify as, a Director; or
- (v) for services provided in connection with the formation or promotion of the Company, or the Offers.

(b) **Security holding**

The relevant interests of each of the Directors in Securities of the Company as at the date of this Prospectus are set out below.

Director	Shares	Voting power (%)	Unquoted Options	Performance Rights (subject to Shareholder approval) <sup>3</sup>	Entitlement (Shares)	Entitlement (Quoted Options)
Mark Leong <sup>1</sup>	150,000	0.12	-	9,250,000	37,500	37,500
Professor Teoh Swee Hin <sup>2</sup>	7,130,309	5.75	-	925,000	1,782,578	1,782,578
Daniel Ow	-	-	-	925,000	-	-

**Notes:**

1. Mr Leong holds his interest in the Securities directly.
2. Professor Teoh's Securities are held by Citicorp Nominees Pty Limited, as custodian for Professor Teoh.
3. As noted in Section 3.1, the Company is proposing, subject to obtaining Shareholder approval at the General Meeting, to issue up to a total of 11,100,000 Director Performance Rights to the Directors (and/or their respective nominees) as follows:
  - (a) up to 9,250,000 Director Performance Rights to Mr Leong;
  - (b) up to 925,000 Director Performances Right to Professor Teoh; and
  - (c) up to 925,000 Director Performance Rights to Mr Ow.

It is the intention of all Directors (other than Mr Ow who does not have an Entitlement) to take up all or part of their Entitlement specified above under the Entitlement Offer.

(c) **Remuneration**

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The aggregate amount fixed is \$500,000. This aggregate amount is to be allocated among the non-executive directors equally, having regard to the proportion of the relevant year for which each director held office, or as otherwise decided by the Board. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

The Constitution also provides that:

- (i) the Directors shall be entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors; and

- (ii) if any of the Directors being willing are called upon to perform extra services or make any special exertions on behalf of the Company or its business, the Directors may remunerate this Director in accordance with such services or exertions, and this remuneration may be either in addition to or in substitution for his or her share in the fee-pool described above.

The remuneration of executive directors is to be fixed by the Board. As at the date of this Prospectus, the Company has one executive director, Mr Mark Leong. The Company pays Mr Leong a consultancy fee of \$12,500 per month, being a maximum of \$150,000 per annum, reviewed annually by the Board and the final approval of any increase will be at the absolute discretion of the Company.

The table below sets out the remuneration provided to the Directors of the Company and their associated companies during the last two financial years (FY), inclusive of directors fees, consultancy fees, superannuation benefits and share-based payments.

Director	FY ended 31 December 2022 (\$)	FY ended 31 December 2021(\$)
Mark Leong <sup>1</sup>	150,000	23,045
Professor Teoh Swee Hin	39,690	39,510
Daniel Ow <sup>2</sup>	39,690	9,141

**Notes:**

1. Mr Leong was appointed as Non-Executive Chairman on 1 August 2021 and subsequently appointed as Executive Chairman on 28 December 2021.
2. Mr Ow was appointed as Non-Executive Director on 7 October 2021.

## 5.9 Related party transactions

Except as disclosed in this Prospectus, there are no related party transactions involved in the Offers.

The Company's policy in respect of related party arrangements is:

- a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting, unless it is resolved by the Board of Directors that the Director can be present at the meeting but does not vote on the matter.

## 5.10 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Securities offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Securities offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Securities offered under this Prospectus.

Hamilton Locke will be paid approximately \$20,000 (plus GST) in fees for legal services in connection with the Offers.

Link Market Services Limited has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

### 5.11 Expenses of the Offers

The estimated expenses of the Offers (assuming the Entitlement Offer is fully subscribed) are as follows:

<b>Estimated expense</b>	<b>\$</b>
ASIC lodgement fees	3,206
ASX quotation fees <sup>1</sup>	35,226
Management and capital raising fees <sup>2</sup>	52,672
Legal and preparation expenses	20,000
Printing, mailing and other expenses	4,009
<b>TOTAL</b>	<b>115,113</b>

**Notes:**

1. Assumes the maximum number of Lead Manager Options are issued.
2. Assumes the maximum fees are payable to the Lead Manager pursuant to the Entitlement Offer Engagement Letter (refer to Sections 1.4 and 3.4 for further details).

### 5.12 Consents

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

Each of the parties referred to in this Section:

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

Hamilton Locke has given its written consent to being named as the solicitors to the Company in this Prospectus. Hamilton Locke has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

Link Market Services Limited has given its written consent to being named as the share registry to the Company in this Prospectus. Link Market Services Limited has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

Cadmon has given its written consent to being named as the Lead Manager and Corporate Advisor to the Company in this Prospectus. Cadmon has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

## 6. Directors' Statement and Consent

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This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:



Mark Leong  
Executive Chairman  
**Osteopore Limited**  
Dated: 10 March 2023

## 7. Unaudited Pro Forma Statements of Financial Position

### 7.1 Unaudited Pro Forma Statement of Financial Position as at 30 June 2022

	Reviewed 30/6/2022	Subsequent Events Note 1(i)	Fully Subscribed Entitlement Offer Note 1(ii)	Pro forma 30/6/2022
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	2,336,064	945,925	2,518,504	5,800,493
Trade receivables	566,679	-	-	566,679
Other assets	226,236	-	-	226,236
Inventories	258,405	-	-	258,405
<b>TOTAL CURRENT ASSETS</b>	<b>3,387,384</b>	<b>945,925</b>	<b>2,518,504</b>	<b>6,851,813</b>
<b>NON-CURRENT ASSETS</b>				
Plant and equipment	442,303	-	-	442,303
Right-of-use asset	86,121	-	-	86,121
<b>TOTAL NON-CURRENT ASSETS</b>	<b>528,424</b>	<b>-</b>	<b>-</b>	<b>528,424</b>
<b>TOTAL ASSETS</b>	<b>3,915,808</b>	<b>945,925</b>	<b>2,518,504</b>	<b>7,380,237</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	330,754	-	-	330,754
Employee provisions	108,435	-	-	108,435
Lease liabilities	40,807	-	-	40,807
<b>TOTAL CURRENT LIABILITIES</b>	<b>479,996</b>	<b>-</b>	<b>-</b>	<b>479,996</b>
<b>NON-CURRENT LIABILITIES</b>				
Lease Liabilities	49,491	-	-	49,491
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>49,491</b>	<b>-</b>	<b>-</b>	<b>49,491</b>
<b>TOTAL LIABILITIES</b>	<b>529,487</b>	<b>-</b>	<b>-</b>	<b>529,487</b>
<b>NET ASSETS</b>	<b>3,386,321</b>	<b>945,925</b>	<b>2,518,504</b>	<b>6,850,750</b>



## EQUITY

Issued capital	26,066,131	945,925	2,518,504	29,530,560
Reserves	(13,910,418)	-	-	(13,910,418)
Accumulated losses	(8,769,392)	-	-	(8,769,392)
<b>TOTAL EQUITY</b>	<b>3,386,321</b>	<b>945,925</b>	<b>2,518,504</b>	<b>6,850,750</b>

### Notes:

1. The unaudited pro forma statement of financial position has been prepared on the basis of the following assumptions:  
The Pro Forma Historical Financial Information has been prepared by adjusting the statement of financial position of the Group as at 30 June 2022 to reflect the financial effects of the followings:  
**Subsequent event transactions**  
(i) The placement of 6,666,666 Shares at \$0.15 per share to raise \$1,000,000 (before costs) as announced to ASX on 22 December 2022; less share issue costs of \$54,075.  
**Pro-forma transactions**  
(ii) The Entitlement Offer is fully subscribed and \$2,633,617 is raised by the issue of 30,983,726 Shares at \$0.085 per share, less share issue costs of \$115,113.
2. Pursuant to the Proposed Acquisition (which is expected to complete shortly), the Company has agreed to pay the Vendor (further details in respect of which are set out in the Company's announcement dated 23 January 2023):
  - (i) on completion of the Proposed Acquisition (**Completion**):
    - (A) a cash payment of \$550,000 (exclusive of VAT) (actual net payment will be nil as a result of offsetting existing debtor balances owing from the Target Business to the Company at completion);
    - (B) 2,400,000 Vendor Performance Rights; and
  - (ii) following Completion, an aggregate of \$300,000 (exclusive of VAT) of cash payments in the following tranches (and subject to the following milestones having been satisfied):
    - (A) subject to the Target Businesses generating a cumulative \$350,000 of sales based on audited or reviewed accounts, a cash payment of \$100,000 (exclusive of VAT);
    - (B) subject to the Target Businesses generating a cumulative \$500,000 of sales (i.e. \$150,000 in addition to the \$350,000 in the paragraph above) based on audited or reviewed accounts, a cash payment of \$100,000 (exclusive of VAT); and
    - (C) subject to the Target Businesses generating a cumulative \$800,000 of sales (i.e. \$300,000 in addition to the \$500,000 in the paragraph above) based on audited or reviewed accounts, a cash payment of \$100,000 (exclusive of VAT).

## 7.2 Unaudited Preliminary Financial Report – Pro forma as at 31 December 2022

The Company released to the ASX its unaudited Preliminary Financial Report on the 28 February 2023. The effects of the pro forma transactions on the 31 December 2022 preliminary unaudited financial reports are as follows:

	Unaudited Preliminary Financial Report 31/12/2022	Fully Subscribed Entitlement Offer Note 1(i)	Pro forma 31/12/2022
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	1,334,221	2,518,504	3,852,725
Trade receivables	830,717	-	830,717
Other assets	709,218	-	709,218
Inventories	279,163	-	279,163
<b>TOTAL CURRENT ASSETS</b>	<b>3,153,319</b>	<b>2,518,504</b>	<b>5,671,823</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	398,244	-	398,244
Right-of-use asset	68,918	-	68,918
<b>TOTAL NON-CURRENT ASSETS</b>	<b>467,162</b>	<b>-</b>	<b>467,162</b>
<b>TOTAL ASSETS</b>	<b>3,620,481</b>	<b>2,518,504</b>	<b>6,138,985</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	1,372,432	-	1,372,432
Employee provisions	67,005	-	67,005
Lease liabilities	45,359	-	45,359
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,484,796</b>	<b>-</b>	<b>1,484,796</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease Liabilities	28,819	-	28,819
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>28,819</b>	<b>-</b>	<b>28,819</b>
<b>TOTAL LIABILITIES</b>	<b>1,513,615</b>	<b>-</b>	<b>1,513,615</b>
<b>NET ASSETS</b>	<b>2,106,866</b>	<b>2,518,504</b>	<b>4,625,370</b>
<b>EQUITY</b>			
Issued capital	27,012,056	2,518,504	29,530,560

Reserves	(14,002,999)	-	(14,002,999)
Accumulated losses	(10,902,191)	-	(10,902,191)
<b>TOTAL EQUITY</b>	<b>2,106,866</b>	<b>2,518,504</b>	<b>4,625,370</b>

**Notes:**

1. The unaudited pro forma statement of financial position has been prepared on the basis of the following assumptions:  
The Pro Forma Historical Financial Information has been prepared by adjusting the statement of financial position of the Group as at 31 December 2022 to reflect the financial effects of the following:
  - (i) The Entitlement Offer is fully subscribed and \$2,633,617 is raised by the issue of 30,983,726 Shares at \$0.085 per share, less share issue costs of \$115,113.
2. Pursuant to the Proposed Acquisition (which is expected to complete shortly), the Company has agreed to pay the Vendor (further details in respect of which are set out in the Company's announcement dated 23 January 2023):
  - (ii) on completion of the Proposed Acquisition (**Completion**):
    - (A) a cash payment of \$550,000 (exclusive of VAT) (actual net payment will be nil as a result of offsetting existing debtor balances owing from the Target Business to the Company at completion);
    - (B) 2,400,000 Vendor Performance Rights; and
  - (iii) following Completion, an aggregate of \$300,000 (exclusive of VAT) of cash payments in the following tranches (and subject to the following milestones having been satisfied):
    - (A) subject to the Target Businesses generating a cumulative \$350,000 of sales based on audited or reviewed accounts, a cash payment of \$100,000 (exclusive of VAT);
    - (B) subject to the Target Businesses generating a cumulative \$500,000 of sales (i.e. \$150,000 in addition to the \$350,000 in the paragraph above) based on audited or reviewed accounts, a cash payment of \$100,000 (exclusive of VAT); and
    - (C) subject to the Target Businesses generating a cumulative \$800,000 of sales (i.e. \$300,000 in addition to the \$500,000 in the paragraph above) based on audited or reviewed accounts, a cash payment of \$100,000 (exclusive of VAT).

## 8. Glossary of Terms

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These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

<b>\$</b>	means Australian dollars.
<b>Acceptance</b>	means a valid acceptance of Securities made pursuant to this Prospectus on an Application Form.
<b>AEST</b>	means Australian Eastern Standard Time.
<b>APA</b>	has the meaning given in Section 4.1(e).
<b>Applicant</b>	means a person who applies for Securities pursuant to the Offers.
<b>Application</b>	means a valid application for Securities under an Offer.
<b>Application Form</b>	means the relevant application form for an Offer provided by the Company with a copy of this Prospectus.
<b>Application Monies</b>	means application monies for Shares received by the Company.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	means ASX Limited (ACN 008 624 691) and where the context permits the Australian Shares Exchange operated by ASX Limited.
<b>AWST</b>	means Australian Western Standard Time, being the time in Perth, Western Australia.
<b>Board</b>	means the Directors meeting as a board.
<b>Business Day</b>	means Monday to Friday inclusive, other than a day that ASX declares is not a business day.
<b>Capital Raising Mandate</b>	means the capital raising mandate between the Company and Cadmon dated 14 December 2022 (as amended) (refer to Sections 1.4 and 3.4 for further details).
<b>CHESS</b>	means ASX Clearing House Electronic Subregistry System.
<b>Closing Date</b>	has the meaning given to it in the Proposed Timetable.
<b>Company or Osteopore</b>	means Osteopore Limited (ACN 630 538 957) (ASX:OSX).
<b>Constitution</b>	means the constitution of the Company as at the date of this Prospectus.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	mean a director of the Company as at the date of this Prospectus.

<b>Director Performance Rights</b>	has the meaning given in Section 3.1.
<b>Eligible Shareholder</b>	means a person registered as the holder of Shares as at 5:00pm (AWST) on the Record Date whose registered address is in Australia, New Zealand, Malaysia or Singapore.
<b>Entitlement</b>	means the number of Securities for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 1 new Share for every 4 Shares held on the Record Date and 1 Quoted Option for every 1 new Share subscribed for under the Entitlement Offer.
<b>Entitlement Offer</b>	means the offer under this Prospectus to Eligible Shareholders of up to approximately 30,983,726 Shares and 30,983,726 Quoted Options in the proportion of 1 new Share for every 4 Shares held on the Record Date and 1 Quoted Option for every 1 new Share subscribed for under the Entitlement Offer, to raise up to approximately \$2,633,617 (before costs).
<b>Entitlement Offer Engagement Letter</b>	means the engagement letter between the Company and Cadmon dated 23 February 2023 (as amended) (refer to Sections 1.4 and 3.4 for further details).
<b>General Meeting</b>	means the Company's general meeting of Shareholders intended to be held on 31 March 2023.
<b>Group</b>	means the Company and each of its subsidiaries.
<b>Ineligible Foreign Shareholder</b>	means a Shareholder who is not an Eligible Shareholder as at 5:00pm (AWST) on the Record Date.
<b>Issue Price</b>	means the issue price per Share of \$0.085.
<b>Issuer Sponsored</b>	means Securities issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.
<b>Lead Manager or Cadmon</b>	means Cadmon Advisory Pty Ltd (ACN 616 484 756).
<b>Lead Manager Mandates</b>	means the Capital Raising Mandate and Entitlement Offer Engagement Letter.
<b>Lead Manager Options</b>	means up to 15,000,000 Quoted Options, to be issued to the Lead Manager (and/or its nominees) pursuant to the Lead Manager Option Offer.
<b>Lead Manager Option Offer</b>	means the offer of Lead Manager Options to the Lead Manager (and/or its nominees) in accordance with Sections 1.4 and 3.4.
<b>Listing Rules</b>	means the listing rules of ASX.
<b>New Investors</b>	means such other select investors having a registered address located in Australia, Malaysia or Singapore who are invited to

	apply by the Lead Manager or the Company to apply for Remaining Shortfall Securities.
<b>Notice of Meeting</b>	means the Company's notice of general meeting dated 28 February 2023.
<b>Offers</b>	means the Entitlement Offer, the Top-Up Offer, the Shortfall Offer, the Lead Manager Option Offer and the Placement Option Offer, as applicable.
<b>Option</b>	means an option to acquire a Share.
<b>Osteopore International</b>	means Osteopore International Pte Ltd.
<b>Performance Right</b>	means a right to acquire a Share in the capital of the Company subject to the satisfaction of performance milestones.
<b>Placement</b>	means the issue of 6,666,666 Placement Shares and 6,666,666 Placement Options to existing and sophisticated investors, as announced to ASX on 22 December 2022.
<b>Placement Options</b>	means 6,666,666 Quoted Options issued pursuant to the Placement.
<b>Placement Option Offer</b>	means the offer of Placement Options to participants in the Placement in accordance with Sections 1.5 and 5.2.
<b>Placement Price</b>	means the issue price of the Shares issued pursuant to the Placement, being \$0.15.
<b>Placement Shares</b>	means the 6,666,666 Shares issued on 3 January 2023, to existing and sophisticated investors at an issue price of \$0.15 per Share to raise \$1,000,000 (before costs).
<b>Preliminary Financial Report</b>	has the meaning given in Section 3.2.
<b>Proposed Acquisition</b>	has the meaning given in Section 3.1.
<b>Prospectus</b>	means this prospectus dated 10 March 2023.
<b>Quoted Options</b>	means the Options on the terms and conditions in Section 5.2.
<b>Record Date</b>	means 5:00pm (AWST) on the date identified in the proposed timetable.
<b>Remaining Shortfall Securities</b>	means any Securities for which valid Applications have not been received by 5:00pm (AEST) on the Closing Date.
<b>Section</b>	means a section of this Prospectus.
<b>Securities</b>	means Shares Options, and/or Performance Rights.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means a holder of Shares.

<b>Share Registry</b>	means Link Market Services Limited (ACN 083 214 537).
<b>Shortfall Offer</b>	means the offer of Remaining Shortfall Securities to New Investors in accordance with Section 1.3.
<b>Target Businesses</b>	has the meaning given in Section 3.1.
<b>Timetable</b>	means the proposed timetable for the Offers set out on page iii of this Prospectus.
<b>Top-Up Offer</b>	means the offer to Eligible Shareholders to subscribe for Securities (in excess of their Entitlements) not subscribed for pursuant to the Entitlement Offer under this Prospectus.
<b>Unquoted Options</b>	means Options which are not quoted on ASX's official list.
<b>Vendor</b>	means Mr Lim Jae Hoon.
<b>Vendor Performance Rights</b>	has the meaning given in Section 3.1.