



Zimi Limited

ACN 113 326 524

PROSPECTUS

Entitlement Offer

For a non-renounceable pro rata offer of 1 (one) New Share for every 2 (two) Shares held by Eligible Shareholders registered at 5.00pm (WST) on the Record Date, at an issue price of \$0.04 per New Share, to raise up to approximately \$1.78 million before costs with each New Share being issued with 1 (one) attaching New Option exercisable at \$0.08 and expiring on 30 June 2026 (**Entitlement Offer**).

Shortfall Offer

For an offer to the public (including Eligible Shareholders) to subscribe for the New Shares comprising the shortfall to the Entitlement Offer at \$0.04 per New Share, together with an entitlement to one (1) attaching New Option for every New Share subscribed for (**Shortfall Offer**).

Lead Manager Offer

For the offer to RM Corporate Finance Pty Ltd (or its nominees) to subscribe for 1,000,000 Lead Manager Options exercisable at \$0.08 and expiring on 30 June 2026, at an issue price of nil, pursuant to the terms of the Lead Manager Mandate (**Lead Manager Offer**).

The Entitlement Offer opens on Friday, 12 May 2023 and closes at 5.00pm (Perth time) on Friday, 26 May 2023 (unless extended).

Lead Manager

RM Corporate Finance Pty Ltd (AFSL 315235)

Important Notice

This document contains important information about the Offers. You should read the entire document. Please read the instructions in this document and the accompanying Entitlement and Acceptance Form regarding your Entitlement. If you have any questions about the Offers or this Prospectus, you should speak to your professional adviser.

The Securities offered by this Prospectus should be considered speculative.

Important information

Prospectus

This Prospectus is dated 3 May 2023 and was lodged with ASIC on that date. Neither ASIC, ASX nor their officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is a transaction specific prospectus for the offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this 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.

No Securities will be issued on the basis of this Prospectus later than 13 months after the Prospectus Date. Application for quotation of the New Shares will be made to ASX within 7 days after the Prospectus Date.

Electronic prospectus

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

Risk factors

Investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors are set out in Sections 1.8 and 6 of this Prospectus. These risks together with other general risks applicable to all investments in quoted securities not specifically referred to, may affect the value of the Securities in the future. An investment in the Company should be considered speculative. Investors should consider these risk factors in light of personal circumstances and should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

Overseas Shareholders

This Prospectus is not, and is not intended to constitute, an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue. By applying for New Securities, including by submitting an Entitlement and Acceptance Form, a Shortfall Application Form or making a payment using BPay® or EFT you represent and warrant that there has been no breach of such laws.

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

No action has been taken to register or qualify this Prospectus, the New Securities or the Offers, or otherwise to permit a public offering of the New Securities, in any jurisdiction outside Australia and New Zealand.

Please refer to Sections 2.3 and 3.10 for further details of requirements applicable to certain countries in which Shareholders may reside.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website www.asx.com.au). The contents of any website or ASIC or

ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in New Securities of the Company.

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

Forward-looking statements

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

Accepting the Offers

Applications for New Securities may only be made pursuant to an original application form as sent with this Prospectus. The Entitlement and Acceptance Form sets out the Entitlement of an Eligible Shareholder to participate in the Entitlement Offer. Please read the instructions in this Prospectus and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement. Applications for New Securities under the Shortfall Offer must be made in accordance with the Entitlement and Acceptance Form if you are an Eligible Shareholder, or on a Shortfall Application Form if you are a new investor in the Company.

By returning an acceptance or application form or lodging an acceptance form with your stockbroker or otherwise arranging for payment for your New Securities in accordance with the instructions on an acceptance or application form, you acknowledge that you have received and read this Prospectus, you have acted in accordance with the terms of the Offers detailed in this Prospectus and you agree to all of the terms and conditions as detailed in this Prospectus.

Target Market Determination

A "Target Market Determination" (TMD) in respect of the New Options and Lead Manager Options pursuant to the Offers made under this Prospectus has been prepared by the Company and is available on the Company's website at <https://zimi.life/investor>. The TMD seeks to offer potential investors with an understanding of the class of investors for which the offer of New Options to Eligible Shareholders and the offer of Lead Manager Options to the Lead Manager under this Prospectus has been designed, having regard to the objectives, financial situation and needs of the target market.

Defined terms

Certain capitalised terms and other terms used in this Prospectus are defined in the Glossary of defined terms in Section 10.

Currency

All references in this Prospectus to "\$", "AUD" or "dollar" are references to Australian currency unless otherwise indicated.

Reference to time

All references in this document to time relate to Western Standard Time in Perth, Western Australia.

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Key Information

Indicative Timetable

Event	Date
Announcement of Entitlement Offer to ASX.	Wednesday, 3 May 2023
Lodgement of Prospectus with ASIC and ASX.	Wednesday, 3 May 2023
Record Date (the date for identifying Shareholders entitled to participate in the Entitlement Offer).	Tuesday, 9 May 2023
Prospectus with Entitlement and Acceptance Forms sent to Eligible Shareholders, announcement of the same.	Friday, 12 May 2023
Entitlement Offer Opening Date.	Friday, 12 May 2023
Last day to extend Closing Date.	Tuesday, 23 May 2023
Entitlement Offer Closing Date (the last day for receipt of acceptances under the Entitlement Offer).	Friday, 26 May 2023
Shortfall Offer Closing Date	Friday, 26 May 2023
Announcement to ASX of the results of the Entitlement Offer and any Shortfall to the offer.	Friday, 2 June 2023
Issue date (New Securities issued under the Entitlement Offer entered into the Share register).	Friday, 2 June 2023
New Securities issued under Offers expected to commence normal trading on ASX.	Monday, 5 June 2023

The above events, dates and times are indicative only and may be subject to change. The Company reserves the right to amend any of these events, dates and times without notice, subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the Closing Date and to accept late applications. The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX before the Closing Date. The commencement of trading of New Securities on ASX is subject to confirmation by ASX.

Key Details of Entitlement Offer	
Ratio	1 (one) New Share for every 2 (two) Shares held at the Record Date and 1 (one) New Option for every 1 (one) New Share issued
Offer Price	\$0.04 per New Share
Maximum number of New Shares to be issued	44,551,264 Shares (estimated)
Maximum funds to be raised (before costs)	\$1,782,051 (estimated)
Minimum subscription	There is no minimum subscription to the Entitlement Offer
Key Details of Lead Manager Offer	
Offer Price	Nil
Maximum number of Lead Manager Options to be issued	1,000,000
Maximum funds to be raised (before costs)	Nil
Minimum subscription	There is no minimum subscription to the Lead Manager Offer

Delivery of Prospectus and Entitlement and Acceptance Forms

Shareholders who wish to participate in the Entitlement Offer, are encouraged to provide their email address to the Company's share registry to permit electronic delivery of their Entitlement and Acceptance forms for participation in the Entitlement Offer. If you have not provided your email address to the share registry, Automic Group, or if you

are unsure, please contact the Company's Company Secretaries via cath@bellatrixcorp.com or mel@bellatrixcorp.com.au before the Closing Date noted above to receive a copy of the Prospectus and a personalised Entitlement and Acceptance form.

Corporate Directory

Directors

Simon Gerard
(Non-Executive Chairman)

Jordan Tentori
(Executive Director and Chief Executive Officer)

Peter Rosseuscher
(Non-Executive Director)

Simon Beissel
(Non-Executive Director)

Company Secretaries

Melissa Chapman

Catherine Grant-Edwards

Registered Office

Level 1, Unit 2A
300 Fitzgerald Street
North Perth, Western Australia 6006

Telephone: +61 8 6268 2622

Facsimile: +61 8 9268 2699

ASX Code: ZMM

Website

www.zimi.life

Share Registry*

Automic Group

Perth Office:
Level 5, 191 St Georges Terrace
Perth WA 6000

Auditor*

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

Lead Manager

RM Corporate Finance Pty Ltd (AFSL: 315235)
Level 1, 1205 Hay Street
West Perth, Western Australia 6005

Solicitors

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

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

1. Investment overview

1.1 Entitlement Offer

Under this Prospectus the Company is making a non-renounceable pro rata offer of Shares (**New Shares**) to Eligible Shareholders to raise up to approximately \$1.78 million before costs (**Entitlement Offer**).

Eligible Shareholders will be entitled to apply for 1 (one) New Share for every 2 (two) Shares held at 5.00pm (WST) on the Record Date, at an issue price of \$0.04 per New Share.

Each New Share subscribed for under the Entitlement Offer will be issued with 1 (one) attaching Option, exercisable at \$0.08 on or before 30 June 2026 (**New Option**).

Refer to Sections 2 and 3 of this Prospectus for information about how to apply for New Securities under the Entitlement Offer.

1.2 Shortfall Offer

Eligible Shareholders and other eligible investors are also offered the opportunity to apply for the Shortfall to the Entitlement Offer, at an issue price of \$0.04 per New Share, together with an entitlement to one (1) attaching New Option for every New Share subscribed for (**Shortfall Offer**). Refer to Section 2.5 for further details of the Shortfall Offer.

1.3 Purpose of the Entitlement Offer and Shortfall Offer

The purpose of the Entitlement Offer and Shortfall Offer is to provide funds for general working capital.

1.4 Lead Manager Offer

This Prospectus also contains an offer of the Lead Manager Options to the Lead Manager. Only the Lead Manager is entitled to subscribe for the Lead Manager Options offered pursuant to this Prospectus.

1.5 Company's activities

The Company is an innovative Australian technology company that creates 'the Zimi experience' by connecting everyday electrical products to the Internet and each other to create smarter living and working spaces.

The principal activities of the Group are research and development within the 'Internet of Things' market, the assessment of new investment opportunities, product commercialisation and sale of electrical devices including multi-purpose switches, dimmers, power points, fans controllers, and garage door controllers.

1.6 Use of funds

The Entitlement Offer will raise funds of:

- approximately \$1.78 million at full subscription to the Entitlement Offer and before costs of the Entitlement Offer; and
- approximately \$0.89 million at 50% subscription to the Entitlement Offer and before costs of the Entitlement Offer.

The Company proposes to apply the funds raised from the Entitlement Offer towards general working capital requirements.

The Lead Manager Options offered under the Lead Manager Offer are being offered for the Company to fulfil its obligation under the Lead Manager Mandate as part of the fee for the services provided by the Lead Manager in managing the Entitlement Offer. Accordingly, the Lead Manager Options will have an issue price of nil.

The Company intends to apply any funds raised from the exercise of the New Options issued under the Entitlement Offer and the Lead Manager Options issued under the Lead Manager Offer towards general working capital requirements at that time.

1.7 Market prices of Shares on ASX

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

	Price	Date(s)
Highest	\$0.060	3 February 2023
Lowest	\$0.040	6-8 February 2023
Latest	\$0.042	2 May 2023

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

1.8 Key risks

The risks set out below have been identified as being key risks specific to an investment in the Company. These risks may adversely affect the Company's financial position and prospects and the market price of Shares.

Further details of these key risks are described in in Section 6, together with other risks associated with mining industry and general investment risks.

Risk	Description
Capital and funding requirements	Given its focus on growing its market share, the Company has negative operating cashflow and, at present, it has minimal revenue. No assurance can be given that the Company will achieve commercial viability through its existing technology or otherwise. Until the Company is able to realise the full value from its technology, it is likely to incur ongoing operating losses.
Development and commercialisation of the Company's technology	The success of the Company will depend upon the Company's ability to further develop and commercialise its technology and intellectual property. A failure to successfully develop and commercialise the technology could lead to a loss of opportunities and adversely impact on the Company's operating results and financial position.

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

1.9 Board and management

Simon Gerard – Non-Executive Chairman

In 2006, Simon Gerard returned to the family business of Gerard Corporation to form the Gerard Lighting Group. After successfully positioning the lighting portfolio into a trusted global enterprise, listed on the ASX, in 2014, Simon retired from the Gerard Lighting Group to focus his attention back to the family business of Gerard Private.

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

Prior to 2006, Simon held the position of Executive General Manager, Clipsal Australia, Australia's number one manufacturer of electrical accessories and automation products.

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

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

Jordan Tentori - Executive Director and Chief Executive Officer

Jordan Tentori is the co-founder of Zimi. He previously was the EGM of Diginet, deploying innovative technology through the Gerard Lighting Group of companies. For the past 20 years, Jordan has successfully worked nationally and internationally within

the electrical and lighting industry to evolve technologies into commercial realities. Jordan's career started in the professional lighting industry where he pioneered the introduction of LED technology which over the decades has evolved to different industries at the forefront of technology.

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

Peter Rossdeutscher – Non-Executive Director

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

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

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

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

Simon Beissel – Non-Executive Director

Simon has current board experience with a number of industrial, technology and financial services companies including ATF Services Pty Ltd, Lighting Investments Australia Holdings Pty Ltd and previously Investec Credit Funds Management Pty Ltd. He is an experienced director and senior executive who was previously Head of Corporate Lending at Investec Australia. Prior to that, Simon held senior roles at St. George Bank.

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

2. Details of the Offers

2.1 Entitlement Offer

The Entitlement Offer is a pro rata offer of New Shares to Eligible Shareholders.

Eligible Shareholders will be entitled to apply for 1 (one) New Share for every 2 (two) Shares held at 5.00pm (WST) on the Record Date, at an issue price of \$0.04 per New Share (**Offer Price**). The Offer Price is payable in full on application.

Each New Share subscribed for under the Entitlement Offer will be issued with 1 (one) attaching Option, exercisable at \$0.08 on or before 30 June 2026 (**New Option**).

As at the Prospectus Date the Company has 89,102,529 Shares and 33,178,779 unlisted Options on issue.

Based on the number of Shares expected to be on issue on the Record Date, a total of up to approximately 44,551,264 New Shares will be offered under the Entitlement Offer, raising up to \$1,782,051 before costs of the Entitlement Offer.

The purpose of the Entitlement Offer and the intended use of the funds raised is set out in Sections 1.2 and 1.5.

Information about how to accept your Entitlement and apply for the New Securities is set out in Section 3.

2.2 Non-renounceable offer

The Entitlement Offer is non-renounceable which means that Eligible Shareholders cannot transfer their right to subscribe for New Securities under the Entitlement Offer to anyone else. Any New Shares that are not taken up by the Closing Date will automatically lapse and will form part of the Shortfall.

2.3 Entitlement and eligibility to the Entitlement Offer

The Entitlement Offer is made to Eligible Shareholders only.

All Shareholders with a registered address in Australia or New Zealand and who are registered as the holder of Shares at 5.00pm (WST) on Tuesday, 9 May 2023 (**Record Date**) are Eligible Shareholders. The Entitlement Offer is not extended to Shareholders who do not meet these criteria.

The number of New Securities to which you are entitled is shown on your Entitlement and Acceptance Form accompanying this Prospectus.

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a New Share, such fraction will be rounded up to the next whole New Share.

To apply for New Securities under the Entitlement Offer, you must make a payment by the BPay® facility or electronic funds transfer (**EFT**) in accordance with your Entitlement and Acceptance Form by no later than 5.00pm (WST) on the Closing Date. Please see Section 3 for further information about accepting the Entitlement Offer.

Your rights to participate in the Entitlement Offer will lapse if you do not accept your Entitlement by the Closing Date.

The Company reserves the right (in its sole discretion) to:

- (a) reject any application that it believes comes from a person who is not an Eligible Shareholder; and
- (b) reduce the number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if their claim to be entitled to participate in the Entitlement Offer proves to be false, exaggerated or unsubstantiated.

The Directors reserve the right not to proceed with the whole or any part of the Entitlement Offer at any time prior to the allotment of New Securities. In that event, relevant Application Monies will be refunded without interest.

2.4 Excluded Shareholders

Shareholders who do not meet the criteria to participate in the Entitlement Offer are Excluded Shareholders. Excluded Shareholders are not entitled to participate in the Entitlement Offer to subscribe for New Securities.

Refer to Section 3.10 for further details.

2.5 Shortfall Offer

Any New Shares not subscribed for under the Entitlement Offer will form the Shortfall and will be offered under the Shortfall Offer.

The Shortfall Offer is a separate offer under this Prospectus. The issue price of the New Shares under the Shortfall Offer is \$0.04 (i.e. the Offer Price under the Entitlement Offer).

For every New Share subscribed for under the Entitlement Offer, Applicants will be issued with 1 (one) attaching New Option, exercisable at \$0.08 on or before 30 June 2026.

An individual, including an Eligible Shareholder, may apply for New Shares under the Shortfall Offer provided they are eligible under all applicable securities laws to receive an offer under the Shortfall Offer.

If after the close of the Offers, any Shortfall has not been subscribed for under the Entitlement Offer or the Shortfall Offer, the Lead Manager or its Affiliates will have a first right of refusal to place any Shortfall within 3 months of the close of the Entitlement Offer.

The Company cannot guarantee that you will receive the number of Shortfall Shares you apply for. If you do not receive any or all of the Shortfall Securities you applied for, the excess Application Monies will be returned to you without interest.

2.6 Opening Date and Closing Date

The Offers will open for receipt of Applications on Friday, 12 May 2023 (**Opening Date**) and:

- (a) the Entitlement Offer will close at 5.00pm (WST) on Friday, 26 May 2023 (**Entitlement Offer Closing Date**); and
- (b) the Shortfall Offer will close at 5.00pm (WST) on Friday, 26 May 2023 (**Shortfall Offer Closing Date**).

Subject to compliance with the ASX Listing Rules (as relevant), the Company reserves the right to close the Entitlement Offer early or to extend the Closing Date of an Offer.

2.7 Shortfall allocation

The Directors in consultation with the Lead Manager will have discretion as to how to allocate the Shortfall to Applicants.

In exercising their discretion to allocate the Shortfall:

- (a) the Directors propose to allocate the Shortfall to both new investors and Eligible Shareholders in a manner considered appropriate to Applicants having regard to the best interests of the Company and the Company's desire to maximise the amount of funds raised from the Offers;
- (b) Eligible Shareholders are encouraged to apply for the Shortfall but in allocating the Shortfall, preference will not necessarily be conferred on Eligible Shareholders;
- (c) where the Directors consider it is in the best interests of the Company to allocate any portion of the Shortfall to a particular Applicant or to particular Applicants in order to maximise the total funds raised from the Offers, the Directors may do so; this may result in preference being given to an Application from a new investor who is not an Eligible Shareholder;
- (d) subject to the above, to the extent that Applications for the Shortfall are made by Eligible Shareholders, as between those Eligible Shareholders the Directors will generally endeavour to allocate the Shortfall in a manner which is considered fair to those Applicants, having regard to their existing shareholding interests;
- (e) the Directors will not allocate any portion of the Shortfall to an Applicant who is a Related Party of the Company in priority to, or the exclusion of, any other Applicant; and
- (f) the Directors will not allocate New Shares under the Shortfall Offer to the extent that an Applicant's voting power in the Company would, together with the Applicant's Associates, exceed the takeover thresholds in the Corporations Act (i.e. acquiring a controlling interest in 20% or more of the issued Shares), subject to certain exceptions permitted by law.

The Lead Manager or its Affiliates will have a first right of refusal to place any New Shares not applied for under the Entitlement Offer or the Shortfall Offer in its discretion to sophisticated and professional investors as defined in sections 708(8), 708(10) and 708(11) of the Corporations Act, subject to the Listing Rules and any restrictions under applicable law, within 3 months of the close of the Entitlement Offer (**Shortfall Placement**).

2.8 No minimum subscription

There is no minimum subscription to the Entitlement Offer or the Shortfall Offer.

2.9 Lead Manager

The Company has engaged RM Corporate Finance Pty Ltd as lead manager (**Lead Manager**) to the Entitlement Offer pursuant to the Lead Manager Mandate.

Refer to Section 8.1 for the services to be performed by the Lead Manager and the fees payable to the Lead Manager under the Lead Manager Mandate.

2.10 Rights and liabilities attaching to New Securities

New Shares issued under this Prospectus will be fully paid and will rank equally in all respects with Existing Shares. A summary of the rights and liabilities attaching to the New Shares is set out in Section 5.1.

New Options (including the Lead Manager Options) issued under this Prospectus will have an exercise price of \$0.08 and an expiry date of 30 June 2026. A summary of the terms and conditions of the New Options is set out in Section 5.2.

2.11 Lead Manager Offer

The Lead Manager Offer made by this Prospectus invites the Lead Manager (or its nominees) to subscribe for a total of 1,000,000 New Options (**Lead Manager Options**) pursuant to the terms of the Lead Manager Mandate and this Prospectus. A summary of the key terms of the Lead Manager Mandate is set out in Section 8.1.

The Lead Manager has the right but not an obligation to subscribe for the Lead Manager Options.

The Lead Manager Options are on the same terms as the New Options issued under the Entitlement Offer, a summary of which is set out in Section 5.2.

The primary purpose of offering the Lead Manager Options under the Lead Manager Offer is for the Company to fulfil its obligation under the Lead Manager Mandate as part of the fee for the services provided by the Lead Manager in managing the Entitlement Offer.

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

The Lead Manager Offer is not subject to any minimum subscription condition or requirement.

The Lead Manager Offer is not underwritten.

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

3. Accepting the Entitlement Offer

3.1 Action Eligible Shareholders may take

If you are an Eligible Shareholder the number of New Shares to which you are entitled is shown on the personalised Entitlement and Acceptance Form accompanying this Prospectus. If you are an Eligible Shareholder you may:

- (a) accept your Entitlement in full;
- (b) accept your Entitlement in full and apply for additional New Securities under the Shortfall;
- (c) accept part of your Entitlement and allow the balance to lapse; or
- (d) allow all of your Entitlement to lapse.

3.2 Accepting your Entitlement in full or in part

If you wish to accept your Entitlement in full or in part, make a payment through the BPay® facility or EFT for the number of New Shares you wish to apply for in accordance with the instructions on the Entitlement and Acceptance Form – see Section 3.5.

Your BPay® payment or EFT payment must be received by no later than 5.00pm (WST) on the Entitlement Offer Closing Date.

If you do not accept all of your Entitlement then the balance of your Entitlement will lapse and the New Shares that are not subscribed for will form part of the Shortfall.

If you do not take up all of your Entitlement then your percentage shareholding in the Company will reduce.

3.3 Accepting your Entitlement in full and applying for additional New Shares under the Shortfall Offer

If you wish to accept your Entitlement in full and apply for New Shares under the Shortfall Offer, make a payment through the BPay® facility or EFT payment for all of your Entitlement and the number of additional New Shares you wish to apply for in accordance with the instructions on the Entitlement and Acceptance Form.

Your BPay® payment or EFT payment must be received by no later than 5.00pm (WST) on the Entitlement Offer Closing Date.

The allocation and issue of New Shares under the Shortfall Offer will be determined by the Directors in their discretion. The allocation policy in relation to the Shortfall Offer is set out in Section 2.7. The Lead Manager or its Affiliates will have a first right of refusal to allocate and issue New Securities not applied for under the Entitlement Offer or the Shortfall Offer.

3.4 Allowing your Entitlement to lapse

If you do not wish to accept any of your Entitlement, you are not required to take any action. If you do nothing, then your Entitlement will lapse. The New Shares not subscribed for will form part of the Shortfall.

If you do not take up all of your Entitlement, then your percentage shareholding in the Company will reduce.

3.5 Payment by BPay® or electronic funds transfer (EFT)

Payment by BPay® should be made according to the instructions set out on the Entitlement and Acceptance Form using the BPay® Biller Code and Customer Reference Number shown on the form. You can only make a payment via BPay® if you are a holder of an account with an Australian financial institution that supports BPay® transactions.

Payment by electronic funds transfer (**EFT**) should be made according to the instructions set out on the Entitlement and Acceptance Form using the unique payment reference number shown on the form.

The reference number shown on each Entitlement and Acceptance Form (**Reference Number**) is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number to pay for each holding separately. Failure to do so may result in an underpayment. If you pay by BPay® or EFT and do not pay for your full Entitlement, the remaining Entitlement will form part of the Shortfall.

If you pay by BPay® or EFT:

- (a) you do not need to return the Entitlement and Acceptance Form but are taken to have made the declarations on that form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered by your Application Monies.

You must ensure that your payment by BPay® or EFT is received by 5.00pm (WST) on the Closing Date. Your financial institution may implement cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. The Company is not responsible for any delay in the receipt of BPay® or EFT payment.

3.6 Applications for Shortfall Shares by Applicants who are not Eligible Shareholders

If you are not an Eligible Shareholder and wish to apply for Shortfall Shares under the Shortfall Offer, you should complete a Shortfall Application Form accompanying this Prospectus and return your completed Shortfall Application Form with payment of Application Monies in accordance with the instructions on the Shortfall Application Form.

3.7 ASX quotation of New Shares

New Securities under the Offers are expected to be issued and holding statements despatched as soon as practicable after the Closing Date, in accordance with the ASX Listing Rules and the timetable set out on page iii. No issue of New Securities will be made until ASX grants permission for quotation of the New Shares.

Application for official quotation on ASX of the New Shares issued pursuant to this Prospectus will be made within 7 days after the Prospectus Date. The fact that ASX may agree to grant official quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company or the Securities. If permission for quotation is not granted by ASX within 3 months after the Prospectus Date, the Securities will not be allotted and Application Monies will be refunded (without interest) as soon as practicable.

It is your responsibility to determine your holdings before trading in Securities. Any person who sells Securities before receiving confirmation of their holding will do so at their own risk.

The Directors reserve the right not to proceed with the whole or any part of the Entitlement Offer at any time before the allotment of New Securities. In that event, relevant Application Monies will be refunded without interest.

3.8 No brokerage

No investor will pay brokerage as a subscriber for New Securities under the Offers.

3.9 Holding of Application Monies

Application Monies will be held in a trust account until the New Securities are issued.

The trust account established by the Company for this purpose will be solely used for handling Application Monies.

Any interest earned on Application Monies will be for the benefit of, and will remain the sole property of, the Company, and will be retained by the Company whether or not the allotment and issue of New Securities takes place.

Applications and Application Monies may not be withdrawn once they have been received by the Company.

3.10 Excluded Shareholders

The Entitlement Offer is not made to Shareholders who on the Record Date have a registered address outside Australia or New Zealand (**Excluded Shareholders**). Neither the Prospectus nor the Entitlement and Acceptance Form constitutes an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

In making the decision to not extend the Entitlement Offer to Excluded Shareholders the Company has taken into account the fact that all of the Company's Shareholders reside in Australia or New Zealand.

The Entitlement Offer made to Eligible Shareholders with an address in New Zealand is made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016* (New Zealand). The New Securities are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand. This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

The Entitlement Offer is made to all Eligible Shareholders. The Company is not required to determine whether or not any registered Eligible Shareholder is holding Shares on behalf of persons who are resident outside Australia or New Zealand (including nominees, custodians and trustees) or the identity or residence of any beneficial owners of Shares. Any Eligible Shareholders holding Shares on behalf of persons who are resident outside Australia and New Zealand are responsible for ensuring that any dealing with New Securities issued under the Entitlement Offer do not breach the laws and regulations in the relevant overseas jurisdiction, and should seek independent professional advice and observe any applicable restrictions relating

to the taking up of Entitlements or the distribution of this Prospectus or the Entitlement and Acceptance Form.

The distribution of this Prospectus and accompanying application (including electronic copies) outside Australia or New Zealand may be restricted by law and therefore 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.

3.11 CHESS

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities (**CHESS Statement** or **Holding Statement**).

If you are broker sponsored, ASX Settlement will send you a CHESS Statement.

The CHESS Statement will set out the number of New Securities issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub-register, your statement will be dispatched by the Company's Share Register and will contain the number of New 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.

3.12 Privacy

If you apply for New Securities you will be providing personal information to the Company and the Share Registry. The Company and the Share Registry collect, hold and use your personal information in order to assess your Application, service your needs as an investor, provide facilities and services that you request, carry out appropriate administration and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

Collection, maintenance and disclosure of certain personal information are governed by legislation including the Privacy Act (as amended), the Corporations Act and certain rules of ASX. If you do not provide the information required on the Entitlement and Acceptance Form or Shortfall Application Form (as applicable), the Company may not be able to accept or process your Application.

Under the Privacy Act, you may request access to your personal information held by, or on behalf of, the Company or the Share Registry. You can request access to your personal information by writing to the Company through the Share Registry at:

Zimi Limited
C/- Automic Group Pty Ltd
GPO Box 5193
Sydney NSW 2001
T: +61 8 9324 2099

3.13 Taxation implications

The Directors do not consider that it is appropriate to give potential Applicants advice regarding the taxation consequences of applying for New Securities under this Prospectus as it is not possible to provide a comprehensive summary of the possible taxation positions of potential Applicants. The Company, its advisers and officers do not accept any responsibility or liability for any taxation consequences to potential Applicants in relation to the Offers. Potential Applicants should, therefore, consult their own tax adviser in connection with the taxation implications of the Offers.

4. Effect of the Offers

4.1 Principal effect of the Entitlement Offer on the Company

The principal effects of the Entitlement Offer, assuming the Entitlement Offer is fully subscribed, will be to:

- (a) increase the number of Shares on issue from 89,102,529 Shares as at the Prospectus Date to 133,653,793 Shares; and
- (b) increase cash reserves by up to approximately \$1.78 million immediately after completion of the Offers (less payment of the costs and expenses of the Offers set out in Section 8.8).

4.2 Effect on capital structure

The capital structure of the Company following completion of the Offers is set out below:

- (a) assuming 22,275,632 Shares are issued under the Entitlement Offer and the Shortfall Offer, representing approximately 50% of the Entitlement Offer; and
- (b) assuming 44,551,264 Shares are issued under the Offers, being full (100%) subscription to the Entitlement Offer and the Shortfall Offer:

Securities	Partial subscription to Offers at 50% subscription	Full subscription (100%) to Offers
Shares		
Shares on issue at the Prospectus Date	89,102,529	89,102,529
New Shares issued under the Entitlement Offer and Shortfall Offer (approximately)	22,275,632	44,551,264
Total expected number of Shares on issue at completion of the Offers¹	111,378,161	133,653,793
Options		
Options on issue at the Prospectus Date ²	33,178,779	33,178,779
New Options issued under the Entitlement Offer and Shortfall Offer	22,275,632	44,551,264
Lead Manager Options to be issued to Lead Manager ³	1,000,000	1,000,000
Total Options on issue at completion of the Offers¹	56,454,411	78,730,043

Performance Shares		
Performance Shares on issue at the Prospectus Date ²	320,003	320,003
Performance Shares issued under the Offers	Nil	Nil
Total Performance Shares on issue at completion of the Offers	320,003	320,003
Performance Rights		
Performance Rights on issue at the Prospectus Date ²	4,433,338	4,433,338
Performance Rights issued under the Offers	Nil	Nil
Total Performance Rights on issue at completion of the Offers	4,433,338	4,433,338

Notes:

1. Total numbers of Shares and Options assume no Options are exercised before completion of the Offers.
2. The Options, Performance Shares and Performance Rights comprise the following classes of unquoted securities:
20,668,750 Options exercisable at \$0.12 and expiring 18/10/2025
11,333,359 Options exercisable at \$0.45 and expiring 31/10/2023
1,176,670 Options exercisable at \$0.0015 and expiring 10/12/2023
320,003 Performance Shares expiring 19/12/2023
4,433,338 Performance Rights expiring 30/06/2024
3. The Lead Manager Options are to be issued on the terms set out in Section 8.2. Lead Manager Options are exercisable at \$0.08 and expire on 30 June 2026.

4.3 Details of substantial Shareholders

As at the Prospectus Date, the Company has two substantial Shareholders (being persons who have a relevant interest in 5% or more of the Shares in the Company):

- Gerard Private Group has a relevant interest in 34.40% of the total Shares as at the Prospectus Date; and
- Perennial Value Management Limited has a relevant interest in 13.15% of the total Shares as at the Prospectus Date.

4.4 Effect of Entitlement Offer on control of the Company

As at the Prospectus Date the Company does not anticipate that Shares issued under the Entitlement Offer will have any effect on control of the Company.

If all of the Eligible Shareholders under the Entitlement Offer accept their Entitlements in full, Eligible Shareholders will maintain their percentage shareholding interest in the Company.

4.5 Effect of Offers on Existing Shareholders' interests

As at the Prospectus Date the Company has 89,102,529 Shares, 320,003 unlisted Performance Shares, 4,433,338 unlisted Performance Rights and 33,178,779 unlisted Options on issue.

If all Eligible Shareholders subscribe for their Entitlements in full, each Eligible Shareholder's percentage shareholding should remain substantially the same as at the Record Date. Accordingly, the Offers should not have a material effect on control of the Company.

The table below sets out the estimated maximum dilutive effect of the Entitlement Offer on Existing Shareholders, assuming various subscription scenarios and that other Shares are not issued (including on the exercise of Options) prior to the close of the Entitlement Offer.

Scenario	New Shares to Eligible Shareholders under Entitlement Offer	Maximum Shortfall Shares issued	Dilution to Existing Shareholders as a result of any Shortfall ¹
100% subscription under Entitlement Offer	44,551,264	Nil	0.00%
75% subscription to Entitlement Offer	33,413,448	11,137,816	8.33%
50% subscription to Entitlement Offer	22,275,632	22,275,632	16.67%

Notes:

1. The dilution percentages assume that all Shortfall Shares are issued to Applicants other than Eligible Shareholders. The dilution represents a percentage of the total maximum Shares on issue on completion of the Entitlement Offer (133,653,793 Shares) that are held by persons other than Eligible Shareholders.

The Company will not allocate New Shares under the Shortfall Offer to the extent that an Applicant's voting power in the Company would, together with the Applicant's Associates, exceed the takeover thresholds in the Corporations Act (i.e. acquiring a controlling interest in 20% or more of the issued Shares, or increasing an existing controlling interest of more than 20%), subject to certain exceptions permitted by law.

4.6 Potential dilutive effect of New Options

The table below sets out the potential dilutive effect on Shareholders if Shares are issued on the exercise of all existing Options and all proposed New Options following completion of the Offers assuming full (100%) subscription to the Entitlement Offer:

Event	Number of Shares or Options	Shares issued on Option exercise	Number of Shares post-issue	Dilution (rounded)
Shares on issue on completion of Entitlement Offer	133,653,793	-	-	-
Exercise of existing Options	33,178,779	33,178,779	166,832,572	19.89%
Exercise of New Options issued under the Lead Manager Offer	1,000,000	1,000,000	167,832,572	0.60%
Exercise of New Options issued under the Options Offer	44,551,264	44,551,264	212,383,836	20.98%

Notes:

The interests shown in the table above assume that:

1. the existing Options do not lapse prior to exercise or conversion;
2. Options are exercised in the sequence as shown above; and
3. no other Shares are issued prior to exercise of Options.

4.7 Pro forma statement of financial position

Set out below is:

- (a) the auditor reviewed consolidated statement of financial position of the Company as at 31 December 2022; and
- (b) the unaudited pro forma consolidated statement of financial position of the Company as at 31 December 2022 incorporating the effect of the Offers.

The unaudited pro forma consolidated statement of financial position has been derived from the financial statements of the Company and adjusted to reflect pro forma assets and liabilities of the Company as if completion of the Offers had occurred by 31 December 2022. The historical and pro-forma information is presented in an abbreviated form. It does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

The pro forma statement of financial position has been prepared on the basis that there are no material movements in the assets and liabilities of the Company. No allowance has been made for expenditure incurred from 31 December 2022 to completion of the Offers, except for the following items:

- at 100% subscription to the Entitlement Offer, the issue of 44,551,264 New Shares under the Offers raising \$1.78 million (before costs and expenses of the Offers); and
- at approximately 50% subscription to the Offers, the issue of 22,275,632 New Shares under the Offers raising \$0.89 million (before costs and expenses of the Offers); and
- costs of the Offers will be approximately \$100,780 (at 100% subscription to the Offers) and \$136,421 (at 50% subscription to the Offers).

Consolidated Pro Forma Statement of Financial Position

	100% Subscription			
	Reviewed 31 Dec 2022	Capital Raising Entitlement Offer Proceeds	Capital Raising Costs	Pro-forma after Capital Raising and Costs
	\$	\$	\$	\$
Current assets				
Cash and cash equivalents	1,152,101	1,782,051	(100,780)	2,833,372
Trade and other receivables	186,177	-	-	186,177
Inventories	235,746	-	-	235,746
Other assets	789,384	-	-	789,384
Total current assets	2,363,408	1,782,051	(100,780)	4,044,679
Non-current assets				
Property, plant and equipment	351,599	-	-	351,599
Intangible assets	3,371,123	-	-	3,371,123
Right-of-use assets	96,185	-	-	96,185
Total non-current assets	3,818,907	-	-	3,818,907
Total assets	6,182,315	1,782,051	(100,780)	7,863,586
Current liabilities				
Trade and other payables	(340,819)	-	-	(340,819)
Provisions	(100,043)	-	-	(100,043)
Lease liabilities	(99,399)	-	-	(99,399)
Unearned revenue and customer deposits	(153,033)	-	-	(153,033)
Total current liabilities	(693,294)	-	-	(693,294)
Non-current liabilities				
Lease liabilities	(13,544)	-	-	(13,544)
Total non-current liabilities	(13,544)	-	-	(13,544)
Total liabilities	(706,838)	-	-	(706,838)
Net assets	5,475,477	1,782,051	(100,780)	7,156,748
Equity				
Contributed equity	50,522,050	1,782,051	(81,027)	52,223,074
Other reserves	807,785	-	-	807,785
Accumulated losses	(45,854,358)	-	(19,753)	(45,874,111)
Total equity	5,475,477	1,782,051	(100,780)	7,156,748

50% Subscription

	Reviewed 31 Dec 2022	Capital Raising Entitlement Offer Proceeds	Shortfall Placement Proceeds*	Capital Raising Costs	Pro-forma after Capital Raising and Costs
	\$	\$	\$	\$	\$
Current assets					
Cash and cash equivalents	1,152,101	891,025	891,025	(136,421)	2,797,731
Trade and other receivables	186,177	-	-	-	186,177
Inventories	235,746	-	-	-	235,746
Other assets	789,384	-	-	-	789,384
Total current assets	2,363,408	891,025	891,025	(136,421)	4,009,038
Non-current assets					
Property, plant and equipment	351,599	-	-	-	351,599
Intangible assets	3,371,123	-	-	-	3,371,123
Right-of-use assets	96,185	-	-	-	96,185
Total non-current assets	3,818,907	-	-	-	3,818,907
Total assets	6,182,315	891,025	891,025	(136,421)	7,827,945
Current liabilities					
Trade and other payables	(340,819)	-	-	-	(340,819)
Provisions	(100,043)	-	-	-	(100,043)
Lease liabilities	(99,399)	-	-	-	(99,399)
Unearned revenue and customer deposits	(153,033)	-	-	-	(153,033)
Total current liabilities	(693,294)	-	-	-	(693,294)
Non-current liabilities					
Lease liabilities	(13,544)	-	-	-	(13,544)
Total non-current liabilities	(13,544)	-	-	-	(13,544)
Total liabilities	(706,838)	-	-	-	(706,838)
Net assets	5,475,477	891,025	891,025	(136,421)	7,121,107
Equity					
Contributed equity	50,522,050	891,025	891,025	(116,668)	52,187,433
Other reserves	807,785	-	-	-	807,785
Accumulated losses	(45,854,358)	-	-	(19,753)	(45,874,111)
Total equity	5,475,477	891,025	891,025	(136,421)	7,121,107

*Assumes 100% of shortfall is placed.

5. Rights and liabilities attaching to New Securities

5.1 Rights and liabilities attaching to New Shares

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

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

(a) Voting

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

(b) Dividends

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

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

(c) Winding up

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

(d) Further increases in capital

Subject to restrictions on the issue or grant of securities contained in the Listing Rules, ASX Settlement Operating Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors have the right to issue

shares or grant options over unissued shares to any person and they may do so at such times as they think fit and on the conditions they think fit.

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

(e) **Variation of rights**

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

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

(f) **Transfer of securities**

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

(g) **Sale of small holdings**

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

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

(h) **Alteration of Constitution**

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

5.2 Terms and conditions of New Options

The terms and conditions of the New Options (including the Lead Manager Options) are as follows:

- (a) **Entitlement:** Each New Option entitles the holder (**Option Holder**) to subscribe for one fully paid ordinary Share in the Company.
- (b) **No payment on grant:** The Option Holder is not required to pay any amount on the grant of an Option.
- (c) **Exercise price:** The exercise price of each New Option is \$0.08 (**Exercise Price**).

- (d) **Expiry date:** Each New Option may be exercised at any time before 5.00pm (WST) on or before 30 June 2026 (**Expiry Date**). Any New Option not exercised by the Expiry Date will automatically expire.
- (e) **Certificate or Holding Statement:** The Company must give the Option Holder a certificate or Holding Statement stating:
 - (i) the number of New Options issued to the Option Holder;
 - (ii) the Exercise Price of the New Options; and
 - (iii) the date of issue of the New Options.
- (f) **Transfer:**
 - (i) The New Options are transferable, subject to applicable law.
 - (ii) Subject to the Listing Rules and the Corporations Act, the Option Holder may transfer some or all of the New Options at any time before the Expiry Date by:
 - A. a proper ASTC regulated transfer (as defined in the Corporations Act) or any other method permitted by the Corporations Act; or
 - B. a prescribed instrument of transfer.
 - (iii) An instrument of transfer of a New Option must be:
 - A. in writing;
 - B. in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
 - C. subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
 - D. delivered to the Company, at the place where the Company's register of option holders is kept, together with the certificate (if any) of the New Option to be transferred and any other evidence as the Directors require to prove the title of the transferor to that New Option, the right of the transferor to transfer that New Option and the proper execution of the instrument of transfer.
- (g) **Quotation of Shares:** The Company will apply to ASX for Official Quotation of the Shares issued on exercise of New Options.
- (h) **New issues:** The Option Holder is not entitled to participate in any new issue to Shareholders of Securities in the Company unless it has exercised its New Options before the record date for determining entitlements to the new issue of Securities and participate as a result of holding Shares.
- (i) **Bonus issues:** If the Company makes a bonus issue of Shares or other Securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the New Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the New Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the New Option before the record date for determining entitlements to the issue.

(j) Reorganisation:

- (i) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of New Options to which the Option Holder is entitled to and the Exercise Price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (ii) Any calculations or adjustments which are required to be made will be made by the Company's Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.
- (iii) The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any New Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of a New Option.

(k) Exercise of New Options:

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

(l) Issue of Shares on exercise of New Options:

- (i) Within five Business Days after receiving an application for exercise of New Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.

- (ii) Subject to the Constitution, all Shares issued on the exercise of New Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.
- (m) **Governing law:** These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

6. Risk factors

6.1 Introduction

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

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

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

Potential investors should consider the risk factors set out in Sections 6.2 and 6.3 below which the Directors believe represent some of the general and specific risks that Shareholders should be aware of when evaluating the Company and deciding whether to acquire any Securities in the Company. The following risk factors are not intended to be an exhaustive list of all of the risk factors to which the Company is exposed.

6.2 Specific risks relating to the Company

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

(a) Capital and funding requirements

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

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

The success of the Company will depend upon the Company's ability to develop and commercialise its technology and intellectual property. A failure to successfully develop and commercialise the technology could lead to a loss of opportunities and adversely impact on the Company's operating results and financial position. The global marketplace for most products is ever changing due to new technologies, new products, changes in preferences, changes in regulation and other factors influencing market acceptance or market rejection. This market volatility and risk exists despite the best endeavours of market research, promotion and sales and licensing campaigns. There is a risk that, if the Company technology is not accepted by the

market, it will not be able to commercialise its Internet of Things products, which could adversely impact its operations. There is no guarantee that the Company's sales and marketing initiatives will be successful.

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

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

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

(c) Sales risk

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

(d) Staffing and reliance on key management

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

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

(e) Relationships with suppliers

The Company relies on suppliers that are mainly located in Asia and charge in US dollars. The COVID pandemic has made supply chain management more difficult, there is a global chip shortage which has severely affected component lead times in the industry, and currencies are more volatile. A material adverse change in these suppliers, the exchange rate and/or in the supply chain could have a negative impact on the Company's operations.

(f) Competition risk

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

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

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

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

(g) Global market risk

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

(h) Intellectual property

Securing rights to intellectual property, and in particular patents, is an integral part of securing potential product value from the development of the Company's technology. Competition in retaining and sustaining protection of intellectual property and the complex nature of intellectual property can lead to expensive and lengthy patents disputes for which there can be no guaranteed outcome. The granting of a patent does not guarantee that the rights of others are not infringed nor that competitors will not develop competing intellectual property that circumvents such patents. The Company's

success depends, in part, on its ability to obtain patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties.

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

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

(i) Lack of patent protection in some jurisdictions

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

(j) Dependence on the Internet and telecommunications infrastructure

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

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

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

(l) **Privacy laws**

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

6.3 General risks

The business activities of the Company are subject to various general economic and investment risks that may impact on the future performance of the Company. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. There are a number of general economic and investment risk factors that apply to companies generally and may include economic, financial, market or regulatory conditions. These risk factors include, but are not limited to, the following:

(a) **COVID-19 risk**

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

(b) **Economic**

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

(c) **Market conditions**

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

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

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

(d) Additional requirements for capital

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

Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Entitlement Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its business. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(e) Dividends

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

(f) Reliance on key personnel

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

(g) Unforeseen expenditure

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

(h) General economic climate

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

(i) Global credit and investment market

Global credit, commodity and investment markets have recently experienced a high degree of uncertainty and volatility. The factors which have led to this situation have been outside the control of the Company and may continue for some time resulting in continued volatility and uncertainty in world stock markets (including the ASX). This may impact the price at which the Company's Shares trade regardless of operating

performance, and affect the Company's ability to raise additional equity and/or debt to achieve its objectives, if required.

(j) Force majeure risk

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

(k) Litigation

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

(l) Taxation

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

(m) Speculative Nature of Investment

The above list of risk factors should not be taken as exhaustive of the risks faced by the Company or by investors in the Company. Shareholders should consider that an investment in the Company is speculative and should consult their professional advisors before deciding whether to participate in the Offers.

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

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

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

7. Continuous disclosure documents

7.1 Continuous disclosure obligations

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

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

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

The New Shares, and the underlying securities of the New Options (including the Lead Manager Options) to be issued under this Prospectus are in a class of securities that were quoted on the stock market of ASX at all times in the 12 months before the issue of this Prospectus.

7.2 Documents available for inspection

The Company has lodged the following announcements with ASX since the lodgement of the Company’s half year financial report for the financial half year ended 31 December 2022 on 24 February 2023:

Date	Description of ASX announcement
27 April 2023	Quarterly Activities Report and Appendix 4C

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

Copies of documents lodged with ASX, in relation to the Company, including the Company’s corporate governance policies, may be obtained from the Company’s website at <https://zimi.life/investor> or at ASX’s website at www.asx.com.au.

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

- (a) the financial report of the Company for the 6 month financial period ended 31 December 2022, being the financial report of the Company most recently lodged with ASIC before the issue of this Prospectus; and
- (b) any documents used to notify ASX of information relating to the Company in the period from lodgement of the annual financial report referred to in paragraph (a) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

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

8. Additional information

8.1 Lead Manager Mandate

The Company and the Lead Manager have entered into an agreement (**Lead Manager Mandate**) for the engagement of the Lead Manager pursuant to which the Lead Manager has agreed to act as lead manager of the capital raising under the Entitlement Offer.

The material terms of the Lead Manager Mandate, insofar as they relate to the management of the Entitlement Offer, are as follows:

Subject	Provision
Management of Entitlement Offer	The Lead Manager will, on a best endeavours basis, manage the Entitlement Offer.
Fees and reimbursement	<p>The Company will pay the Lead Manager the following remuneration in relation to the Entitlement Offer:</p> <ul style="list-style-type: none">• a corporate retainer fee of \$10,000 (plus GST) per month for three months following the execution of the Lead Manager Mandate;• a lead manager fee equal to 1% of the total dollar amount raised in the Entitlement Offer on all funds raised, to be paid within 7 days of completion of the same;• a shortfall placement fee equal to 5% of the total dollar amount raised in the Shortfall Placement on all funds raised, to be paid within 7 days of completion of the Entitlement Offer; and• an offer to subscribe for 1,000,000 Lead Manager Options pursuant to the Lead Manager Offer. <p>In addition, the Company must pay or reimburse the Lead Manager for its reasonable costs, professional fees and expenses in relation, and incidental, to the Entitlement Offer.</p>
Options	The Lead Manager Options will be on the same terms as the New Options offered under the Entitlement Offer.
Term and Termination of mandate	<p>The mandate will continue until 19 August 2023 or completion of the Entitlement Offer, whichever is the earlier.</p> <p>Either party may terminate with cause on 14 days' notice to the other party. Any fees or outlays that have accrued or are payable must be paid to the Lead Manager within 14 days of such termination.</p>

Subject	Provision
Indemnity and liability	<p>The Company will indemnify (and must keep indemnified) to the full extent permitted by law, the Lead Manager and/or its related entities (each an Indemnified Party) any and all claims, damages, losses, liabilities and expenses (including all reasonable fees and disbursements of the Indemnified Parties incurred in connection with the investigation of, and preparation for, any such claims pending or threatened and any litigation or other proceedings arising from such a claim) incurred or arising out of the engagement of the Lead Manager.</p> <p>Any claim that arises from the negligence or wilful misconduct of the Indemnified Parties will be excluded from the indemnity.</p>

The Lead Manager Mandate otherwise contains terms and conditions considered standard for agreements of this nature, including warranties and confidentiality provisions.

8.2 Terms of Lead Manager Options

The Lead Manager Options offered to the Lead Manager pursuant to this Prospectus are regulated by the Constitution, the Corporations Act, the Listing Rules and general law.

The Lead Manager Options that may be issued to the Lead Manager are on the same terms as the New Options issued under the Entitlement Offer, the terms of which are set out in section 5.2.

8.3 Litigation

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

8.4 Security holding interests of Directors

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

Director	Shares	Options	Performance Rights	Performance Shares
Simon Gerard ¹	30,647,543	6,534,723	Nil	Nil
Jordan Tentori ²	3,501,353	979,167	2,500,000	Nil
Peter Rossdeutscher ³	869,445	55,556	Nil	80,001
Simon Beissel ⁴	2,713,334	625,000	Nil	Nil

Notes:

1. Held as follows:

- Gerard Private Holdings (Finance) Pty Ltd: 26,513,889 Shares and 5,152,778 Options. Simon Gerard is a director of Gerard Private and ultimate controlling shareholder as to 60% of the shares in Gerard Private;
- Madurta Pty Ltd <S C Gerard Superannuation Fund>: 3,508,654 Shares and 1,381,945 Options; and
- Madurta Investments Pty Ltd <Madurta Investment Trust>: 625,000 Shares (subject to voluntary escrow until 31 July 2023).

2. Held as follows:

- Jayteetee Pty Ltd <Tentori Family Trust>: 1,333,334 Shares and 2,500,000 Performance Rights; and
- Redorblack Pty Ltd: 2,168,019 Shares and 979,167 Options.

3. Held as follows:

- Peter Rossdeutscher <Rainbow Property Trust>: 651,667 Shares (including 625,000 Shares subject to voluntary escrow until 31 July 2023) and 80,001 Performance Shares; and
- Peter Alan Rossdeutscher and Evelyn De Silva-Rossdeutscher <PEBI Super Fund A/C>: 217,778 Shares and 55,556 Options.

4. Held as follows:

- Shirley Road Custodians Pty Limited as trustee of the Beissel Family Trust: 2,713,334 Shares (including 625,000 Shares subject to voluntary escrow until 31 July 2023) and 625,000 Options.

8.5 Intentions of Directors with respect to Entitlement Offer

Directors or their associated entities who are registered as Shareholders on the Record Date may participate in the Entitlement Offer. However, Directors and their associated entities or other Related Parties of the Company may not subscribe for New Shares under the Shortfall Offer.

The Company's Non-Executive Chairman, Simon Gerard (who is an Eligible Shareholder as at the Prospectus Date) has informed the Company that he or his nominee intends to subscribe for 7,500,000 New Shares (\$300,000) under the Entitlement Offer, being part of his Entitlement.

8.6 Remuneration of Directors

The Constitution provides that the Directors may be paid for their services as Directors, as determined by the Company prior to the first annual general meeting. Such payment, in relation to Non-Executive Directors, is to be paid by way of a fixed sum

and not by a commission or percentage of operating revenue or Company profits. The sum fixed, which is currently \$300,000, may be divided amongst the Directors as they may from time to time agree or, in the absence of agreement, in equal shares.

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

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

Details of remuneration provided to Directors and former Directors during the past two financial years is as follows:

Director	Financial year to 30 June 2022	Financial year to 30 June 2021
Simon Gerard (Non-Executive Chairman)	Nil	Nil
Jordan Tentori (Executive Director and Chief Executive Officer) ¹	\$277,510 in salary and superannuation	\$141,983 in salary and superannuation
Peter Rosseuscher (Non-Executive Director)	\$72,000 in fees \$13,993 as value of Performance Shares granted	\$74,400 in fees \$13,992 as value of Performance Shares granted
Simon Beissel (Non-Executive Director) (appointed 7 February 2022) ²	\$19,940 in fees	Nil
Brett Savill (Non-Executive Director) (resigned 30 June 2022)	\$333,195 in fees and superannuation \$30,000 as value of Shares granted (\$72,300) adjustment to value of Performance Shares granted	\$294,578 in fees and superannuation \$27,985 as value of Performance Shares granted
Gary Castledine (Non-Executive Director) (resigned 16 February 2021)	Nil	\$36,000 in fees \$9,315 as value of Performance Shares granted

Notes:

1. Jordan Tentori held the office of Executive Director and Chief Technology Officer from 11 December 2020 to 7 February 2022. Mr Tentori was appointed Chief Executive Officer on 7 February 2022.
2. Simon Beissel (via his consulting entity, Shirley Road Custodians Pty Ltd trading as Harness Investment Partners) is entitled to receive \$60,000 for consulting and strategic review services (provided over six months) including the identification and review of strategic corporate opportunities, payable in cash. These additional director consulting fees will be reported in the financial year to 30 June 2023.

8.7 Director indemnity deeds

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

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

8.8 Expenses of the Offers

The expenses of the Entitlement Offer is expected to comprise the following estimated costs and are exclusive of any GST payable by the Company. The expenses assume scenarios for 50% subscription and full subscription under the Entitlement Offer.

Expense	Estimated amount (50% subscription to Offers)	Estimated maximum (100% subscription to Offers)
ASIC fees	\$3,206	\$3,206
ASX listing fees	\$19,753	\$19,753
Lead Manager's fees ¹	\$83,462 ²	\$47,821
Legal fees	\$20,000	\$20,000
Printing, distribution and Share Registry expenses	\$10,000	\$10,000
Total	\$136,421	\$100,780

Notes:

1. The Lead Manager's fees does not include the value of the Lead Manager Options the subject of the Lead Manager Offer. The Lead Manager's fees include a fee of 1% of Entitlement Offer amount, a monthly retainer fee of \$10,000 per month for a period of 3 months and a fee of 5% of funds raised by the placement of the Shortfall facilitated by the Lead Manager.
2. Assumes all Shortfall to the Entitlement Offer placed by the Lead Manager and Lead Manager's entitlement to a fee of 5% on the Shortfall Placement.

8.9 Interests of experts and advisers

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

- all other persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus do not have, and have not had in the 2 years before the Prospectus Date, any interest in:
 - the formation or promotion of the Company;
 - property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
 - the Offers; and
- amounts have not been paid or agreed to be paid (whether in cash, Securities or otherwise), and other benefit have not been given or agreed to be given, to

any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Offers.

Expert/advisor	Service or function	Amount paid or to be paid
RM Corporate Finance Pty Ltd	Lead Manager	<p>Refer to Section 8.1 for details of the fees payable to the Lead Manager.</p> <p>The Lead Manager has not received any fees for services provided to the Company in the period 2 years prior to the Prospectus Date.</p>
HLB Mann Judd	Auditor	<p>HLB Mann Judd has been paid approximately \$139,231 (including GST) for the provision of auditing and other professional services to the Company in the period 2 years prior to the Prospectus Date.</p>
Blackwall Legal LLP	Solicitors to the Company	<p>Blackwall Legal LLP will be paid approximately \$20,000 (plus GST) for services related to this Prospectus, including in relation to the Offers and other general legal due diligence advisory services.</p> <p>Blackwall Legal LLP has been paid \$47,129 (including GST) for legal services provided to the Company in the period 2 years prior to the Prospectus Date.</p>
Automic Group Pty Ltd	Share registry services	<p>Automic Group Pty Ltd will be paid approximately \$10,000 (plus GST) for services to be provided in relation to receiving and managing Applications under the Offers.</p> <p>Automic Group Pty Ltd has been paid or is entitled to be paid approximately \$107,313 (including GST) for the provision of share registry services to the Company in the period 2 years prior to the Prospectus Date.</p>

8.10 Consents and liability statements

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

Party	Capacity in which named	Statement or report in this Prospectus
RM Corporate Finance Pty Ltd	Lead Manager	Not applicable.
HLB Mann Judd	Auditor	Auditors of the Company who reviewed the consolidated statement of financial position for the Company as at 31 December 2022 referred to in Section 4.3.
Blackwall Legal LLP	Solicitors to the Company	Not applicable.
Automic Group Pty Ltd	Share Registry	Not applicable.

Each of the parties named above as providing their consent:

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

None of the Lead Manager, HLB Mann Judd, Blackwall Legal LLP and Automic Group Pty Ltd authorised or caused the issue of this Prospectus.

9. Directors' responsibility statement and consent

The Directors state that they have made all reasonable enquiries and that on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect of any other statements made in the Prospectus by persons other than the Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that the persons making the statement or statements were competent to make such statements; those persons have given their consent before lodgement of this Prospectus with ASIC or, to the Directors' knowledge, before any issue of New Securities pursuant to this Prospectus.

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

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



Jordan Tentori
Executive Director and Chief Executive Officer

for and on behalf of the Company

Dated: 3 May 2023

10. Glossary of Terms

Affiliate	In relation to any body corporate: <ul style="list-style-type: none">(a) a body corporate which is a subsidiary of that body corporate;(b) a body corporate which is a holding company of that body corporate; or(c) a body corporate which is a subsidiary of any holding company of that body corporate.
AFSL	Australian Financial Services Licence.
Applicant	A person who applies for New Securities in accordance with this Prospectus.
Application	A valid application for New Securities offered under this Prospectus.
Application Monies	The monies payable by Applicants to the Entitlement Offer.
ASIC	The Australian Securities and Investments Commission.
Associate	Has the meaning set out in the Listing Rules.
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.
ASX Listing Rules	The listing rules of ASX.
ASX Settlement	ASX Settlement Pty Ltd ACN 008 504 532.
ASX Settlement Rules	The settlement rules of ASX Settlement.
Board	The board of Directors.
Business Day	A day: <ul style="list-style-type: none">(a) that is a business day as defined in the Listing Rules; and(b) which is not a Saturday, Sunday, public holiday or bank holiday in Perth, Western Australia.
CHESS	Clearing House Electronic Sub-register System operated by ASX Settlement.
CHESS Statement or Holding Statement	A statement of shares registered in a CHESS account.
Closing Date	The Entitlement Offer Closing Date and the Shortfall Offer Closing Date, or either one of those dates as the context requires.
Company or Zimi or ZMM	Zimi Limited ACN 113 326 524.
Constitution	The constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company as at the Prospectus Date.
EFT	Electronic funds transfer.
Eligible Jurisdictions	Australia and New Zealand.

Eligible Shareholder	<p>A Shareholder who is:</p> <ul style="list-style-type: none"> (a) a registered holder of Shares on the Record Date; (b) has a registered address in Australia or New Zealand as shown in the Share Registry; (c) not in the United States or a U.S. Person or acting for the account of or benefit of a U.S. Person; and (d) eligible under all applicable securities laws to receive an offer under the Entitlement Offer.
Entitlement	The number of New Shares that an Eligible Shareholder is entitled to apply for under the Entitlement Offer, as determined by the number of Existing Shares held by that Shareholder as at the Record Date.
Entitlement and Acceptance Form	The entitlement and acceptance form accompanying this Prospectus.
Entitlement Offer	The offer of New Securities under this Prospectus to Eligible Shareholders as described in Section 2.1.
Entitlement Offer Closing Date	The closing date for the Entitlement Offer as stated in Section 2.6.
Excluded Shareholder	A Shareholder as at the Record Date whose registered address is not situated in an Eligible Jurisdiction.
Existing Share	A share issued before the Prospectus Date.
Existing Shareholder	A holder of an Existing Share.
General Meeting	A general meeting of Shareholders convened by the Company.
Gerard Private Group	Refers to Gerard Private Holdings (Finance) Pty Ltd, Madurta Pty Ltd atf SC Gerard Superannuation Fund and Madurta Investments Pty Ltd atf Madurta Investment Trust.
Lead Manager	The lead manager to the Entitlement Offer, RM Corporate Finance Pty Ltd (AFSL 315235).
Lead Manager Mandate	The agreement between the Company and the lead Manager under which the Company has engaged the Lead Manager to manage the Entitlement Offer, dated on or around 19 April 2023.
Lead Manager Offer	The offer of the Lead Manager Options to the Lead Manager under this Prospectus.
Lead Manager Options	Options to be granted to the Lead Manager on the terms set out in Section 8.2.
Listing Rules	The listing rules of ASX.
Lodgement Date	The date of lodgement of the Prospectus with ASIC as set out on page iii.
New Options	The Options offered under the Entitlement Offer, exercisable at \$0.08 on or before 30 June 2026.
New Securities	The New Shares, New Options and Lead Manager Options offered under this Prospectus.
New Shares	The Shares that may be issued under this Prospectus on the terms set out herein.

Offer Period	The period commencing on the Opening Date and ending on the Closing Date.
Offer Price	The issue price of New Shares under the Offers, being \$0.04 per New Share.
Offers	The Entitlement Offer, the Shortfall Offer and the Lead Manager Offer, or either one of those offers as the context requires.
Official List	The official list of ASX.
Official Quotation	Official quotation by ASX.
Opening Date	The opening date of the Entitlement Offer as set out in Section 2.6
Option	An option to subscribe for a Share.
Option Holder	The holder of an Option.
Performance Rights	Rights granted by the Company entitling the holder to acquire Shares subject to satisfaction of vesting and/or performance conditions.
Performance Shares	Shares granted by the Company which convert into ordinary shares in the Company subject to satisfaction of vesting and/or performance conditions.
Privacy Act	<i>Privacy Act 1988</i> (Cth).
Prospectus	This prospectus, including any electronic or online version of this prospectus.
Prospectus Date	The date of this Prospectus, being the date this Prospectus was lodged with ASIC.
Related Body Corporate	Has the meaning given to it in section 50 of the Corporations Act.
Related Party	A Director or other person who is a 'related party' of the Company within the meaning given to that in the Listing Rules.
Section	A section of this Prospectus.
Securities	Shares and/or Options.
Share	A fully paid ordinary share in the capital of the Company.
Share Registry	The Company's share registry, Automic Group Pty Ltd.
Shareholder	The holder of a Share.
Shortfall	The number of New Shares offered under this Prospectus for which valid Applications have not been received from Eligible Shareholders before the Closing Date.
Shortfall Offer	The offer of Shortfall Shares under this Prospectus.
Shortfall Offer Closing Date	The closing date for the Shortfall Offer as stated in Section 2.6.
Shortfall Placement	The placement Shortfall Shares by the Lead Manager.
Shortfall Shares	New Shares not subscribed for under the Entitlement Offer.

U.S. Person

Any person in the United States or any person that is, or is acting for the account or benefit of, a “U.S. person” (as defined in Regulation S under the United States Securities Act of 1933, as amended).

WST

Western Standard Time, being the time in Perth, Western Australia.

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