



4 April 2017

UPDATED STATEMENT OF COMMITMENTS
(BASED ON ACTUAL FUNDS RAISED – \$4,500,000)

De.mem Limited (ACN 614 756 642) (**Company**) intends to apply funds raised from the public offer, together with existing cash reserves, over the first two years following admission of the Company to the official list of ASX as follows:

Funds available	Based on actual funds raised (\$4,500,000)	Percentage of Funds (%)
Existing cash reserves ¹	390,000	7.98%
Funds raised from the public offer	4,500,000	92.02%
Total	4,890,000	100%
Allocation of funds²		
Expenses of the offers ³	489,000	10.00%
BOO contracts	1,640,595	33.55%
Nanofiltration membrane manufacture ⁴	1,204,896	24.64%
Other product development and patent expenses	159,903	3.27%
Geographic expansion	755,505	15.45%
Sales and marketing expenses	311,004	6.36%
Working capital	329,097	6.73%
Total	4,890,000	100%

Notes:

1. The cash reserves of De.mem Private Pte Ltd were acquired by the Company following completion of the consideration offer under the Prospectus. These funds are held in Singapore dollars and are converted to Australian dollars at an assumed exchange rate of 1.05 SGD:1 AUD.
2. The Company will apply the funds as referred to in section 6.10 on page 24 of the Prospectus.
3. For details on expenses of the offers refer to the section entitled 'Expenses of the Offer' on page 95 of the Prospectus.
4. Nanofiltration membrane manufacture includes funds to be spend on the pilot manufacturing line, as set out on page 39 of the Prospectus.

The above table is a statement of current intentions as of the date of this announcement. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.