

Aurora Labs Limited
ACN 601 164 505



PROSPECTUS

Security Purchase Plan and Shortfall Offer

For the offer to each Eligible Shareholder to subscribe for up to \$15,000 of New Shares at an issue price of \$0.80 each, with one free attaching Option exercisable at \$1.00 each within 2 years of grant (**New Options**) for every two New Shares issued, to raise up to \$3,000,000 before costs (**Security Purchase Plan**), and for the offer of the shortfall to the Security Purchase Plan (**Shortfall Offer**).

Placement Option Offer

For the offer to each Placement Participant to subscribe for one New Option for every two New Shares subscribed for under the Placement (**Placement Option Offer**).

Lead Manager Offer

For the offer to Hunter Capital or its nominees to subscribe for 500,000 New Options, exercisable at \$1.00 each within 2 years of grant, at an issue price of nil, pursuant to the terms of the Hunter Capital Mandate (**Lead Manager Offer**).

Offer Period

The Offers open on Friday, 9 March 2018 and close at 5.00pm (WST) on Wednesday, 4 April 2018.

IMPORTANT NOTICE

This Prospectus and the accompanying Application Forms contain important information about the Offers. Each document should be read in its entirety. Please read the instructions in this document and the accompanying Application Forms regarding making an application. You should speak to your professional advisors if you have any questions about the Offers or this Prospectus. The Securities offered by this Prospectus should be considered speculative.

Important Information

General

This Prospectus is dated 7 March 2018 and was lodged with ASIC on that date. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is a transaction specific prospectus for an offer of 'continuously quoted securities' (as defined in the Corporations Act) and options to acquire continuously quoted securities. It has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level as disclosure as an initial public offering or "full form" prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a 'disclosing entity' for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers.

Offer Securities will not be issued on the basis of this Prospectus later than 13 months after the Prospectus Date.

Electronic prospectus

This Prospectus may be viewed in electronic form at **www.auroralabs3d.com** by Australian and New Zealand investors only. The electronic version of this Prospectus is provided for information purposes only. A paper copy of the Prospectus may be obtained free of charge on request during an Offer Period by contacting the Company. The information on the Company's website does not form part of this Prospectus.

Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors are set out in Section 5 of this Prospectus. These risks together with other general risks applicable to all investments in quoted securities not specifically referred to, may affect the value of the Company's Securities in the future. An investment in the Company should be considered speculative. Investors should consider these risk factors in light of personal circumstances and should consider consulting their professional advisers before deciding whether to apply for Offer Securities pursuant to this Prospectus.

Overseas Applicants

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

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

The distribution of this Prospectus and accompanying Application Forms (including electronic copies) outside Australia and New Zealand may be restricted by law and persons who come into possession of these documents should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Company disclaims all liability to such persons. Please refer to Section 3.10 for further information.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including the ASX website at www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company or subscribe for Offer Securities.

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

Forward-looking statements

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

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

Applications

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

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

Meaning of terms

Capitalised terms and certain other terms used in this Prospectus are defined in the Glossary in Section 10.

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

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

Corporate Directory

Directors

Paul Ejnar Kristensen
(Non-Executive Chairman)

David James Budge
(Managing Director)

John (Nathan) Henry
(Executive Director)

Norman (Mel) Ashton
(Non-Executive Director)

Mathew Joseph Whyte
(Non-Executive Director)

Company Secretary

Mathew Joseph Whyte

Registered Office

Unit 2, 79 Bushland Ridge
Bibra Lake, Western Australia 6163

Telephone: (08) 9434 1934
Email: enquiries@auroralabs3d.com

ASX Code

A3D – Shares

Website

www.auroralabs3d.com

Solicitors to the Offers

Jackson McDonald
Level 17, 225 St Georges Terrace
Perth, Western Australia 6000

Telephone: (08) 9426 6611
Facsimile: (08) 9321 2002

Share Registry*

Security Transfer Australia Pty Ltd
770 Canning Highway
Applecross, Western Australia 6153

PO Box 535
Applecross, Western Australia 6153

Telephone (within Australia): 1300 992 916
Telephone (international): +61 3 9628 2200
Email: registrar@securitytransfer.com.au

Auditor*

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth, Western Australia 6000

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

Contents

	Page
Important Information	i
Corporate Directory	ii
Contents	iii
Key Offer Information	1
Chairman's Letter	2
1. Introduction	3
2. Details of the Offers	9
3. Applications for Offer Securities	14
4. Effect of the Offers and Placement	23
5. Risk Factors	28
6. Rights and Liabilities Attached to Offer Securities	32
7. Continuous Disclosure Documents	37
8. Additional Information	40
9. Directors' Statement	50
10. Glossary of Terms	51

Key Offer Information

Indicative timetable

Event	Target Date
Record Date for determining Shareholders' entitlements to participate in the Security Purchase Plan	5:00pm (WST) on Friday, 23 February 2018
Lodgement of Prospectus with ASIC	Wednesday, 7 March 2018
Despatch of Prospectus	Friday, 9 March 2018
Opening Date of Offers	Friday, 9 March 2018
Closing Date of Offers	5:00pm (WST) on Wednesday, 4 April 2018
General Meeting	Friday, 13 April 2018
Issue of Offer Securities	Friday, 13 April 2018
Despatch of Holding Statements for Offer Securities	Friday, 13 April 2018
Quotation of New Shares and New Options	Monday, 16 April 2018

Note: The above dates are indicative only and subject to change. The Company may vary these dates without notice, including whether to close an Offer early, extend an Offer, or accept late Applications, either generally or in particular cases. Investors who wish to submit an Application and subscribe for Securities under an Offer are encouraged to do so as soon as possible after the Offers opens as the Offers may close at any time without notice.

Key Offer details

Offer	Details
<i>Security Purchase Plan and Shortfall Offer</i>	
Price per New Share under the Security Purchase Plan and Shortfall Offer	\$0.80
New Shares offered under the Security Purchase Plan and Shortfall Offer	3,750,000
New Options offered under the Security Purchase Plan and Shortfall Offer	1,875,000
Cash proceeds of the Security Purchase Plan (before costs)	\$3,000,000
<i>Placement Option Offer</i>	
Price per New Option under the Placement Option Offer	Nil
New Options offered under the Placement Option Offer	3,125,000
Cash proceeds of the Placement Option Offer (before costs)	Nil
<i>Lead Manager Offer</i>	
Price per New Option under the Lead Manager Offer	Nil
New Options offered under the Lead Manager Offer	500,000
Cash proceeds of the Lead Manager Offer (before costs)	Nil

Note: The figures in the table above assume full subscription under each Offer.

Chairman's Letter

Dear Shareholder,

Further to the Company's announcement of 26 February 2018, on behalf of the Board of Directors, I am pleased to invite Eligible Shareholders to participate in the Company's 2018 Security Purchase Plan to acquire up to 18,750 New Shares at an issue price of \$0.80 each totalling \$15,000 on the terms and conditions set out in this Prospectus.

Eligible Shareholders who subscribe for New Shares under the Security Purchase Plan will also receive an entitlement to subscribe for one free-attaching New Option for every two New Shares subscribed.

The issue price per New Share (\$0.80) represents an approximate 14% discount to the Company's 30-day volume weighted average ASX market price up to 21 February 2018. Importantly, this is the same price at which the Company recently completed a \$5 million institutional placement as announced on 26 February 2018 (i.e. the Placement). The purchase of New Shares under the Security Purchase Plan does not incur brokerage or other costs. There is no minimum subscription requirement under the Security Purchase Plan, and Eligible Shareholders can apply for any number of New Shares up to the maximum amount of \$15,000 however must do so in accordance with the parcel requirements set out in Section 3.1.

This is an exciting opportunity for Eligible Shareholders. The Company is making rapid progress with the advancement of the Large Format Technology and has reached the latest milestone of printing simple parts at market speed, which is the equivalent to the same speed of other metal 3D-printers. The Company's ultimate target is to reach rapid print speeds of 1 tonne per day. The Company has a clear growth strategy moving forward, and its technology is clearly being recognised by the market which is evidenced by the Company's recent joint venture with WorleyParsons Services Pty Ltd (through its Advisian division), one of the largest engineering companies in the world, and the signing of a non-binding term sheet with DNV-GL, a global quality assurance and risk management company.

The Company is currently working on proving up the fundamentals of the Large Format Technology and has made early progress so far. We are encouraged by the endless opportunities that can be brought to life with our technology. The Company has the chance to become the first 3D-printing company to develop and commercialise a 3D-printing technology of this kind and this is made possible by the constant support of our Shareholders.

Notwithstanding our excitement to be able to offer this opportunity to Eligible Shareholders, like any investment, there are a range of risks associated with subscribing for Offer Securities and investing in the Company. The key risks of such an investment are set out in Section 5 of this Prospectus. I urge you to read and consider these risks closely before making a decision whether or not to subscribe for Offer Securities. You should also consider discussing these risks with your financial or investment advisor, if required.

I encourage you to read this Prospectus carefully and consider the information it contains before making an investment decision.

If you wish to discuss any information contained in this Prospectus, please contact the Company by email at enquiries@auroralabs3d.com.

Yours faithfully,



Paul Kristensen
Chairman
Aurora Labs Limited

1. Introduction

1.1 Company Overview

(a) Business

The Company is an Australian-based industrial technology and innovation company specialising in the development of 3D metal printers, printer software and the supply of associated consumable materials.

The Company has primarily focused on developing innovative 3D metal printing technologies to address gaps for both low cost and high speed 3D metal printers in the current market. It is currently seeking to meet the market need for affordable 3D metal printers with the small format S-Titanium Pro range (**SFPs**), as well as high speed with the larger format 3D metal printers that can be used in larger-scale industrial manufacturing on a cost effective basis.

The Company's SFPs have completed testing and are in commercial production.

The Company is also developing its medium format printer (**MFP**) and large format printer (**LFP**) which both utilise the Company's innovative patent pending technology. This technology is intended to enable a significantly higher rate of 3D metal printing to that of other comparable printers currently available in the market.

Not least, the Company is looking to diversify its business by developing the complementary business units of manufacturing consumable materials, software for printer control, virtual parts warehousing, design shopfront and part certification.

(b) Development of Large Format Technology

The Company is presently engaged in the development and testing of the core printing technologies (**Large Format Technology**) to be employed in the Company's MFPs and LFPs.

The Large Format Technology is entirely different from the technology used to develop the SFP. It is anticipated to have the capability of printing complex metal-based 3D-printed parts at very high speeds. Specifically, the Company is targeting a capability of printing parts of up to 1 tonne in 24 hours using the Large Format Technology. Currently, no global competitor has a 3D metal printer which combines the Large Format Printer's targeted print size with its targeted speed and precision.

The Company has built a prototype for the purposes of testing and further developing the Large Format Technology (**Prototype**). Through this process, the Company is now able to print simple parts at market speed. "Market speed" in this context means a printing rate which is comparable to existing technology employed in 3D metal printers that are currently available in the market, but slower than the theoretical printing speed of the Large Format Technology which is being targeted by the Company.

The ability to print simple parts at market speed was a critical milestone for the Company as it indicated that the key components of the Large Format Technology were proven at a fundamental level. It is anticipated that this should ultimately pave the way for the development of the MFP and LFP.

The Company has successfully tested a significant number of parts and shapes with the Prototype and has reported positive progress in relation to print speed, density and complexity of test patterns.

(c) **Powder production**

The Company has completed a prototype powder production unit (**PPU**) for production of consumable metallic powders used in 3D printing. Testing of the PPU prototype has commenced prior to powder parameter development, a necessary first step to commercial powder production.

The prototype PPU has been designed with the intention of demonstrating the capability of the technology to produce very high-quality consumable powders at considerably lower cost than processes currently used by powder manufacturers.

The completion of the prototype PPU was a significant milestone for the Company as it may allow the Company, on completion of PPU testing, to move into the development of various consumable powders that will complement and ultimately benefit the MFP and LFP which are currently in development.

This process, if and when proven, will be an important step in the creation of an integrated printing platform, as it is intended to enable quality, high volume powder production to meet the demand created by the anticipated high utilisation of consumables by the MFP and LFP once developed.

Prior to commencing the development of consumable powders, the Company proposes to explore further opportunities available in international markets where there is a large demand for metallic consumable powders, in addition to applying this technology to powder metal markets external to 3D printing.

The Company is seeking to conduct and complete testing and development of powder production during the 2018 calendar year, using the now completed prototype PPU. If development is successful, the Company intends to build a full-sized PPU, potentially capable of producing up to 5 tonnes per day of consumable powder.

(d) **Software development**

The Company's software development is ongoing with the ultimate aim of developing a highly secure, virtual parts warehouse and print design shopfront.

To complement this, the Company is working to develop and establish a certification process for printed parts with DNV GL (a global quality assurance and risk management company), with recent progress seeing the parties sign a non-binding Term Sheet. The certification enabled by the software is expected to be very attractive to Original Equipment Manufacturers (OEMs) and designers as a method of digital rights management, enabling the delivery of certified printed part designs and print parameters to 3D metal printers installed in any location around the world.

(e) **Industry Partner Program**

The Company launched its Industry Partner Program in early 2018 to identify and collaborate with potential partners operating in target industries with a view to demonstrating the potential application and benefits of the MFP and LFP once developed.

As a result of the Industry Partner Program, Aurora signed a binding term sheet with WorleyParsons Services Pty Ltd (through its Advisian division) (**WPS**). Through this arrangement with WPS, the parties propose:

- for WPS to be appointed to distribute the Company's 3D printers;
- to establish an Additive Manufacturing Solution Centre for the design of 3D printable parts and components (**Solutions Centre**);
- to potentially establish a Print Bureau to produce printed parts and components using the Company's printers technology; and

- to explore options for bulk powder production.

The Solution Centre is intended to provide a comprehensive consultative service, focusing specifically on the design and certification of parts and assemblies of parts, including business inventory evaluation and assessment/redesign of existing parts to identify how they may be digitised and optimised for production using 3D printing.

The aim of the Solution Centre is to introduce 3D printing to major oil and gas, infrastructure, mining and other resource businesses, both within Australia and internationally, and to demonstrate to those businesses the potential competitive advantage of 3D printing over the general market through expert use of key technologies.

In early 2018, the Company was also pleased to announce the signing of a non-binding term sheet with DNV GL with a view to arranging for the independent certification of the Company's 3D-printed parts as fit for their intended purpose and meeting global certification requirements. The arrangement also provides the Company with enhanced credibility when dealing with potential customers.

DNV GL is a leading global quality assurance and risk management company, providing classification, technical assurance, software and independent expert advisory services to the maritime, oil & gas, power and renewables industries.

The Company is also currently engaged in discussions with a number of additional potential industry partners. It is seeking to involve key partners from major industries including mining, oil & gas, marine, automotive, aerospace, engineering and major projects.

(f) **Distribution arrangements**

As part of the Company's expansion strategy, the Company has appointed third party distributors for its products. These distribution arrangements primarily relate to the distribution of SFPs at this stage, but may also cover MFPs and LFPs once development is completed.

The Company is also working with an established European distributor of 3D printers with a view to potentially appointing them as master distributor for Europe. However, these negotiations are ongoing at the Prospectus Date and no binding contract has been entered in this regard.

1.2 **Capital Raising**

On 26 February 2018, the Company announced its intention to undertake a capital raising with a view to raising up to \$8,000,000 (before costs) (**Capital Raising**) as follows:

- a placement of new fully paid ordinary shares in the Company (**New Shares**) and free-attaching options exercisable at \$1.00 within 2 years of issue (**New Options**), to raise up to \$5,000,000 (before costs) (**Placement**);
- a security purchase plan offer of New Shares and free-attaching New Options to Eligible Shareholders to raise up to \$3,000,000 (before costs) (**Security Purchase Plan**); and
- an offer to the general public (including Eligible Shareholders) of New Shares and New Options for which Applications are not received and accepted under the Security Purchase Plan (**Shortfall**).

The New Shares subscribed for under the Placement were issued on Friday, 2 March 2018 without Shareholder approval pursuant to the Company's Listing Rule 7.1 issuing capacity, with the Company successfully raising \$5,000,000 (before costs).

The entitlement of Placement Participants to receive New Options is subject to Shareholder approval which is to be sought by the Company at a general meeting to be held on or about Friday, 13 April 2018 (**General Meeting**).

1.3 Offers

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

- an offer to Placement Participants to subscribe for that number of New Options to which they are entitled to be issued under the terms of the Placement, being one New Option for every 2 New Shares subscribed, at an issue price per New Option of nil (**Placement Option Offer**);
- an offer to Eligible Shareholders to participate in the Security Purchase Plan by subscribing for up to a total of 3,750,000 New Shares at an issue price of \$0.80 each, together with one free attaching New Option for every 2 New Shares subscribed, to raise up to \$3,000,000 (before costs);
- an offer to the general public (including Eligible Shareholders) to subscribe for the Shortfall, at an issue price of \$0.80 per New Share, together with one free attaching New Option for every 2 New Shares subscribed (**Shortfall Offer**); and
- an offer to Hunter Capital (or its nominees) to subscribe for up to 500,000 New Options at an issue price of nil, pursuant to the terms of the Hunter Capital Mandate.

1.4 Issue of Offer Securities conditional on Shareholder approval

The issue of all Offer Securities under this Prospectus is conditional upon Shareholder approval being obtained at the General Meeting. Please refer to Section 8.1 for further information.

1.5 Purpose of the Capital Raising and proposed use of funds

The purpose of the Capital Raising is to raise up to \$8,000,000 (before costs).

If full subscription under the Security Purchase Plan and Shortfall Offer of \$3,000,000 (before costs) is achieved, the Company intends to apply those funds, together with the \$5,000,000 (before costs) raised under the Placement, as follows:

	50% subscription under Security Purchase Plan and Shortfall Offer	Amount at full subscription
Funds available		
Funds from Placement	\$5,000,000	\$5,000,000
Funds from Security Purchase Plan and Shortfall Offer	\$1,500,000	\$3,000,000
TOTAL	\$6,500,000	\$8,000,000
Use of funds		
Development of the Large Format Technology	\$2,681,000	\$3,300,000
SFP production costs	\$582,000	\$716,000
Administrative and corporate overhead costs	\$1,747,000	\$2,151,000
Costs of Placement and Offers	\$399,000	\$403,000
Working capital	\$1,091,000	\$1,430,000

Total	\$6,500,000	\$8,000,000
--------------	--------------------	--------------------

Notes:

1. The information in the above table is current as at the Prospectus Date. The use of funds may change depending on any intervening events or changes in the Company's circumstances. The Board reserves the right to change the way funds are used and applied.
2. Costs of the Placement and the Offers include Hunter Capital's fees in relation to the Placement and the other costs identified in Section 8.8.
3. Administration and overhead costs include operating expenses, accounting costs, auditing costs, insurance costs, legal costs, securities registry costs, Directors' fees, intellectual property registration and protection fees, ASX fees and regulatory compliance costs and expenses.
4. The Company has paid approximately \$337,400 of the costs of the Placement and the Offers at the Prospectus Date.
5. The table above does not include the Company's existing cash on hand.

On completion of the Security Purchase Plan with at least 50% subscription, the Company will have sufficient funds to carry out the objectives stated in this Prospectus.

The Company will not raise any funds under the Placement Option Offer or the Lead Manager Offer. However, the Company may receive up to \$3,625,000 if all of these New Options are exercised. Such funds will be applied by the Company to its working capital requirements at that time.

1.6 Cleansing

In addition to being for the purpose of making the Offers, this Prospectus has been prepared for the purposes of section 708A(11) of the Corporations Act to remove any secondary trading restrictions applicable to Shares issued prior to Prospectus Date, including particularly any Shares that may be issued pursuant to the Placement.

1.7 Key risks

Activities in the Company, as in any business, are subject to risks which may impact on the Company's future performance. In addition to the risks described in detail in Section 5, prospective Applicants should be aware of the following (non-exhaustive) key risks which have particular application to the Company's operations and projects.

Risk	Description
Design and development	The Large Format Technology to be utilised in the MFP and LFP is still subject to development and further testing. As with all new technology, there is an inherent risk that development of the technology will not progress as planned and may encounter delays. While development of this technology to date has been positive and the Directors are confident that its utilisation in the MFP and LFP is likely to operate as intended, there cannot be any assurance that this will occur within the timeframes targeted or at all.
Distributors	The Company has appointed, and proposed to appoint further, international distributors of its products. Whilst the Company has sought to secure contractual and other legal protections of its interests, the Company may be adversely affected by acts or omissions of the distributors, such as breach of the distribution agreements, insolvency of the distributors or actions which may damage the reputation of the Company's or its products.
Competition	The Company operates in a competitive sector. There are several large market competitors that operate in the same industry. It can be assumed that these competitors are working on new technologies that can be applied to 3D metal printing. There is a risk that these

	competitors or new entrants to the market may develop new, superior or more cost-effective 3D metal printers which could have an adverse effect on the Company's business and financial position.
Exchange rate fluctuation	The Company sells certain products in United States dollar (US\$). However, the majority of the Company's costs are paid in Australian dollars (AU\$). Fluctuation in the exchange rate between the United States dollar and the Australian dollar may adversely affect the Company's financial position depending upon the size and nature of such currency fluctuations.
Future capital requirements	The Company will most likely require further financing for its future business activities, in addition to amounts raised pursuant to the Capital Raising. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or the issue price under the Offers) or may involve restrictive conditions which limit the Company's operations and business strategies. There cannot be any assurance that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all.
Reliance on key personnel	The Company's key management personnel, senior employees and contractors have played an integral part in developing its products and proprietary technology. The Company's future prospects are reliant upon its ability to retain its key personnel.
Patents not being granted	The Company has filed provisional patent applications which do not currently provide any enforceable rights. Whilst the Company's holds provisional patents, its commercial success is partly reliant upon these patent applications being granted in order for the Company to obtain enforceable intellectual property rights. It cannot be guaranteed that all of the patents will be granted in the jurisdictions in which the Company has applied for protection, or that they will be granted at all. Further, the patents may not provide the commercial advantages intended.
Infringement of third party intellectual property rights	There is a risk that a third party may claim that the Company's technology (including as set out in its patent applications) infringes that third party's intellectual property rights. The Company has conducted limited due diligence on existing third party intellectual property rights to determine any overlapping technology or potential infringement but has not undertaken an exhaustive review as to do so would be impractical and cost prohibitive. The Company has not been notified of any third party claims in this regard.

2. Details of the Offers

2.1 Security Purchase Plan

(a) Offer

By this Prospectus, the Company invites Eligible Shareholders to participate in the Security Purchase Plan.

Under the Security Purchase Plan, the Company offers to Eligible Shareholders, a total of 3,750,000 New Shares at an issue price of \$0.80 each and a total of 1,875,000 New Options, to raise up to \$3,000,000 (before costs).

Eligible Shareholders may apply for New Shares and New Options, but are not required to do so.

The Security Purchase Plan is subject to the terms and conditions set out in this Prospectus.

The Security Purchase Plan under this Prospectus invites each Eligible Shareholder to apply for up to 18,750 New Shares at \$0.80 each, with one New Option for every two New Shares subscribed, totalling \$15,000, regardless of the number of Shares held by that Eligible Shareholder.

(b) Eligibility to participate

Shareholders who were registered in the Company's register of Shareholders with an Australian or New Zealand address at the Record Date (i.e. 5.00pm (WST) on Friday, 23 February 2018) will be Eligible Shareholders and may participate in the Security Purchase Plan, except in respect of any Shares such registered Shareholder holds on behalf of another person who resides outside of Australia or New Zealand.

Due to foreign securities laws, it is not practical for Shareholders resident in countries other than Australia and New Zealand to be offered the opportunity to participate in the Security Purchase Plan.

(c) Joint holders

Shareholders who are joint holders of Shares are taken to be a single registered Shareholder for the purposes of the Security Purchase Plan and the certification in the Application Form by any joint holder is taken to have been given by all joint holders.

A Shareholder who receives more than one invitation to participate in the Security Purchase Plan (e.g. if the Shareholder holds Shares in more than one capacity) may not apply for New Shares:

- with an aggregate value of more than \$15,000; or
- which would result in the aggregate value of the New Shares applied for (including through a Custodian (see Section 3.11 below)) under the Security Purchase Plan and any similar arrangement in the last 12 months being more than \$15,000.

(d) Custodians

An Eligible Shareholder who holds Shares as Custodian (see Section 3.11 below) for one or more persons on the Record Date (**Beneficiaries**) may apply for up to the maximum number of Offer Securities for each Beneficiary for whom the Custodian holds Shares.

The Custodian must annex a certificate (**Custodian Certificate**) to its Application Form setting out the following information:

Item	Requirements
Nature of relationship	<p>Either or both of the following:</p> <ul style="list-style-type: none"> that the Custodian holds Shares on behalf of one or more Beneficiaries who are residents in Australia or New Zealand (each a Participating Beneficiary) who are not Custodians; or that another Custodian (Downstream Custodian) holds beneficial interests in Shares on behalf of one or more Participating Beneficiaries, and the Custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian, <p>on the Record Date and that each Participating Beneficiary has instructed the Custodian or the Downstream Custodian (as applicable) to apply for Offer Securities under the Security Purchase Plan on their behalf.</p>
Participating Beneficiary details	The number of Participating Beneficiaries as well as their names and addresses.
Holding	<p>Either:</p> <ul style="list-style-type: none"> the number of Shares that the Custodian holds on behalf of each Participating Beneficiary; and/or in the case of a Downstream Custodian, the number of Shares to which each Participating Beneficiary's beneficial interest relates.
Application amount	The number or dollar amount of Offer Securities that each Participating Beneficiary has instructed the Custodian or the Downstream Custodian (as applicable) to apply for on behalf of each Participating Beneficiary.
Confirmation that maximum application not exceeded	<p>That the total Application Moneys for:</p> <ul style="list-style-type: none"> Offer Securities applied for under the Security Purchase Plan for each Participating Beneficiary for whom the Custodian acts, directly or indirectly through a Downstream Custodian does not exceed \$15,000; and any other Shares issued to the Custodian or Downstream Custodian, in the capacity as custodian or nominee for each Participating Beneficiary, under any arrangement similar to the Security Purchase Plan in the last 12 months does not exceed \$15,000.
Provision of Prospectus to Beneficiaries	That a copy of the Prospectus was given to each Beneficiary.
Downstream Custodians	In the case where Shares are held for a Downstream Custodian, the name and address of each Downstream Custodian.

Custodians should request a Custodian Certificate when making an Application on behalf of Participating Beneficiaries.

To request a Custodian Certificate or further information on how to apply, a Custodian should contact the Share Registry at any time from 8.30am to 5.00pm (WST) Monday to Friday during the Offer Period, using the contact details set out in the Corporate Directory section above.

(e) **Allocation and scale-back**

The Directors will have discretion as to how to allocate the Offer Securities under the Security Purchase Plan. The Directors will generally allocate Offer Securities in a manner that they consider to be fair and reasonable to Eligible Shareholders.

In the event that Applications for Offer Securities under the Security Purchase Plan exceed the total amount of the Offer Securities offered under the plan, then Applications will be scaled back. The Directors propose to allocate Offer Securities to Eligible Shareholders equally up to \$5,000, and thereafter to scale back on an equal basis.

The Company cannot guarantee that all Eligible Shareholders to the Security Purchase Plan will receive the number of Offer Securities applied for. If an Eligible Shareholder does not receive any or all of the Offer Securities applied for, the excess Application Moneys will be returned to the Eligible Shareholder without interest.

The Company will not allocate Offer Securities under the Security Purchase Plan to the extent that the recipient's voting power in the Company would breach of 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).

2.2 **Shortfall Offer**

(a) **Shortfall**

Any New Shares and New Options not subscribed for under the Security Purchase Plan will form the Shortfall and will be offered under the Shortfall Offer.

(b) **Offer**

The Shortfall Offer is a separate offer under this Prospectus. The issue price of the New Shares under the Shortfall Offer is \$0.80, being equal to the issue price under the Security Purchase Plan.

The Shortfall Offer is made to the general public (including Eligible Shareholders) provided they are eligible under all applicable securities laws to receive an offer under the Shortfall Offer.

(c) **Placement of balance**

If, after the close of the Security Purchase Plan and Shortfall Offer, any Shortfall has not been subscribed for under the Security Purchase Plan or Shortfall Offer, the Directors reserve the right to place some or all of those Offer Securities within 3 months of the close of the Offers.

(d) **Allocation and scale-back**

The Directors will have discretion as to how to allocate the Shortfall both under the Shortfall Offer, and after the close of the Offers. The Directors will generally allocate Offer Securities in a manner that they consider to be fair and reasonable to Applicants.

In the event that Applications for Offer Securities under the Shortfall Offer exceed the total amount of the Shortfall, then Applications will be scaled back. The Directors propose to allocate Offer Securities to Applicants under the Shortfall Offer equally up to \$5,000, and thereafter to scale back on an equal basis.

Any entitlements to a fraction of an Offer Securities

The Company cannot guarantee that all Applicants to the Shortfall Offer will receive the number of Offer Securities applied for. If an Applicant does not receive any or all of the Offer Securities applied for, the excess Application Moneys will be returned to the Applicant without interest.

The Company will not allocate Offer Securities under the Shortfall Offer to the extent that the recipient's voting power in the Company would breach of 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).

2.3 Placement Option Offer

This Placement Option Offer made by this Prospectus invites Placement Participants to subscribe for that number of New Options to which they are entitled to be issued under the terms of the Placement, being one New Option for every 2 New Shares subscribed, at an issue per New Option of nil.

The primary purpose of offering the New Options under the Placement Option Offer is for the Company to fulfil its obligation under the Placement to offer and issue New Options to the Placement Participants.

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

The full terms and conditions of the New Options offered under the Placement Option Offer are set out in Section 6.2.

2.4 Lead Manager Offer

This Lead Manager Offer made under this Prospectus invites Hunter Capital (or its nominees) subscribe for up to 500,000 New Options at an issue price of nil, pursuant to the terms of the Hunter Capital Mandate.

The primary purpose of the Lead Manager Offer is for the Company to fulfil its obligation under the Hunter Capital Mandate to issue the New Options to Hunter Capital or its nominees.

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

The full terms and conditions of the New Options offered under the Lead Manager Offer are set out in Section 6.2.

2.5 Timetable

The Offers will open on Friday, 9 March 2018 and will close at 5.00pm (WST) on Wednesday, 4 April 2018.

The full indicative timing of the Offers is set out in the Timetable.

The Directors reserve the right to extend the Offer Period in relation to one or more of the Offers, or to close an Offer prior to the Closing Date, subject to the requirements of the Corporations Act and the Listing Rules.

The Directors may withdraw an Offer at any time prior to the issue of Offer Securities pursuant to that Offer.

2.6 Conditional Offers

The issue of Offer Securities under each Offer is conditional upon Shareholder approval being obtained at the General Meeting.

If Shareholder approval is not obtained to issue Offer Securities under an Offer, that Offer will not proceed, and the Company will repay all Application Moneys received in respect of that Offer without interest in accordance with the Corporations Act.

Failure to obtain Shareholder approval to issue Offer Securities under an Offer will not impact the issue of Offer Securities under any other Offers for which Shareholder approval has been obtained.

2.7 Minimum subscription

None of the Offers are subject to any minimum subscription condition.

2.8 Underwriting

None of the Offers are underwritten.

3. Applications for Offer Securities

3.1 Security Purchase Plan and Shortfall Offer – Applications by Eligible Shareholders

(a) Making an Application

An Eligible Shareholder that would like to participate in the Security Purchase Plan, including if they would like to apply for Offer Securities under the Shortfall Offer, can do so by completing and lodging the Security Purchase Plan Application Form which accompanies this Prospectus.

Applications for New Shares and New Options under the Security Purchase Plan may be made with respect to any one of the following amounts:

Parcel	Subscription amount	Number of New Shares	Number of New Options
A	\$15,000	18,750	9,375
B	\$12,500	15,625	7,813
C	\$10,000	12,500	6,250
D	\$7,500	9,375	4,688
E	\$5,000	6,250	3,125
F	\$2,500	3,125	1,563

An Eligible Shareholder may also apply for New Shares and New Options under the Shortfall Offer by completing the relevant section of the Security Purchase Plan Application Form and providing the relevant Application Moneys. Eligible Shareholders are not required to lodge a separate Shortfall Offer Application Form in this regard.

If a Security Purchase Plan Application Form is not completed correctly or if the accompanying payment is for an incorrect amount, it may be treated by the Company as valid at its discretion.

The Directors' decision as to whether to treat such an Application as valid and how to construe, amend or complete the Security Purchase Plan Application Form is final. However, an Applicant will not be treated as having applied for more New Shares and New Options than is indicated by the amount of Application Money.

If the exact amount of required Application Moneys are not tendered with an Security Purchase Plan Application Form, the Company reserves the right to either:

- return the Security Purchase Plan Application Form and/or Application Moneys received and not issue any New Shares to the Applicant; or
- issue to the Applicant the maximum number of New Shares and New Options represented by the Application Moneys received and refund any excess amount to that Applicant by cheque or Electronic Funds Transfer as soon as possible, without interest.

Eligible Shareholders that have not received their Prospectus and personalised Security Purchase Plan Application Form, or require a replacement via post or email,

should contact the Share Registry using the contact details set out in the Corporate Directory section of this Prospectus above.

The Company reserves the right to accept a lesser amount to the total number of Offer Securities applied for by an Eligible Shareholder on the Security Purchase Plan Application Form (including if the Security Purchase Plan or Shortfall Offer close oversubscribed), at the Company's complete discretion.

(b) **Payment by cheque or money order**

Unless an Eligible Shareholder pays using BPAY® as outlined below, a Security Purchase Plan Application Form must be accompanied by a personal cheque or money order, payable in Australian dollars, for an amount equal to the number of New Shares for which the Eligible Shareholder wishes to apply, multiplied by the Offer Price (i.e. \$0.80) of those New Shares.

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

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

By hand	By post
Aurora Labs Limited c/- Security Transfer Australia 770 Canning Highway Applecross, Western Australia 6153	Aurora Labs Limited c/- Security Transfer Australia PO Box 535 Applecross, Western Australia 6153

(c) **Payment using BPAY®**

Eligible Shareholders who wish to submit an Application and make payment using BPAY® under the Security Purchase Plan (and the Shortfall Offer) should follow the instructions on the Security Purchase Plan Application Form which includes the 'Biller Code' and the Applicant's individual 'Customer Reference Number'.

Eligible Shareholders can only make payment using BPAY® with respect to the Security Purchase Plan and the Shortfall Offer, and if they have an account with an Australian financial institution that supports such transactions.

BPAY® is **not available** to any person who is not an Eligible Shareholder.

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

Eligible Shareholders with more than one holding of Shares may receive multiple 'Customer Reference Numbers'. Such Eligible Shareholders can apply under one or more of their holdings, provided that they do not apply for more than \$15,000 worth of New Shares in total for all holdings.

Payments must be made in Australian dollars for an amount equal to the number of New Shares for which the Eligible Shareholder wishes to apply, multiplied by the Offer Price (\$0.80).

A Security Purchase Plan Application Form **does not** need to be submitted to the Company. However, by paying Application Moneys, the Eligible Shareholder will be taken to have made the declarations on the Application Form.

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

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

3.2 Shortfall Offer – Applications by the general public

(a) Making an Application

A person (other than an Eligible Shareholder) who would like to apply for Offer Securities under the Shortfall Offer can do so by completing and lodging the Shortfall Offer Application Form which accompanies this Prospectus.

The Shortfall Offer Application Form is available on request from the Share Registry using the contact details set out in the Corporate Directory section of this Prospectus above.

If a Shortfall Offer Application Form is not completed correctly or if the accompanying payment is for an incorrect amount, it may be treated by the Company as valid at its discretion.

The Directors' decision as to whether to treat such an Application as valid and how to construe, amend or complete the Shortfall Offer Application Form is final. However, an Applicant will not be treated as having applied for more New Shares and New Options than is indicated by the amount of Application Money.

If the exact amount of required Application Moneys are not tendered with an Application, the Company reserves the right to either:

- return the Shortfall Offer Application Form and/or Application Moneys received and not issue any New Shares to the Applicant; or
- issue to the Applicant the maximum number of New Shares and New Options represented by the Application Moneys received and refund any excess amount to that Applicant by cheque or Electronic Funds Transfer as soon as possible, without interest.

The Company reserves the right to accept a lesser amount to the total number of Offer Securities applied for by an Applicant on the Shortfall Offer Application Form (including if Shortfall Offer close oversubscribed), at the Company's complete discretion.

(b) Payment by cheque or money order

A Shortfall Offer Application Form must be accompanied by a personal cheque or money order, payable in Australian dollars, for an amount equal to the number of New Shares for which the Applicant wishes to apply, multiplied by the Offer Price (i.e. \$0.80) of those New Shares.

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

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

By hand	By post
Aurora Labs Limited c/- Security Transfer Australia 770 Canning Highway Applecross, Western Australia 6153	Aurora Labs Limited c/- Security Transfer Australia PO Box 535 Applecross, Western Australia 6153

3.3 Placement Option Offer

Applications for New Options under the Placement Option Offer may only be submitted by Placement Participants (or their nominees) and must be made using the Placement Option Offer Application Form that accompanies this Prospectus. The Placement Option Offer Application Form must be completed in accordance with the instructions set out on the back of that form.

Completed Placement Option Offer Application Forms must be received by the Company before **5.00pm (WST) on the Closing Date** at either of the following addresses:

By hand	By post
Aurora Labs Limited c/- Security Transfer Australia 770 Canning Highway Applecross, Western Australia 6153	Aurora Labs Limited c/- Security Transfer Australia PO Box 535 Applecross, Western Australia 6153

3.4 Lead Manager Offer

Applications for New Options under the Lead Manager Offer may only be submitted by Hunter Capital (or its nominees) and must be made using the Lead Manager Offer Application Form that accompanies this Prospectus. The Lead Manager Offer Application Form must be completed in accordance with the instructions set out on the back of the form.

Completed Lead Manager Offer Application Forms must be received by the Company before **5.00pm (WST) on the Closing Date** at either of the following addresses:

By hand	By post
Aurora Labs Limited c/- Security Transfer Australia 770 Canning Highway Applecross, Western Australia 6153	Aurora Labs Limited c/- Security Transfer Australia PO Box 535 Applecross, Western Australia 6153

3.5 Lodgement instructions and effect of making an Application

Applications for Offer Securities must be submitted on an Application Form attached to or accompanying this Prospectus (other than BPAY® payments under Section 3.1(c)). An Application Form must be completed in accordance with the instructions set out on the back of the form.

An original, completed and lodged Application Form constitutes a binding and irrevocable offer to subscribe for the number of Offer Securities specified in that Application Form. An Application Form does not need to be signed to be valid. Once an Application has been made, it cannot be revoked.

If an Application Form is not completed correctly, it may be treated by the Company as valid at its discretion. The Directors' decision as to whether to treat such an Application as valid and how to construe, amend or complete a form is final. However, in relation to the Security Purchase Plan and Shortfall Offer an Applicant will not be treated as having applied for more New Shares and New Options than is indicated by the amount of Application Money.

Brokerage or transfer/stamp duty is not payable in relation to any Offer.

The Company reserves the right to refuse a completed Application Form if it has reason to believe that an Applicant has not received a copy of this Prospectus in paper or electronic form, or the Prospectus or Application Form provided to the Applicant has been altered or tampered with in any way.

All valid Applications shall be deemed accepted if received before the Closing Date, except that with respect to the Security Purchase Plan and Shortfall Offer, once an aggregate of \$3,000,000 has been received in Applications, the Company reserves the right to return a Security Purchase Plan Application Form, Shortfall Offer Application Form and/or Application Moneys and will not issue any Offer Securities to that Applicant.

If a person makes an Application, that person:

- irrevocably and unconditionally agrees to the terms of the relevant Offer set out in this Prospectus;
- acknowledges that their Application is irrevocable and unconditional;
- if the Application has been made under the Security Purchase Plan or Shortfall Offer, agrees to pay the Offer Price for each New Share which they have applied for, subject to any scale back (refer to Sections 2.1(e) and 2.2(d)); and
- if the Application has been made under the Security Purchase Plan, warrants and represents to the Company that they are an Eligible Shareholder entitled to participate in the Security Purchase Plan.

3.6 Application Money to be held on trust

Application Money will be held by the Company on trust in accordance with the requirements of the Corporations Act until the Securities to which the Application Money pertains are issued under the Security Purchase Plan and Shortfall Offer, or a refund of Application Money occurs in the circumstances described in this Prospectus. The Company will retain any interest earned on Application Money, including in the event of any refund of Application Money.

3.7 Issue of Offer Securities

Subject to Shareholder approval being obtained at the General Meeting, Offer Securities are expected to be issued on the date specified in the Timetable.

The sale by an Applicant of Offer Securities prior to the receipt of a Holding Statement is at the Applicant's own risk.

3.8 ASX quotation – New Shares and New Options

Application for Official Quotation on ASX of the New Shares and New Options offered pursuant to this Prospectus will be made within 7 days after the Prospectus Date.

If permission for quotation of New Shares and New Options is not granted by ASX within 3 months after the Prospectus Date, the Offer Securities will not be allotted, and Application Moneys will be refunded (without interest) as soon as practicable.

The fact that ASX may agree to grant Official Quotation of the New Shares and New Options is not to be taken in any way as an indication of the merits of the Company or its Securities.

3.9 Withdrawal

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

3.10 Applicants outside of Australia

(a) General

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

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

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

(b) New Zealand resident Eligible Shareholders

The Offer Securities offered under this Prospectus are not being offered or sold to the public within New Zealand other than to Eligible Shareholders with registered addresses in New Zealand and to whom the Security Purchase Plan and Shortfall Offer are being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand).

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.

(c) Other overseas resident Shareholders

This Prospectus may not be released or distributed in any country other than Australia and New Zealand. The Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any country other than Australia and New Zealand.

Neither the Offers nor the Offer Securities have been, and nor will they be, registered under the *Securities Act* of 1933 of the United States of America (as amended) (**US Securities Act**). The Offer Securities may not be offered or sold in the United States of America, except in transactions exempt from, or otherwise not subject to, registration under the US Securities Act and applicable securities laws in any States of the United States of America.

The distribution of this Prospectus and accompanying Application Forms (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 Determination of Custodians – Security Purchase Plan

A Shareholder is a Custodian if they satisfy any of the following:

Category	Requirements
----------	--------------

Category	Requirements
Licensee	<p>That Shareholder hold an Australian financial services licence (under the Corporations Act) that covers:</p> <ul style="list-style-type: none"> the provision of a custodian or depositary service; or the operation of an IDPS (as that term is defined in ASIC Class Order 13/763).
Exempt by regulation or legislative instrument	<p>That Shareholder is exempt under:</p> <ul style="list-style-type: none"> regulation 7.6.01(1)(k) of the <i>Corporations Regulations 2001</i> (Cth) (Corporations Regulations); regulation 7.6.01(na) of the <i>Corporation Regulations</i>; ASIC Class Order 14/1000 or 14/1001; Schedule 2 to the <i>ASIC Corporate (Repeal and Transitional) Instrument 2016/396</i>; an instrument, not being a legislative instrument, made by ASIC and which applies to the person on terms similar to Schedule 2 of <i>ASIC Corporate (Repeal and Transitional) Instrument 2016/396</i> or any of the ASIC Class Orders repealed by that legislative instrument; or paragraph 911A(2)(h) of the Corporations Act, <p>from the requirement to hold an Australian financial services licence for the provision of a custodial or depositary service.</p>
Superannuation trustee	<p>That Shareholder is the trustee of a self-managed superannuation fund or a superannuation master trust (as those terms are defined in ASIC Class Order 09/425).</p>
Responsible entity	<p>That Shareholder is a responsible entity of an IDPS-like scheme as that term is defined in ASIC Class Order 09/425.</p>
Registered holder	<p>That Shareholder is noted on the Company's register of Shareholders as holding the Shares on account of another person.</p>

If a Shareholder holds Shares as a trustee or nominee for another person or persons but is not a Custodian as defined above, that Shareholder cannot participate in the Security Purchase Plan for beneficiaries for whom they hold Shares in the manner described above. In such instance, the rules for multiple single holdings (above) apply.

The Company reserves the right to reject any Application to the extent that it considers that the Application (whether alone or in conjunction with other Applications) does not comply with the requirements set out above.

The Company also reserves the right to reject Applications in accordance with the terms and conditions of this Prospectus.

3.12 CHESS and issuer sponsorship

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**), operated by ASX Settlement (a wholly owned subsidiary of ASX), in accordance with the Listing Rules and ASX Settlement Rules. The Company operates an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of its Securities.

Under CHESS, the Company does not issue certificates to the holders of Securities. Instead, the Company provides holders with a Holding Statement (similar to a bank account

statement) that sets out the number of Offer Securities allotted and issued to them under this Prospectus.

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

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

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 Offer Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions for potential Applicants.

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

3.14 **Privacy disclosure**

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

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

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

- the Share Registry for ongoing administration of the Company's register;
- Hunter Capital for the purposes of managing the Security Purchase Plan and the Shortfall Offer;
- the Company's Related Bodies Corporate, agents, contractors and third party service providers, as well as to ASX, ASIC and other regulatory authorities (including the Australian Taxation Office); and
- the printers and the mailing house for the purposes of preparing and distributing Holding Statements and for the handling of mail.

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

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

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

4. Effect of the Offers and Placement

4.1 Principal effect of the Offers and Placement on the Company

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

- increase the number of Shares on issue by 10,000,000 Shares, from 58,972,271 immediately prior to the issue of New Shares under the Placement, to 68,972,271, representing a dilution of approximately 17% (assuming that none of the existing Options are not exercised and none of the existing Performance Shares convert);
- increase the number of Options on issue by 5,500,000 Options, from 12,190,925 as at the Prospectus Date, to 17,690,925 Options; and
- increase cash reserves by up to approximately \$7,570,000 (on a full subscription basis) immediately after completion of the Offers and payment of the costs and expenses set out in Section 8.8, including the estimated expenses of the Offers.

4.2 Effect on capital structure

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

Securities	Full subscription
Shares	
Shares on issue prior to Placement	58,972,271
New Shares to be issued under the Placement	6,250,000
New Shares to be issued under the Offers	3,750,000
Total Shares on issue at completion of the Offers and Placement	68,972,271
Options	
Options on issue at the Prospectus Date	12,190,925
Options to be issued under Placement Option Offer	3,125,000
Options to be issued under the Security Purchase Plan and Shortfall Offer	1,875,000
Options to be issued under the Lead Manager Offer	500,000
Total Options on issue at completion of the Offers and Placement	17,690,925
Performance Shares	
Performance Shares on issue at the Prospectus Date	14,700,000
Performance Shares issued under the Offers	Nil
Performance Shares issued under the Placement	Nil
Total Performance Shares on issue at completion of the Offers and Placement	14,700,000

Notes:

1. The figures in the table above assume that other Shares are not issued (including on the exercise of Options or conversion of Performance Shares) prior to the close of the Offers.
2. The terms and conditions of the Performance Shares are set out in section 11.3 of the Company's prospectus dated 9 June 2016 and announced to ASX on 12 August 2016, a copy of which is available free of charge at the Company's website, at <https://auroralabs3d.com/#!investors/asx-announcements>.

4.3 Effect of the Offers and Placement on control of the Company

As at the Prospectus Date, the Company has 65,222,271 Shares and 12,190,925 unquoted Options on issue.

The sole substantial holder of the Company at the Prospectus Date is the Managing Director, Mr David Budge who controls approximately 37% of the Shares on issue. As Mr Budge is a Director of the Company, he may only participate in the Security Purchase Plan and Shortfall Offer with Shareholder approval.

Whilst Mr Budge considers that the Security Purchase Plan and Shortfall Offer is an exciting investment opportunity, Mr Budge has determined not to participate so as to given other Eligible Shareholders a greater opportunity to subscribe, and accordingly the Company has not sought Shareholder approval for Mr Budge to participate in the Security Purchase Plan and Shortfall Offer.

Mr Budge's substantial shareholding in the Company will therefore not increase following close of the Offers.

The Company has managed the Placement, and will manage the Security Purchase Plan and Shortfall Offer, such that none of the Applicants will obtain a relevant interest in Shares of 20% or more.

The Company does not anticipate that the acquisition of Shares by any Shareholder under any Offer will result in any Shareholder either becoming a substantial Shareholder, or obtaining a relevant interest in Shares of 20% or more.

The Company therefore does not anticipate that the Offers and Placement will have any material effect on control of the Company.

4.4 Substantial holdings

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

The table below sets out the Shareholders with a substantial holding as at the Prospectus Date.

Name	Number of Shares	Percentage interest
David James Budge	23,946,785	36.72%

Notes:

1. Mr Budge's percentage interest has been calculated based on 65,222,271 Shares on issue at the Prospectus Date.
2. The figures in the table assume that:
 - (a) additional Shares are not issued after the Prospectus Date;
 - (b) none of the Options on issue at the Prospectus Date are exercised; and
 - (c) none of the Performance Shares on issue at the Prospectus Date are converted into Shares.

4.5 Pro forma statement of financial position

Set out below is:

- the reviewed statement of financial position of the Company as at 31 December 2017; and

- the unaudited pro forma statement of financial position of the Company as at 31 December 2017 incorporating the effect of the Offers and the Placement, assuming scenarios for both 50% and 100% subscription under the Security Purchase Plan and Shortfall Offer, adjusted for material financial events that have occurred in the period from 31 December 2017 to the Prospectus Date.

The unaudited pro forma statement of financial position has been derived from the reviewed half year financial statements of the Company and adjusted to reflect pro forma assets and liabilities of the Company as if completion of the Offers and Placement had occurred by 31 December 2017.

The 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 adjusted for the following material movements in the assets and liabilities of the Company between 31 December 2017 and the Prospectus Date:

- at maximum subscription, the issue of 3,125,000 New Options under the Placement Offer Option;
- at maximum subscription, the issue of 3,750,000 New Shares at \$0.80 each and 1,875,000 New Options under the Security Purchase Plan and Shortfall Offer, thereby raising up to \$3,000,000 of capital pursuant to this Prospectus;
- at half subscription, the issue of 1,875,000 New Shares at \$0.80 each and 937,500 New Options under the Security Purchase Plan and Shortfall Offer, thereby raising up to \$1,500,000 of capital pursuant to this Prospectus;
- the issue of 500,000 New Options to Hunter Capital under the Lead Manager Offer; and
- costs of the Placement and Offers will be approximately \$403,000 at full subscription under the Security Purchase Plan and Shortfall Offer, and \$399,000 at 50% subscription under the Security Purchase Plan and Shortfall Offer.

Allowance has not been made for expenditure incurred in the normal course of business from 31 December 2017 to the Closing Date.

Aurora Labs Limited

Unaudited Pro Forma Statement Of Financial Position as at 31 December 2017

		100% subscription under Security Purchase Plan and Shortfall Offer and 100% subscription under other Offers		50% subscription under Security Purchase Plan and Shortfall Offer and 100% subscription under other Offers	
	Reviewed 31 December 2017	Adjustments	Pro Forma unaudited 31 December 2017	Adjustments	Pro Forma unaudited 31 December 2017
	(\$)	(\$)	(\$)	(\$)	(\$)
ASSETS					
Current Assets					
Cash and cash equivalents	2,682,247	7,597,000	10,279,247	6,101,000	8,783,247
Trade and other	306,929		306,929		306,929

receivables					
Inventories	533,096		533,096		533,096
Total Current Assets	3,522,272	7,597,000	11,119,272	6,101,000	9,623,272
Non-Current Assets					
Property, plant and equipment	452,891		452,891		452,891
Intangible assets	306,918		306,918		306,918
Total Non-Current Assets	759,809		759,809		759,809
Total Assets	4,282,081	7,597,000	11,879,081	6,101,000	10,383,081
LIABILITIES					
Current Liabilities					
Trade and other payables	245,924		245,924		245,924
Other Liabilities	127,716		127,716		127,716
Accrued annual leave	152,986		152,986		152,986
Total Current Liabilities	526,626		526,626		526,626
Total Liabilities	526,626		526,626		526,626
Net Assets	3,755,455	7,597,000	11,352,455	6,101,000	9,856,455
EQUITY					
Issued capital	10,510,294	7,597,000	18,107,294	6,101,000	16,611,294
Reserves	1,415,577		1,415,577		1,415,577
Accumulated losses	(8,170,416)		(8,170,416)		(8,170,416)
Total Equity	3,755,455	7,597,000	11,352,455	6,101,000	9,856,455

4.6 Potential dilutive effect of convertible securities

The table below sets out the potential dilutive effect on Shareholders if Shares are issued on exercise of all existing and proposed Options and conversion of all existing Performance Shares.

Event	Cumulative number of Shares pre-issue	Shares issued	Cumulative number of Shares post-issue	Dilution (rounded)
Minimum subscription under the Share Purchase Plan and Shortfall Offers				
Exercise of Existing Options	65,222,271	12,190,925	77,413,196	18.69%
Exercise of New Options issued under Placement Offer and Lead Manager Offer	77,413,196	5,125,000	81,038,196	4.68%
Conversion of Existing Performance Shares	81,038,196	14,700,000	95,738,196	18.14%

Maximum subscription under all Offers						
Exercise of Existing Options		68,972,271	12,190,925	81,163,196	17.67%	
Exercise of New Options issued all Offers		81,163,196	5,500,000	86,663,196	6.77%	
Conversion of Existing Performance Shares		86,663,196	14,700,000	101,363,196	16.96%	

Note: The interests shown in the table above assume that:

1. the existing Options and Performance Shares do not lapse prior to exercise or conversion;
2. other Shares are not issued prior to exercise of Options or conversion of Performance Shares; and
3. the events occur in the order listed in the table.

5. Risk Factors

5.1 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 "A3D") 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 Section 1.7 above and in Sections 5.2 and 5.3 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.

5.2 Company specific risks

In addition to the key risk set out in Section 1.7 above, the following risks have been identified as being key risks specific to an investment in the Company. These risks may adversely affect the Company's financial position, prospects and price of its quoted Securities.

(a) Commercialisation and market risks

The Company has commenced commercial production of the SFP range and shipped its first unit in December 2016. Notwithstanding this, there cannot be any assurance that the Company will successfully commercialise its other printers under development. Further, printers which are put into commercial production may not generate ongoing interest from the market.

In addition, the Company is seeking to supply products based on historical and existing market trends, as well as creating new markets for 3D metal printers and its rights management and certification software. 3D metal printing is a relatively new and developing industry. There cannot be any assurance of its continued growth in existing markets, or that the new markets that the Company is seeking to supply will develop as targeted.

(b) Reliance on key personnel

The Company's success depends to a significant extent upon its key management personnel, as well as other employees and technical personnel, including sub-contractors. The Company's potentially ground-breaking innovative technological developments have come about through its team of key operational personnel. It has sought to foster a workplace environment which encourages innovation and technical thought-leadership.

The loss of the services of any of the Company's key personnel could have an adverse effect on it at this early stage of development, particularly as finding an effective replacement may be difficult.

(c) **Patent matters**

The Company has filed provisional patent applications and applications under the Patent Cooperation Treaty (**PCT**) in relation to its proprietary technology. These applications do not give the Company any currently enforceable rights. Further, the Company has sought patent protection under the PCT in the United States of America, the European Union and Japan, and is also considering seeking patent protection in additional countries.

If the patent applications are granted, the resultant patents would constitute the Company's main asset. The Company's ability to commercialise its products successfully is largely dependent upon it obtaining the monopoly rights to exploit the inventions and methods described in these patent applications.

The Company anticipates that its patent applications will be granted. However, there cannot be any assurance of this or that patents will be granted in all PCT jurisdictions eventually selected.

Third parties may also object to the grant of the Company's patent applications on grounds which may include alleged infringement of their patents. The Company is not aware of any of its technology infringing any third party's patent. However, the Company has not undertaken an extensive assessment of existing patents to determine any overlapping technology or potential infringement, as the costs of such would be prohibitive. Accordingly, there is a risk that a third party may claim that the Company's technology (including as set out in its patent applications) infringes that third party's patent.

(d) **Future capital requirements**

The Company's ongoing activities are likely to require substantial further financing in the future for its business activities, in addition to amounts raised pursuant to the Placement and the Offers. Any additional equity financing may be:

- dilutive to Shareholders;
- undertaken at lower prices than the Offer Price; or
- involve restrictive covenants which limit the Company's operations and business strategy.

Although the Directors believe that additional capital can be obtained, there cannot be any assurance that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations which may have a material adverse effect on the Company's activities and its ability to continue as a going concern.

(e) **No profit to date and limited operating history**

The Company has incurred losses since its inception and has significantly changed the nature and scale of its business operations. It is therefore not possible to evaluate its prospects based on past performance. Since the Company intends to invest in the commercial development of 3D metal printers and the supply of associated consumable materials, the Directors anticipate making further losses in the foreseeable future until the Company is able to effectively commercialise and generate revenue from its printer and powder range of products.

Whilst the Directors have confidence in the future revenue-earning potential of the Company, there can be no certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

5.3 General investment 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) **General economic conditions**

Economic conditions, both domestic and global, may affect the performance of the Company. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. The Company's future possible revenues and Securities prices can be affected by these factors, all of which are beyond the control of the Company and its Directors.

(b) **Equity market conditions**

Securities quoted on the securities market can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. These security market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance.

General factors that may affect the market price of securities include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(c) **Liquidity risk**

There can be no guarantee that there will be an active market for the New Shares or New Options, or that the trading price of the New Shares and New Options will increase. Noting the current state of equity capital markets, there has been and may continue to be relatively few buyers or sellers of New Shares and New Options on ASX at any given time. This may affect the volatility of the market price of the New Shares and New Options. It may also affect the prevailing market price at which holders are able to sell their New Shares and New Options.

(d) **Changes in government policy & legislation**

Any material adverse changes in relevant government policies or legislation of Australia or internationally may affect the viability and profitability of the Company, and consequent returns to investors.

(e) **Investment risk**

The Offer Securities offered pursuant to this Prospectus should be considered speculative due to the nature of the Company's business. There cannot be any assurance as to payment of dividends, return of capital or the market value of Offer Securities. In particular, the price at which an investor may be able to trade Offer Securities may be above or below the price paid for those Offer Securities.

(f) **Insurance**

The Company intends to adequately insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or only partially covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

(g) **Other**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Company.

6. Rights and Liabilities Attached to Offer Securities

6.1 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 all Shares currently on issue.

Full details of the rights and liabilities attaching to 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 and on the Company's website (www.auroralabs3d.com).

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to Shares:

(a) Share capital

All issued Shares rank equally in all respects.

(b) Voting rights

At a general meeting of the Company, every holder of Shares present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for each Share held, and for every contributing share (i.e. partly paid) held, a fraction of a vote equal to the proportion which the amount paid up bears to the total issue price of the contributing share. Where there is an equality of votes, the chairperson has a casting vote.

(c) Dividend rights

Subject to the Corporations Act, the Listing Rules and any rights of persons entitled to shares with special rights to dividends (at present there are none), all dividends as declared by the Directors are to be payable on all such shares in proportion to the amount of capital paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividends is paid, unless the share is issued on terms providing to the contrary.

(d) Payment of dividends

Dividends are payable out of the assets of the Company in accordance with section 254T of the Corporations Act and as determined by the Directors, which shall be conclusive. The Directors may direct that payment of the dividend be made wholly or in part by the distribution of specific assets or other Securities of the Company.

(e) Rights on winding-up

Subject to the Corporations Act, the Listing Rules and any rights or restrictions attached to a class of Shares, the liquidator may on winding-up of the Company, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair upon any property to be so divided and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

(f) Transfer of Shares

Subject to the Constitution, Shares in the Company may be transferred by:

- a proper ASX Settlement transfer or any other method of transferring or dealing in Shares introduced by the ASX or operated in accordance with the

ASX Settlement Rules or the Listing Rules as recognised under the Corporations Act; or

- an instrument in writing in any usual or common form or in any other form that the Directors, in their absolute discretion, approve from time to time.

(g) **Refusal to transfer Shares**

The Directors may refuse to register a transfer of Shares (other than a proper ASX Settlement transfer) only where:

- the law permits it;
- the law requires it; or
- the transfer is a transfer of restricted securities (as defined in Listing Rule 19.12) which is, or might be, in breach of the Listing Rules or any escrow agreement entered into by the Company in respect of those restricted securities.

(h) **Further increases in capital**

Subject to the Constitution, the Corporations Act and the Listing Rules:

- Shares in the Company are under the control of the Directors, who may allot or dispose of all or any of the Shares to such persons, and on such terms, as the Directors determine; and
- the Directors have the right to grant options to subscribe for Shares, to any person, for any consideration.

(i) **Variation of rights attaching to shares**

The rights attaching to the shares of a class (unless otherwise provided by their terms of issue) may only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or in certain circumstances, with the written consent of the holders of at least seventy-five percent (75%) of the issued shares of that class.

(j) **General meeting**

Each holder of Shares will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Constitution, the Corporations Act and the Listing Rules.

6.2 **Terms and conditions of New Options**

The terms and conditions of the New Options are set out below:

(a) **Entitlement**

Each New Option entitles the holder (**Option Holder**) to subscribe for 1 fully paid ordinary Share in the Company.

(b) **Exercise price**

The exercise price of each New Option is \$1.00 (**Exercise Price**).

(c) **Expiry date**

- (i) Each New Option may be exercised at any time before 5.00pm (WST) on the date falling 2 years from grant (**Expiry Date**).
- (ii) A New Option that is not exercised by the Expiry Date will automatically expire.

(d) **Certificate or holding statement**

The Company must give the Option Holder a certificate or holding statement stating:

- the number of New Options issued to the Option Holder;
- the Exercise Price of the New Options; and
- the date of issue of the New Options.

(e) **Transfer**

- (i) The New Options are transferable, subject to any restrictions on transfer under the Corporations Act or the Listing Rules, as applicable.
- (ii) Subject to the Corporations Act or the Listing Rules, the Option Holder may transfer some or all of the New Options at any time before the Expiry Date by:
 - A. a proper ASX Settlement transfer or any other method permitted by the Corporations Act; or
 - B. a prescribed instrument of transfer.

(f) **Instrument of transfer:**

An instrument of transfer of a New Option must be:

- in writing;
- in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
- subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
- 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**

- (i) The Company will apply to ASX for official quotation of the New Options.
- (ii) The Company will apply to ASX for official quotation of the Shares issued on exercise of New Options.

(h) **Rights of participation**

(i) **New issues**

- A. The Option Holder is not entitled to participate in any new issue to the Company's shareholders of securities in the Company unless they have exercised their New Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding Shares.
- B. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with the Listing Rules.

(ii) **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) (**Bonus Issue**) and a Share has not been issued in respect of the New Option before the record date for determining entitlements to the Bonus 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 Bonus Issue.

(iii) **Pro rata issues**

If the Company makes a pro rata issue of Shares (except a Bonus Issue) to shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) (**Pro Rata Issue**) and a Share has not been issued in respect of the New Option before the record date for determining entitlements to the Pro Rata Issue, the Exercise Price of each New Option will be reduced in accordance with the Listing Rules.

(i) **Reorganisation**

- (i) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company (**Reorganisation**), then the rights of the Option Holder (including the number of New Options to which the Option Holder is entitled 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 Directors 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 an New Option.

(j) **Exercise**

- (i) To exercise New Options, the Option Holder must give the Company or its securities 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 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 is lodged with the Company or its securities registry.

(k) **Re-issue of certificate or holding statement:**

If the Option Holder exercises less than the total number of New Options registered in the Option Holder's name:

- the Option Holder must surrender their New Option certificate (if any); and
- the Company must cancel the Option certificate (if any) and issue the Option Holder a certificate or holding statement stating the remaining number of New Options held by the Option Holder.

(l) **Issue**

- (i) The Company must issue the Option Holder the number of Shares specified in an application for exercise of New Options by the later of:
 - A. 10 days after receiving an application for exercise of New Options and payment by the Option Holder of the Exercise Price; and
 - B. the last Business Day of the calendar month in which the application for exercise of New Options and payment by the Option Holder of the Exercise Price is received by the Company.
- (ii) Subject to the Company's 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.

(n) **Amendments required by ASX**

These terms and conditions of New Options may be amended as necessary by the Company's Board of Directors in order to comply with the Listing Rules or any directions of ASX (if applicable) regarding the terms and conditions of New Options.

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

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

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

The Shares 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. Further, the Company will apply for quotation of the New Options to be issued under this Prospectus, which are also options to subscribe for continuously quoted securities (i.e. Shares).

7.2 Documents available for inspection

The Company has lodged the following announcements with ASX since the lodgement of the Company’s 2017 annual financial report to shareholders on 24 August 2017:

Date	Description of ASX Announcement
2 March 2018	Issue of Placement Shares & update of SPP Timetable
1 March 2018	Aurora Labs completes prototype of Powder Production Unit
26 February 2018	Appendix 4D & Interim Financial Report Half Year 31/ 12/17
26 February 2018	Replacement- Aurora Labs launches \$8 million capital raising
26 February 2018	Aurora Labs launches \$8 million capital raising
22 February 2018	Trading Halt
12 February 2018	Aurora Labs Corporate Update February 2018
8 February 2018	Aurora advances development of its Large Format Technology
30 January 2018	Aurora Labs enters into research agreement with CSIRO
30 January 2018	December 17 Quarterly Activities Report & Appendix 4C
22 January 2018	Appendix 3X - Mel Ashton

Date	Description of ASX Announcement
22 January 2018	Appendix 3X - Paul Kristensen
22 January 2018	Appointments to the Aurora Labs Board
20 December 2017	New issue of securities - Cleansing Notice and Appendix 3B
7 December 2017	Aurora advances the certification of its 3D-printed parts
29 November 2017	Results of AGM and Issue of New Securities
29 November 2017	Chairman's Address - 2017 AGM
13 November 2017	Issue of New Company Securities and Appendix 3B
13 November 2017	Corporate Update - November 2017
6 November 2017	Aurora Signs Binding Term Sheet to Establish Solution Centre
1 November 2017	Aurora Labs Receives R&D Tax Incentive Refund of \$1M
27 October 2017	Notice of Annual General Meeting
26 October 2017	September 17 Quarterly Activities Report & Appendix 4C
23 October 2017	Aurora Labs - Investor Update
3 October 2017	Issue of New Company Securities and Appendix 3B
29 September 2017	South Korean Distributorship Agreement signed - Partners Lab
29 August 2017	Issue of New Company Securities and Appendix 3B
24 August 2017	Appendix 4G & Corporate Governance Statement

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 (www.auroralabs3d.com) or at ASX's website (www.asx.com.au using ASX Code "A3D").

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

- the annual financial report of the Company for the financial year ended 30 June 2017, being the annual financial report of the Company most recently lodged with the ASIC before the issue of this Prospectus;
- the half year financial report of the Company for the half financial year ended 31 December 2017, being the half year financial report of the Company most recently lodged with the ASIC before the issue of this Prospectus; and
- any documents used to notify ASX of information relating to the Company in the period from lodgement of the annual financial report of the Company for the financial year ended 30 June 2017 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 General Meeting

The Board intends to hold the General Meeting on or about Friday, 13 April 2018 at which Shareholder approvals will be sought for the issue of the Offer Securities, including the New Shares and New Options under the Security Purchase Plan and Shortfall Offer, and for the placement of any remaining Offer Securities within the 3 month period after the close of the Offers.

The issue of Offer Securities under each Offer and the placement of any remaining Offer Securities, is conditional on the approval of Shareholders being obtained at the General Meeting.

The final date of the General Meeting may change, but the Board intends to convene the meeting as early as practicable.

8.2 Material and related party contracts

(a) Hunter Capital Mandate

The Company and Hunter Capital have entered into a corporate advisory and capital raising mandate under which Hunter Capital was appointed to act as the sole and exclusive lead manager to the Placement (**Hunter Capital Mandate**).

In consideration for its services, Hunter Capital is entitled to be paid or issued (as applicable) the following pursuant to the Hunter Capital Mandate:

- a placement fee of 6% of the total amount raised from Placement Participants introduced to the Company by Hunter Capital (plus GST);
- a placement fee of 2% of the total amount raised from Placement Participants that were not introduced to the Company by Hunter Capital (plus GST);
- 500,000 New Options (these New Options are offered to Hunter Capital under the Lead Manager Offer); and
- reimbursement of Hunter Capital's reasonable costs, professional fees and expenses in relation to management of the Placement, Security Purchase Plan and Shortfall Offer.

(b) Consultancy Agreements – Paul Kristensen and Mel Ashton

The Company has entered into a consulting agreement with each of:

- Capital Technologies Pty Ltd (ACN 009 192 643) (**Capital Technologies**) and Mr Paul Ejnar Kristensen pursuant to which Capital Technologies agrees to provide the services of Mr Kristensen as Non-Executive Director of the Board; and
- Gian Corporation Pty Ltd (ACN 089 704 709) as trustee for the Mentoring Unit Trust (**Gian Corporation**) and Mr Normal Mel Ashton, pursuant to which Gian Corporation agrees to provide the services of Mr Ashton as a Non-Executive Director.

The material terms of these agreements are as follows:

Matter	Description
Fees to Capital Technologies	Capital Technologies is entitled to be paid an annual service fee of \$76,650 (plus GST and inclusive of superannuation) commencing on 22 January 2018.
Fees to Gian Corporation	Gian Corporation is entitled to be paid an annual service fee of \$54,750 (plus GST and inclusive of superannuation) commencing on 22 January 2018.
Expenses	Capital Technologies and Gian Corporation are each entitled to be reimbursed for reasonable out-of-pocket expenses incurred in the performance of services under the agreement, including accommodation, meals and travel expenses.
Duties	<p>Each Director:</p> <ul style="list-style-type: none"> is expected to discharge their duties in accordance with the Constitution, any applicable corporate governance policies of the Company, the Corporations Act and the Listing Rules; must at all times act diligently, in good faith, in the best interests of the Company, and in a manner that is consistent with that of a non-executive director of a company listed on the ASX; must make all necessary disclosures to the Company in relation to all interests and matters which may impact their independence and any matters which may give rise to a conflict of interest; and assigns to the Company all existing and future intellectual property rights in all inventions, designs, works and subject matter created or conceived by the Director in the performance of their duties or using any of the Company's resources.
Termination for convenience	Any party may terminate the agreement without cause by giving 30 days' written notice.
Termination by the Company for cause	<p>The Company immediately terminate either of the agreements if:</p> <ul style="list-style-type: none"> the relevant Director is removed from office at a general meeting or pursuant to law; the contractor entity or the relevant Director breaches a material term of the agreement and does not remedy the breach within 21 days; the contractor entity or the relevant Director breaches a material term of the agreement and the breach cannot be remedied; the contractor entity or the relevant Director commits an act of wilful misconduct; or the contractor entity or the relevant Director suffers an insolvency event. <p>The contractor entity immediately terminate its agreement if:</p> <ul style="list-style-type: none"> the Company breaches a material term of the agreement and does not remedy the breach within 21 days;

		<ul style="list-style-type: none"> the Company breaches a material term of the agreement and the breach cannot be remedied; or the Company suffers an insolvency event.
Termination by contractor for cause	by for	<p>Capital Technologies or Gian Corporation may immediately terminate their respective agreements if:</p> <ul style="list-style-type: none"> the Company breaches a material term of the agreement and does not remedy the breach within 21 days; the Company breaches a material term of the agreement and the breach cannot be remedied; or the Company suffers an insolvency event.

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

(c) **Corporate Consultancy Agreement – Mathew Whyte**

The Company has entered into an Corporate Consultancy Agreement with Whypro Corporate Services Pty Ltd, an entity controlled by Mr Mathew Whyte, pursuant to which Mr Whyte was engaged as Company Secretary on 4 October 2016.

Under this agreement, Mr Whyte is engaged for a minimum of 8 days per month and is paid a fee of \$800 per day worked, or a pro rata amount at \$100 per hour for a part day, plus GST.

The agreement contains terms and conditions considered standard for agreements of this nature.

(d) **Non-Executive Director Engagement Deed – Mathew Whyte**

The Company has entered into an Non-Executive Director Engagement Deed with Mr Mathew Whyte pursuant to which Mr Whyte was engaged as a Non-Executive Director on 26 July 2017.

The material terms of the agreement are as follows:

Matter	Description
Fees	Mr Whyte is entitled to be paid an annual director's fee of \$30,000 plus superannuation commencing from 26 July 2017.
Duties	<ul style="list-style-type: none"> Mr Whyte is expected to discharge his duties in accordance with the Constitution, any applicable corporate governance policies of the Company, the Corporations Act and the Listing Rules; Mr Whyte must at all times act diligently, in good faith, in the best interests of the Company, and in a manner that is consistent with that of a non-executive director of a company listed on the ASX. Mr Whyte must make all necessary disclosures to the Company in relation to all interests and matters which may impact his independence and any matters which may give rise to a conflict of interest.
Intellectual property	Mr Whyte assigns to the Company all existing and future intellectual property rights in all inventions, designs, works and subject matter created or conceived by the Director in the

performance of his duties or using any of the Company's resources.

Term	Mr Whyte's engagement as a Non-Executive Director is subject to the Corporations Act and his re-election under the Constitution and the Listing Rules.
-------------	--

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

(e) **Directors' indemnity and insurance deeds**

The Company has entered into deeds of access, indemnity and insurance with each Director and its Company Secretary.

Under the deeds, the Company has undertaken, subject to the restrictions in the Corporations Act, to:

- indemnify each Director and the Company Secretary (each an **Officer**) in certain circumstances;
- maintain directors' and officers' insurance cover (if available) in favour of each Officer whilst an Officer and for 7 years after the Officer has ceased to be an Officer;
- cease to maintain directors' and officers' insurance cover in favour of each Officer if the Company reasonably determines that the type of coverage is no longer available; and
- provide access to any Company records which are relevant to the Officer's holding of office with the Company, for a period of 7 years after the Officer has ceased to be an Officer.

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

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 **The Board**

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

(a) **Paul Kristensen (Non-Executive Chairman)**

Paul is a veteran angel investor and serial entrepreneur with a passion for turning exceptional technology into great business. Based on initial expertise gained during a career in nuclear science R&D, he combines vision and enthusiasm with innovative strategy development and in-depth corporate and commercial knowledge, acquired over subsequent decades of activity as a technology investor and serial entrepreneur.

Paul is a highly experienced company chair and director who has taken IP-based companies to IPOs both in Australia and on overseas stock exchanges.

The Board considers that Mr Kristensen is an independent Director and free from any business or other relationship with the Company that could materially interfere with, or reasonably be perceived to materially interfere with, the independent exercise of his judgement as a Director.

(b) David Budge (Managing Director)

Mr Budge has extensive industry experience in robotics, robotic welding, surfacing engineering, product development and manufacturing processes. He has become recognised for his experience in solving difficult fabrication and surface engineering problems for clients. He is the primary inventor of the large majority of the Company's inventions that are the subject of its patent applications.

Mr Budge has experience developing and manufacturing a range of products for Australian and international markets. He has previously worked for Bossong Engineering running its plasma transferred arc department. He then worked for Score Pacific managing its thermal spray department and overseeing research and development on special projects. More recently Mr Budge established and ran Advanced Industrial Manufacturing Pty Ltd, a company that specialised in providing robotic welding and specialised technology solutions to the mining and oil and gas sectors.

Mr Budge is a founding director and Shareholder of the Company. He continues to be its largest Shareholder at the Prospectus Date.

(c) John (Nathan) Henry (Executive Director)

Mr Henry has held senior management roles for over 25 years. He has been involved across all levels of strategic planning, divisional financial reporting and senior corporate accountability up to board level.

His roles have covered the full spectrum of responsibility including process and business model development, new business development, technology implementation and roll out through distributed networks, market research and writing of business plans. He has experience with ISO certification, equipment purchase recommendations, workflow planning, skilled employee recruitment, securing approved vendor list (AVL) status and marketing plans. He has previously developed and led sales teams for market leading companies both in Australia and the USA.

Mr Henry is responsible for developing the strategy and processes required for branding and marketing the Company's products and services. He is responsible for developing advertising materials, overseeing web design and social media campaigns as well as monitoring metrics for these modes of communication and marketing.

(d) Norman (Mel) Ashton (Non-Executive Director)

Mr Ashton holds a Bachelor of Commerce degree from the University of Western Australia, is a Fellow of Chartered Accountants Australia and New Zealand, and a Fellow of the Australian Institute of Company Directors.

Mr Ashton has over 35 years' experience and today leverages his strategic approach and business network in his role as a specialist in corporate restructuring and finance and as a professional company director. Mr Ashton is the independent Chair of the Finance and Risk Committee at the Hawaiian Group, the Western Australian based property group, and Chairs the Board of Venture Minerals Ltd (ASX: VMS). Mr Ashton was previously a Director of Gryphon Minerals Ltd, Resource Development Group Ltd and Empired Ltd.

Other former roles include President and Director of Chartered Accountants Australia and New Zealand, Vice President and Director of Fremantle Football Club Ltd, and Chairman of Cullen Wines (Australia) Pty Ltd.

The Board considers that Mr Ashton is an independent Director and free from any business or other relationship with the Company that could materially interfere with, or reasonably be perceived to materially interfere with, the independent exercise of his judgement as a Director.

(e) **Mathew Whyte (Non-Executive Director and Company Secretary)**

Mr Whyte is a professional executive with over 30 years experience in corporate administration and financial management of small to medium ASX listed entities. He has specific and hands on Board, Company Secretarial and CFO experience for WA-based ASX listed mining, mining services, biotech, oleochemical and renewable fuel generation industries with overseas operations experience in Africa, South East Asia, North America and the United Kingdom.

Mr Whyte previously served as a non-executive director of Kingston Resources Limited (ASX: KSN) from September 2011 until July 2015 and is currently company secretary for Novo Litio Ltd (ASX: NLI) since November 2011.

8.5 Security holding interests of Directors

At the Prospectus Date the relevant interest of each of the Directors in the Securities of the Company are as follows:

Director	Shares	Options	Performance Shares
Paul Kristensen	Nil	100,000 Options exercisable at \$1.08 on or before 31 January 2021 (yet to be issued)	Nil
David Budge	23,946,785	725,000 Options exercisable at \$0.20 each on or before 31 December 2018 115,000 Options exercisable at \$2.23 on or before 30 November 2019 165,000 Options exercisable at \$3.00 on or before 31 March 2020 15,000 Options exercisable at \$0.79 on or before 31 August 2020	4,973,563 Class B Performance Shares 5,341,975 Class C Performance Shares
John (Nathan) Henry	982,151	1,693,334 Options exercisable at \$0.20 each on or before 31 December 2018 140,000 Options exercisable at \$2.23 on or before 30 November 2019 125,000 Options exercisable at \$3.00 on or before 31 March 2020 15,000 Options exercisable at \$0.79 on or before 31 August 2020	172,832 Class B Performance Shares 185,634 Class C Performance Shares

Norman (Mel) Ashton	Nil	100,000 Options exercisable at \$1.08 on or before 31 January 2021 (yet to be issued)	Nil
Mathew Whyte	Nil	50,000 Options exercisable at \$3.00 on or before 31 March 2020 15,000 Options exercisable at \$0.79 on or before 31 August 2020 100,000 Options exercisable at \$0.95 on or before 31 July 2020	Nil

Notes:

1. Mr Kristensen and Mr Ashton have each been offered 100,000 Options under the Employee Incentive Plan, exercisable at \$1.08 each on or before 31 January 2021. The issue of these Options is subject to Shareholder approval to be obtained at the General Meeting.
2. Mr Budge has an indirect relevant interest in the securities listed above, as all Securities are held by David James Budge ATF <Budge Family Trust>. Mr Budge is the trustee and a beneficiary of the Budge Family Trust.
3. Of the Securities in which Nathan Henry has a relevant interest, Mr Henry has an indirect interest in the following Securities held by Buttes Pty Ltd <Toklat A/C>, an entity controlled by Mr Henry:
 - (a) 150,000 Shares;
 - (b) 140,000 Options exercisable at \$2.23 on or before 30 November 2019;
 - (c) 125,000 Options exercisable at \$3.00 on or before 31 March 2020; and
 - (d) 15,000 Options exercisable at \$0.79 on or before 31 August 2020.
4. Mr Whyte has an indirect relevant interest in the securities listed above, as all Securities are held by Mr Mathew Joseph Whyte & Mrs Sarah Louise Whyte <M&S Whyte Family A/C>.

8.6 Directors' participation in Security Purchase Plan and Shortfall Offer

Participation of the Directors in the Security Purchase Plan and Shortfall Offer requires the approval of Shareholders under Listing Rule 10.11.

The Company proposes to seek such approval at the General Meeting for the following Directors to participate in the Security Purchase Plan and Shortfall Offer:

Director	Security Purchase Plan	Shortfall Offer
John (Nathan) Henry	New Shares: 18,750 New Options: 9,375 Total subscription amount: \$15,000	Nil
Norman (Mel) Ashton	New Shares: 18,750 New Options: 9,375 Total subscription amount: \$15,000	New Shares: 31,250 New Options: 15,625 Total subscription amount: \$25,000

As the number of New Shares and New Options available for subscription under each of the Security Purchase Plan and the Shortfall Offer is dependent upon the number of Securities subscribed for under the Security Purchase Plan, Mr Henry and Mr Ashton may not receive the full number of New Shares and New Options they subscribe for under the Shortfall Offer.

8.7 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 \$250,000, may be divided amongst the Directors as they may from time to time agree or, in the absence of agreement, in equal shares.

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

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

The table below sets out the current cash remuneration of each Director.

Director	Financial year ended 30 June 2016	Financial year ended 30 June 2017
Paul Kristensen (Appointed 22 January 2018)	Not applicable.	Not applicable.
David Budge (Appointed 9 August 2014)	\$109,924, comprising: <ul style="list-style-type: none"> • Salary of \$93,538 • Superannuation of \$8,886 • Share based payments to the value of \$7,500 	\$306,536, comprising: <ul style="list-style-type: none"> • Salary of \$201,538 • Motor vehicle payments of \$6,550 • Superannuation of \$19,146 • Share based payments to the value of \$79,302
John (Nathan) Henry (Appointed 23 November 2015)	\$141,970, comprising: <ul style="list-style-type: none"> • Salary of \$114,188 • Superannuation of \$10,848 • Share based payments to the value of \$16,934 	\$264,390 comprising: <ul style="list-style-type: none"> • Salary of \$172,462 • Superannuation of \$16,384 • Share based payments to the value of \$75,544
Norman (Mel) Ashton (Appointed 22 January 2018)	Not applicable.	Not applicable.
Mathew Whyte (Appointed 26 July 2017)	Not applicable.	\$128,780, comprising: <ul style="list-style-type: none"> • Consultancy fee as Company Secretary of \$70,400 • Share based payments to the value of \$58,380

Note: Mr Kristensen and Mr Ashton were appointed as Directors on 22 January 2018 and accordingly after the end of the financial years in the table above. The Company has paid remuneration to their respective consultancy companies since this time. Please refer to Section 8.2(b) for details of their remuneration entitlements.

Further information relating to the remuneration of Directors can be found in the Company's 2017 Annual Report, which can be found on the Company's website (www.auroralabs3d.com) or ASX announcements webpage for the Company (ASX Code "A3D").

8.8 Expenses of the Placement and the Offers

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

Expense	Amount
ASIC fees	\$2,400
ASX fees	\$33,338
Legal fees	\$17,000
Hunter Capital fees and disbursements as lead manager to Placement	\$335,000
Printing, distribution and Share Registry expenses	\$15,262
TOTAL	\$403,000

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 benefits 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
Jackson McDonald (a partnership)	Solicitors to the Offers	Jackson McDonald will be paid approximately \$17,000 (plus GST) for services related to this Prospectus and the Offers. Including the fees above, Jackson McDonald has been paid or is entitled to be paid approximately \$250,789 (plus GST) for legal services provided to the Company in the period 2 years prior to the Prospectus Date.
HLB Mann Judd (WA Partnership)	Auditor	HLB Mann Judd has been paid or is entitled to be paid approximately \$59,750 (plus GST) for audit services provided to the Company in the period 2 years prior to the Prospectus Date.

Security Transfer Australia Pty Ltd	Share Registry	Security Transfer Australia Pty Ltd will be paid approximately \$9,440 (plus GST) for services to be provided in relation to printing and despatch of this Prospectus and for receiving and managing Applications under the Offers. In addition, it has been paid or is entitled to be paid approximately \$47,823 (plus GST) for the provision of share registry services to the Company in the period 2 years prior to the Prospectus Date.
-------------------------------------	----------------	--

8.10 Market prices of Shares on ASX

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

	Price	Date(s)
Highest	\$1.175	5 January 2018
Lowest	\$0.73	6 March 2018
Latest	\$0.73	6 March 2018

Note: The above trading data has been prepared by ASX, who has not consented to its use in this Prospectus.

8.11 Consents and liability statements

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

Party	Capacity in which named	Statement or report in this Prospectus
Hunter Capital Advisors Pty Ltd	Lead Manager to the Placement	Not applicable
Jackson McDonald (a partnership)	Solicitors to the Offers	Not applicable
Security Transfer Australia Pty Ltd	Share Registry	Not applicable
HLB Mann Judd (WA Partnership)	Auditor	Financial accounts as at 31 December 2017 set out in Section 4.5, on which the pro forma statement of financial position is based.

Each of the parties named above as providing their consent:

- did not authorise or cause the issue of this Prospectus;
- does not make, or purport to make, any statement in this Prospectus nor is any statement in this Prospectus based on any statement by any of those parties other than as specified in this Section 8.11; and
- to the maximum extent permitted by law, expressly disclaims any responsibility or liability for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with consent of that party as specified in this Section 8.11.

9. Directors' Statement

The Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director 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:



David Budge
Managing Director

Date: 7th March 2018

10. Glossary of Terms

A\$ or \$	Australian dollars.
Applicant	A person who applies for Offer Securities under and in accordance with this Prospectus.
Application	A valid application for Offer Securities offered under this Prospectus.
Application Form	The application forms that accompany this Prospectus, being the Security Purchase Plan Application Form, the Shortfall Offer Application Form, the Placement Option Offer Application Form, and the Lead Manager Offer Application Form, or any one or more of those applications forms as the case may be.
Application Moneys	Money received from an Applicant in respect of an Application.
ASIC	The Australian Securities and Investments Commission.
ASX	ASX Limited (ACN 008 624 691) trading as the 'Australian Securities Exchange'.
ASX Settlement	ASX Settlement Pty Limited (ACN 008 504 532).
ASX Settlement Rules	The settlement rules of ASX Settlement.
Board	The board of Directors of the Company.
Business Day	Has the meaning given to that term in the Listing Rules.
Capital Raising	Has the meaning given to that term in Section 1.2.
CHESS	Clearing House Electronic Sub-register System operated by ASX Settlement.
CHESS Statement or Holding Statement	A statement of shares registered in a CHESS account.
Closing Date	The closing date of the Offers, being 5.00pm WST on Wednesday, 4 April 2018 or such other date as determined by the Directors.
Company	Aurora Labs Limited (ACN 601 164 505).
Constitution	The constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Company Secretary	The company secretary of the Company.
Custodian	A custodian, trustee or nominee holder of Shares within the meaning of "custodian" in ASIC Class Order 09/425.
Director	A director of the Company as at the Prospectus Date.

Eligible Shareholder	A Shareholder who is registered as the holder of Shares on the Record Date and is resident in Australia or New Zealand.
Employee Incentive Plan	The employee incentive plan adopted by the Company on 12 August 2016.
Executive Director	An executive Director of the Company.
General Meeting	Has the meaning given to that term in Section 1.2.
GST	Goods and services tax levied under the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
Hunter Capital	Hunter Capital Advisors Pty Ltd (ACN 603 930 418), the corporate Authorised Representative (number: 1239304) of KP International Group Australia Pty Ltd, the holder of Australian Financial Services Licence Number 334191.
Hunter Capital Mandate	The lead manager mandate between the Company and Hunter Capital in relation to management of the Placement, as described in Section 8.2(a).
Large Format Technology	Has the meaning given to that term in Section 1.1(b).
Lead Manager Offer	The offer under this Prospectus of 500,000 New Options to Hunter Capital pursuant to the terms of the Hunter Capital Mandate.
LFP	Has the meaning given to that term in Section 1.1(a).
Listing Rules	The official listing rules of ASX.
MFP	Has the meaning given to that term in Section 1.1(a).
New Option	The Options offered under the Security Purchase Plan, Shortfall Offer and Placement Option Offer, being exercisable at \$1.00 each within 2 years of issue, and otherwise on the terms and conditions set out in Section 6.2.
New Share	A new Share, which the Company may issue to investors under the Placement, Share Purchase Plan or Shortfall Offer.
Non-Executive Director	A non-executive Director of the Company.
Offer Period	The period that an Offer is open, being the period between the Opening Date and the Closing Date.
Offer Price	\$0.80 per New Share.
Offer Securities	The Securities offered under this Prospectus, being any one or more of the following, as the context requires: <ul style="list-style-type: none"> • the New Shares and New Options under the Security Purchase Plan and Shortfall Offer; • the New Options under the Placement; and • the New Options under the Lead Manager Offer.
Offers	The Security Purchase Plan, Shortfall Offer, Placement Option Offer and Lead Manager Offer, or any one or more of those offers as the case may be.

Official Quotation	The admission of Securities to the official list of the ASX.
Opening Date	The opening date of the Offers, being Wednesday, 7 March 2018 or such other date as determined by the Directors.
Option	An option to subscribe for a Share.
Performance Share	A class “B” or class “C” performance share in the capital of the Company.
Placement	Has the meaning given to that term in Section 1.2.
Placement Option Offer	The offer under this Prospectus of 3,125,000 New Options to Placement Participants.
Placement Participant	A participant in the Placement.
Privacy Act	<i>Privacy Act 1988</i> (Cth).
Prospectus	This document, including the Application Forms.
Prospectus Date	The date of this Prospectus, being the date that this Prospectus is lodged with ASIC.
Record Date	The date at which entitlement of Shareholders to participate in the Security Purchase Plan is determined, being 5.00pm (WST) on Friday, 23 February 2018.
Related Bodies Corporate	Has the meaning given to that term in the Corporations Act.
Section	A section of this Prospectus.
Securities	Has the meaning given to that term in section 761A of the Corporations Act and includes a Share, an Option and a Performance Right.
Security Purchase Plan	The offer to each Eligible Shareholder of up to 18,750 New Shares at an issue price of \$0.80 per Share totalling \$15,000, with one free-attaching New Option for every two New Shares subscribed.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	The holder of a Share.
Share Registry	The Company’s Share Registry, Security Transfer Australia Pty Ltd.
Shortfall	Has the meaning given to that term in Section 1.2.
Shortfall Offer	Has the meaning given to that term in Section 1.2.
Timetable	The indicative timetable for the Offers as set out in the Key Offer Information on page 1.
WST	Western Standard Time, being the time in Perth, Western Australia.