



**ADMEDUS LIMITED
ACN 088 221 078**

PROSPECTUS

FOR

A renounceable pro rata entitlement issue of one New Share for every nine Shares held by Eligible Shareholders at the Record Date at an issue price of \$0.33 per New Share to raise approximately \$8.3 million (before costs).

**THE ENTITLEMENT OFFER IS CURRENTLY EXPECTED TO CLOSE AT 3.00PM (WST) ON
29 August 2016.**

VALID APPLICATIONS MUST BE RECEIVED BEFORE THAT TIME.

**PLEASE READ THE INSTRUCTIONS IN THIS PROSPECTUS AND ON THE
ACCOMPANYING ENTITLEMENT AND ACCEPTANCE FORM REGARDING THE
ACCEPTANCE OF YOUR ENTITLEMENT UNDER THE ENTITLEMENT OFFER.**

**THIS IS AN IMPORTANT DOCUMENT WHICH REQUIRES YOUR IMMEDIATE ATTENTION
AND SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN DOUBT ABOUT WHAT TO DO,
YOU SHOULD CONSULT YOUR STOCKBROKER, ACCOUNTANT, SOLICITOR, OR OTHER
PROFESSIONAL ADVISOR.**

**AN INVESTMENT IN THE SECURITIES OFFERED BY THIS PROSPECTUS SHOULD BE
CONSIDERED HIGHLY SPECULATIVE IN NATURE.**

IMPORTANT INFORMATION

General

This Prospectus is dated, and was lodged with ASIC on, 2 August 2016. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

The Company will apply to ASX within seven days of the date of this Prospectus for Official Quotation by ASX of the New Shares.

A copy of this Prospectus is available for inspection at the Australian registered office of the Company at 26 Harris Street, Malaga, Western Australia during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (refer to Sections 7.1 and 7.15). Eligible Shareholders can obtain a copy of this Prospectus during the period of the Entitlement Offer on the Company's website.

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

Application Forms

The Application Forms accompanying this Prospectus are important. An Application for New Shares under an Offer can only be submitted on an Application Form. If acceptance is by BPAY® there is no need to return an Application Form. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement. Please refer to the instructions in Section 4 regarding the acceptance of your Entitlement and completion of the Entitlement and Acceptance Form.

By returning an Application Form, you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offers detailed in this Prospectus.

Overseas Shareholders

This Prospectus does not, and is not intended to, constitute an offer of New Shares in any place or jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or to issue this Prospectus.

The Offers are not being extended, and New Shares will not be issued, to Shareholders with a registered address which is outside Australia, New Zealand, Singapore or the United Kingdom. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions (other than those mentioned above) having regard to the number of overseas Shareholders, the number and value of New Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

No action has been taken to permit the offer of New Shares to existing Shareholders in any jurisdiction other than Australia, New Zealand, Singapore or the United Kingdom. The distribution of this Prospectus in jurisdictions outside Australia, New Zealand, Singapore or the United Kingdom is restricted by law and persons outside of Australia, New Zealand, Singapore or the United Kingdom should observe such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

Further detail in relation to Singapore and the United Kingdom is as follows:

United Kingdom

Neither the information in this Prospectus has, nor any other documents relating to the Entitlement Offer have, been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares. No prospectus is required under Section 85(1) FSMA as this document is issued on a confidential basis to fewer than 150 persons (other than 'qualified investors' (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this Prospectus, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to the Company.

This Prospectus is only directed at persons who are: (i) outside the United Kingdom; (ii) who fall within Article 43 (members of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005; or (iii) to whom it may otherwise be lawfully communicated (together 'relevant persons'). The investments to which this Prospectus relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus or any of its contents.

Singapore

This document and any other materials relating to the Entitlement Offer have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the Offer may not be issued, circulated or distributed, nor may any New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (**SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing Shareholder. In the event that you are not an existing Shareholder, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

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

Notice to nominees and custodians

Shareholders resident in Australia, New Zealand, Singapore or the United Kingdom holding Shares on behalf of persons who are resident in other jurisdictions are responsible for ensuring that taking up any New Shares does not breach regulations in the relevant jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

Continuously quoted securities

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. This Prospectus is issued pursuant to section 713 of the

Corporations Act. 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 and does not include all information that would be included in a prospectus for an initial public offering.

Exposure period

No exposure period applies to the Offers.

Speculative investment

An investment in the New Shares should be considered highly speculative. Refer to Section 5 for details of the key risks applicable to an investment in the Company.

Persons wishing to apply for New Shares should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company and the rights and liabilities attaching to New Shares.

This Prospectus does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, their individual risk profile for speculative investments, investment objectives and individual financial circumstances. If persons considering applying for New Shares have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser.

There is no guarantee that New Shares will make a return on the capital invested, that dividends will be paid on the New Shares or that there will be an increase in the value of the New Shares in the future.

Forward-looking statements

This Prospectus contains forward-looking statements which may be identified by words such as 'believes', 'estimates', 'expects', 'intends', 'may', 'will', 'would', 'could', or 'should' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risks associated with an investment in the Company are detailed in Section 5. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

Diagrams

Any diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

Currency

All financial amounts contained in this Prospectus are expressed as Australian dollars unless otherwise stated.

Rounding

Any discrepancies between totals and sums and components in tables contained in this Prospectus are due to rounding.

Time

All references to time in this Prospectus are references to WST, unless otherwise stated.

Glossary

Defined terms and abbreviations used in this Prospectus are detailed in the glossary of terms in Section 9.

CORPORATE DIRECTORY

Directors

Mr Wayne Paterson	Interim Managing Director and Non-Executive Chairman
Mr Michael Bennett	Executive Director
Mr John Seaberg	Non-Executive Director
Mr Mathew Ratty	Non-Executive Director

Company Secretary

Mr Stephen Mann	Company Secretary
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Admedus Limited Registered Office

26 Harris Road Malaga WA 6090	
Tel:	+61 8 9266 0100
Fax:	+61 8 9266 0199
Email:	info.au@admedus.com
Website:	www.admedus.com
ASX Code:	AHZ

Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth WA 6000

Lawyers

DLA Piper Australia
Level 31
152 - 158 St Georges Terrace
Perth WA 6000

Auditor*

HLB Mann Judd
Level 4
130 Stirling Street
Perth WA 6000

Lead Manager and Underwriter

Patersons Securities Limited
Level 23, Exchange Tower
2 The Esplanade
Perth WA 6000

*This party is named for informational purposes only and was not involved in the preparation of this Prospectus.

INDICATIVE TIMETABLE

Event	Date
Company sends letters to Foreign Shareholders and Eligible Shareholders	1 August 2016
Lodgement of Prospectus with ASIC and provision of a copy to ASX	2 August 2016
'Ex' Date	12 August 2016
Entitlement Trading Commencement Date	12 August 2016
Record Date (at 5.00pm WST)	15 August 2016
Prospectus dispatched to Eligible Shareholders	18 August 2016
Opening Date	18 August 2016
Entitlement Trading End Date	22 August 2016
Shares quoted on a deferred settlement basis	23 August 2016
Closing Date (at 3.00pm WST)	29 August 2016
Notify ASX and Patersons (as Underwriter) of any Shortfall	1 September 2016
Anticipated issue date of New Shares	5 September 2016
Deferred settlement trading ends	5 September 2016
Anticipated date for dispatch of holding statements	6 September 2016
Anticipated date for commencement of trading of New Shares	6 September 2016

The above timetable is indicative only and subject to change. Subject to the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the New Shares. The Directors also reserve the right not to proceed with the whole or part of the Offers at any time prior to allotment. In that event, the relevant Application Monies will be returned without interest.

LETTER FROM THE CHAIRMAN

Dear Shareholder

On behalf of the Board, I am pleased to present the Prospectus for Admedus Limited's (**Admedus or Company**) Entitlement Offer to Shareholders.

Entitlement Offer

The Entitlement Offer is a renounceable pro-rata entitlement issue to Shareholders of one New Share for every nine Shares held by Eligible Shareholders at an issue price of \$0.33 per New Share to raise approximately \$8.3 million (before costs). This Entitlement Offer is made to all Shareholders with a registered address in Australia, New Zealand, Singapore or the United Kingdom on the Record Date, being 15 August 2016, and represents a 25% **discount** to the five day VWAP and a 27% **discount** to the market price as at close of trading on 26 July 2016.

Shareholders may apply for New Shares in excess of their full entitlements under the Entitlement Offer. As the Entitlement Offer is renounceable, Eligible Shareholders will be able to trade their Entitlements on ASX and Shareholders may dispose of their Entitlements to other parties (refer to Section 2).

The Company has appointed Patersons Securities Limited as Lead Manager and Underwriter to the Entitlement Offer.

Placement

On 29 July 2016 the Company announced that it had secured firm commitments for a placement of Shares to sophisticated and institutional investors at \$0.33 per Share to raise approximately \$10 million (after costs). 30,303,031 Shares will be issued under the Placement on or about 5 August 2016. Further details of the Placement are in the Company's announcement lodged with the ASX on 29 July 2016 and in Section 2.2.

The Path Forward

Over the last three months, the Company has undertaken an extensive global restructuring initiative to address issues such as costs, commercial performance and strategic priorities. The key objectives of the restructuring initiative were to improve commercial effectiveness and significantly accelerate the Company's path to profitability.

The Company is currently focused on implementing improvements to manufacturing gross margins and productivity, sales team performance, product development focused on near market products, shareholder transparency and Company structure. The Placement and Entitlement Offer will allow the Company to continue its current strong sales growth and roll-out additional products into the cardiovascular markets, while implementing a corporate strategy of tighter expenditure control.

In addition to the implementation of the Company's recent restructuring initiative, the completion of the Placement and Entitlement Offer places the Company in a very strong financial position. It will enable the Board and management to execute the Company's business plan for the benefit of all shareholders and achieve sustainable profitability for the 2018 financial year and beyond.

Use of Funds Raised

Admedus will use the funds raised from the Placement and the Entitlement Offer to execute its recently announced corporate restructuring with the majority allocated for working capital. In addition, funds will be used for the purposes of:

- scale up of manufacturing to meet market demand;
- new product and IP development;
- new market expansion across emerging markets and new product ranges;

- further investment and development in immunotherapy programmes in conjunction with Professor Ian Frazer; and
- clinical and post market studies.

Further information about the Company and its operations is contained in publically available documents lodged by the Company with the ASIC and ASX. This Prospectus should be read in conjunction with this material.

There are a number of risks associated with investing in the share market generally and the Company specifically. The New Shares must be regarded as highly speculative. Investors should read this Prospectus in its entirety before deciding to invest and in particular, consider the risks detailed in Section 5.

On behalf of the Board, I would like to thank you for considering the Entitlement Offer. We have a clear vision for growing revenues, continued product development and working in important research areas to build a global healthcare company for shareholders. We greatly appreciate your continued support.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Wayne Paterson', written in a cursive style.

Wayne Paterson
Interim Managing Director and Non-Executive Chairman

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1. Investment overview

Topic	Summary	Further information
What is the Entitlement Offer?	One New Share for every nine Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.33 per New Share.	Section 2.1
What is the Placement?	On 29 July 2016 the Company announced that it had secured firm commitments for a placement of Shares to sophisticated and institutional investors at \$0.33 per Share to raise approximately \$10 million (after costs). 30,303,031 Shares will be issued under the Placement on or about 5 August 2016.	Section 2.2
What is the purpose of the Entitlement Offer?	<p>The purpose of the Entitlement Offer is to raise approximately \$8.3 million (before costs).</p> <p>The funds raised from the Entitlement Offer will be used to scale up manufacturing to meet market demand, for new product and IP development, for new market expansion across emerging markets and new product ranges, for further investment and development in immunotherapy programmes in conjunction with Professor Ian Frazer, for clinical and post market studies, and for general working capital purposes.</p>	Section 2.3
What are the key investment highlights?	<ul style="list-style-type: none"> • Clear defined path to profitability with strong Company financial position • Growing sales across the Company • Product development focused on near market products • HSV-2 immunotherapy study data due in the 4th quarter of 2016 	
What are key risks associated with an investment in the Company?	<p>Some of the key risks that may affect the Company are detailed below. This list is not exhaustive, and further details of these risks and other risks associated with an investment in the Company are detailed in Section 5.</p> <p>In undertaking its business activities, the Company will be exposed to risks which include, but are not limited to:</p> <ul style="list-style-type: none"> • Commercial failure or underperformance of marketed products <p>There is a risk that the Group's marketed products will fail or not perform to the level anticipated.</p> • Clinical trial risk <p>The development of innovative products in the biomedical and healthcare industries is inherently risky and subject to many factors beyond the Group's control.</p> • Patient adverse events <p>There is a risk that a patient may have an adverse event as a result of one of the Group's products leading to a product liability claim against the Group which, could have a material adverse effect on the Group's financial</p> 	Section 5

Topic	Summary	Further information
	<p>condition.</p> <ul style="list-style-type: none"> <p>Competition</p> <p>As with most markets, there can be no assurance that other parties will not develop, or achieve commercialisation or, products or intellectual property that compete with or supersede the Group's potential products or intellectual property.</p> <p>Intellectual property</p> <p>The Group's success will depend, in part, on its ability to obtain adequate and valid patent protection, maintain trade secret protections and operate without infringing the proprietary rights of third parties or having third parties circumvent the Group's rights.</p> 	
What is the effect of the Offers on the Company?	<p>The maximum number of New Shares that may be issued under the Offers is approximately 25,173,093 (subject to rounding and assuming that no Options are exercised before the Record Date).</p> <p>In addition, 30,303,031 Shares will be issued under the Placement on or about 5 August 2016.</p>	Section 3.1
Is the Entitlement Offer subject to a minimum subscription?	No.	Section 2.5
Who can participate in the Entitlement Offer?	<p>Eligible Shareholders, being Shareholders on the Record Date with a registered address in Australia, New Zealand, Singapore or the United Kingdom on the Share Register, may participate in the Entitlement Offer.</p>	Sections 2.1 and 4.1
How do I accept my Entitlement?	<p>All Eligible Shareholders are entitled to participate in the Entitlement Offer. If you wish to accept all or part of your Entitlement, you must complete your Entitlement and Acceptance Form that accompanies this Prospectus and send it to the Share Registry together with payment by cheque, bank draft or money order or follow the instructions to pay via BPAY®.</p>	Section 4.1
Is the Entitlement Offer renounceable?	<p>Yes. The Entitlements are renounceable, which means that Eligible Shareholders who do not wish to exercise all or a portion of their Entitlements may choose to sell their Entitlements on ASX.</p>	Section 2.3
How will Shortfall be allocated?	<p>Shortfall Shares will be allocated at the absolute discretion of the Directors. Shortfall Shares will be allocated within three months after the Closing Date.</p> <p>Eligible Shareholders may apply for Shortfall Shares by completing the relevant section of their Entitlement and Acceptance Form.</p>	Section 2.7

Key dates	Ex-Date	12 August 2016	See Indicative Timetable on page 6
	Entitlement trading commences	12 August 2016	
	Record Date (at 5.00pm WST)	15 August 2016	
	Opening Date	18 August 2016	
	Entitlement trading ends	22 August 2016	
	Closing Date (at 3.00pm WST)	29 August 2016	
	Issue date	5 September 2016	
	Trading commences for New Shares	6 September 2016	
Enquiries concerning Prospectus	Enquiries relating to this Prospectus should be directed to the Company Secretary on +61 (08) 9266 0100.		Section 2.22

2. Details of the Offers

2.1 Entitlement Offer

The Entitlement Offer is a renounceable pro rata entitlement issue of one New Share for every nine Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.33 per New Share to raise approximately \$8.3 million (before costs) (**Entitlement Offer**).

Under this Prospectus, Eligible Shareholders, being Shareholders on the Record Date with a registered address in Australia, New Zealand, Singapore or the United Kingdom, are eligible to participate in the Entitlement Offer.

At the date of this Prospectus, the Company has on issue 196,254,798 Shares and 9,388,341 Options. 30,303,031 Shares will be issued under the Placement on or about 5 August 2016. Assuming no Options are exercised before the Record Date, approximately 25,173,093 New Shares may be issued under the Entitlement Offer (subject to rounding). If all of the existing Options are exercised before the Record Date, approximately 26,216,242 New Shares may be issued under the Entitlement Offer (subject to rounding).

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

All of the New Shares will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 6.1 for a summary of the rights attaching to New Shares.

2.2 Placement

On 29 July 2016 the Company announced that it had secured firm commitments for a placement of Shares to sophisticated and institutional investors at \$0.33 per Share to raise approximately \$10 million (after costs) (**Placement**). 30,303,031 Shares will be issued under the Placement on or about 5 August 2016, and the Shares issued under the Placement will have the same rights as the New Shares being offered under the Entitlement Offer as detailed in Section 6.1.

For further details of the Placement, please refer to the Company's announcement lodged with the ASX on 29 July 2016.

2.3 Entitlements trading

The Entitlements are renounceable, which means that Eligible Shareholders who do not wish to exercise all or a portion of their Entitlements may choose to sell their Entitlements on ASX. Information on how Entitlements may be sold on ASX is detailed below.

If you wish to sell all of your Entitlement on ASX, provide instructions to your stockbroker accordingly. Trading of Entitlements will commence on ASX on the Entitlement Trading Commencement Date and cease on the Entitlement Trading End Date. There is no guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on ASX, or that any particular price will be paid for the Entitlements sold on ASX.

You may elect to transfer all or a proportion of your Entitlement to another person other than on ASX. If the purchaser of your Entitlement is a Foreign Shareholder or a person that would be a Foreign Shareholder were they a registered holder of Shares, that purchaser will not be able to accept the Entitlement they have purchased.

If you are a Shareholder on the issuer sponsored subregister and you wish to transfer all or a proportion of your Entitlement to another person, other than on ASX, forward a completed standard renunciation and transfer form (obtainable from the Share Registry) accompanied by the applicable transferee's cheque, bank draft or money order for the New Shares they wish to subscribe for in Australian dollars, crossed 'Not Negotiable' and made payable to 'Admedus Limited' and lodged at any time after the Opening Date so that it is received by no later than 3.00pm (WST) on the Closing Date at the Share Registry at:

Admedus Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

If you wish to transfer all or a proportion of your Entitlement to another person on the CHESSE subregister, you must engage your CHESSE controlling participant (usually your stockbroker). If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to accept the Entitlement on their behalf.

It is important that you either accept or sell your Entitlement in accordance with the instructions in Section 4 and detailed on the Entitlement and Acceptance Form. Shareholders are responsible for determining their allocations of Entitlements or Shares before trading in them.

Eligible Shareholders who trade in Entitlements or Shares before receiving confirmation of their allocation do so at their own risk. Shareholders who take no action in respect of their Entitlements will receive no benefits.

Eligible Shareholders and investors who trade in Entitlements should have regard to Section 2.15.

2.4 Reasons for the Entitlement Offer and Placement and funding allocation

The purpose of the Entitlement Offer is to raise approximately \$8,307,121 (before costs). The Placement raised approximately \$10 million (before costs).

The Company intends to apply the funds raised from the Entitlement Offer and the Placement as follows:

Description	(A\$)
Further investment and development in immunotherapy programmes in conjunction with Professor Ian Frazer	3,000,000
Scale up of manufacturing to meet market demand	1,000,000
New product and IP development	2,000,000
New market expansion across emerging markets and new product ranges	2,000,000
Clinical and post market studies	1,000,000
Costs of the Entitlement Offer and Placement	1,156,253
Working Capital	8,150,868
TOTAL	18,307,121

The above table is a statement of the Board's current intentions as at the date of this Prospectus. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

2.5 Minimum subscription

There is no minimum subscription for the Entitlement Offer.

2.6 Opening and closing dates

The Company will accept Entitlement and Acceptance Forms in respect of the Entitlement Offer from Eligible Shareholders from the Opening Date until 3.00pm (WST) on the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the Listing Rules.

Please note that payment made by BPAY® must be received no later than 3.00 pm (WST time) on the Closing Date. It is the responsibility of all Eligible Shareholders to ensure that their BPAY® payments are received by the Company on or before the Closing Date.

2.7 Shortfall Offer

Any New Shares under the Entitlement Offer that are not applied for will form the Shortfall Shares. The offer to issue Shortfall Shares is a separate offer under this Prospectus. **(Shortfall Offer)**.

Under this Prospectus, the Company offers to issue the Shortfall Shares to investors at the same price of \$0.33 per New Share as that offered under the Entitlement Offer. The Shortfall Shares will have the same rights as the New Shares as detailed in Section 6.1.

Eligible Shareholders may apply for Shortfall Shares by completing the relevant section of their Entitlement and Acceptance Form (refer to Section 4.3 for further details). Other investors may also apply for Shortfall Shares by completing the Shortfall Application Form upon invitation from the Company (refer to Section 4.3).

Shortfall Shares may be allocated to any Eligible Shareholder or to other investors who apply for Shortfall Shares under the Shortfall Offer, at the absolute discretion of the Underwriter, in consultation with the Directors.

Shortfall Shares will not be offered or issued to any Applicant if, in the view of the Directors, to do so would increase that Applicant's voting power in the Company above 19.9% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

An Application for Shortfall Shares accompanied by payment of Application Monies does not guarantee the allotment of any Shortfall Shares. The Shortfall Shares will be allocated within three months after the Closing Date.

In relation to the Shortfall Offer, the Company reserves the right to issue to an Applicant a lesser number of Shortfall Shares than the number applied for, reject an Application or not proceed with the issuing of the Shortfall Shares or part thereof. If the number of Shortfall Shares issued is less than the number applied for, surplus Application Monies will be refunded in full. Interest will not be paid on Application Monies refunded.

2.8 Underwriting

The Entitlement Offer is being fully underwritten by Patersons.

2.9 Risks of the Offers

As with any securities investment, there are risks associated with investing in the Company. However, having regard to the matters detailed in Section 2.3 and the risks applicable to the Company and its business detailed in Section 5, Eligible Shareholders should be aware that an investment in the New Shares should be considered highly speculative and there exists a risk that you may, in the future, lose some or all of the value of your investment.

Before deciding to invest in the Company, investors should read this Prospectus in its entirety, in particular the specific risks associated with an investment in the Company (detailed in Section 5), and should consider all factors in light of their personal circumstances and seek appropriate professional advice.

2.10 Application Forms and BPAY® payments

Acceptance of a completed Application Form, or alternatively, a BPAY® payment, by the Company creates a legally binding contract between the Applicant and the Company for the number of New Shares accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of New Shares.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision whether to treat a completed Application Form as valid and how to construe, amend or complete the Application Form is final.

2.11 Issue and Dispatch

The expected dates for issue of New Shares and dispatch of holding statements are expected to occur on the dates specified in the Indicative Timetable.

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

Shortfall Shares may be issued within three months after the Closing Date.

2.12 Application Monies held on trust

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

2.13 ASX quotation

Application will be made to ASX no later than seven days after the date of this Prospectus for Official Quotation of the New Shares. If ASX does not grant Official Quotation of the New Shares within three months after the date of this Prospectus (or such period as the ASX allows), no New Shares will be issued or allotted under the Offers and the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the New Shares.

2.14 Effect on control

Whilst a Nominee has been appointed to sell the Entitlements of Foreign Shareholders, this appointment is not under section 615 of the Corporations Act. Accordingly, the exemption to the 20% takeovers threshold under item 10 of section 611 of the Corporations Act is not available to Eligible Shareholders taking up their Entitlement under the Entitlement Offer.

No New Shares will be issued to any Applicant if, in the view of the Directors, to do so would increase that Applicant's voting power in the Company above 19.9% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

The Offers are not expected to give rise to control implications for the Company albeit that the effect of the Offers on the voting power in the Company, for the purposes of the Corporations Act, is dependent upon the number of New Shares taken up, the number of Shortfall Shares taken up and the impact of the Placement.

2.15 Withdrawal

The Directors may at any time decide to withdraw this Prospectus and the Offers, in which case, the Company will return all Application Monies (without interest) in accordance with the Corporations Act.

2.16 CHESS

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

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

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

The CHESSE statement will set out the number of New Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Shares.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by the Share Registry and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

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

2.17 Foreign Shareholders

The Entitlement Offer is not being extended to any Shareholders whose registered address is outside Australia, New Zealand, Singapore or the United Kingdom. The Company is of the view that it is unreasonable to make the Entitlement Offer to Shareholders outside Australia, New Zealand, Singapore or the United Kingdom, having regard to:

- (a) the number of those Shareholders;
- (b) the number and value of Shares to be offered to those persons; and
- (c) the cost of complying with overseas legal requirements.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer other than for Shareholders in Australia, New Zealand, Singapore or the United Kingdom. The Company is not required to make offers under this Prospectus to Shareholders other than in Australia, New Zealand, Singapore or the United Kingdom. Where this Prospectus has been dispatched to Shareholders domiciled outside Australia, New Zealand, Singapore or the United Kingdom and where the country's securities code or legislation prohibits or restricts in any way the making of the Offers, this Prospectus is provided for information purposes only.

Shareholders resident in Australia, New Zealand, Singapore or the United Kingdom holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up Entitlements under the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

2.18 Foreign holder nominee

For the purposes of Listing Rule 7.7, the Company has appointed Patersons as a nominee to sell the Entitlements which would have been offered to Foreign Shareholders (**Nominee**) had they been entitled to participate in the Entitlement Offer and to account to the Foreign Shareholders for their proportion of the sale proceeds net of expenses. Patersons will sell the Entitlements on ASX and if the Entitlements are unable to be sold on ASX (due to there being no market for the Entitlements), then the Entitlements will be sold off-market for nominal consideration.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Foreign Shareholder.

Notwithstanding that the Nominee must sell the Entitlements, Foreign Shareholders, may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

2.19 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for New Shares.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. Applicants should consult their own professional tax adviser to obtain advice in relation to the taxation laws, regulations and implications applicable to their personal circumstances.

2.20 Major activities and financial information

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2015 is contained in the Annual Report which is available on the Company's website at www.admedus.com.

A summary of the major activities and financial information relating to the Company for the half year ended 31 December 2015 is contained in the Half Yearly Report which is available on the Company's website at www.admedus.com.

The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report for the year ended 30 June 2015 with ASX on 13 October 2015 are detailed in Section 7.1.

Copies of these documents are available free of charge from the Company or the Company's website: www.admedus.com. Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

2.21 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

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

If you do not provide the information required on Application Form, the Company may not accept or process your Application.

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

2.22 Enquiries concerning Prospectus

Enquiries relating to this Prospectus should be directed to the Company Secretary on +61 (08) 9266 0100.

3. Effect of the Offers

3.1 Capital structure on completion of the Offers

On the basis that the Company completes the Offers, the Company's capital structure will be as follows:

	Number of Shares	Number of Options
Balance as at the date of this Prospectus	196,254,798	9,388,341
Shares to be issued under the Placement on or about 5 August 2016	30,303,031	-
Entitlement Offer	25,173,093 ⁽¹⁾	-
TOTAL	251,730,922	9,388,341

Notes:

1. The New Shares issued under the Entitlement Offer will represent approximately 10.00% of the enlarged issued share capital of the Company following the Entitlement Offer and the Placement.

3.2 Pro-forma statement of financial position

Set out on the following pages are the Company's Consolidated Statement of Financial Position as at 31 May 2016 (unaudited) and the Company's Pro-Forma Consolidated Statement of Financial Position as at 31 May 2016 (unaudited) (**Statements**).

The Statements are presented in abbreviated form insofar as they do not include all the disclosures that are present in annual financial reports as required by Australian Accounting Standards. The significant accounting policies that underpin the Statements are the same policies as those outlined in the Company's Annual Report for the year ended 30 June 2015.

The Pro-Forma Statement of Financial Position has been prepared on the basis that there are no material movements in the assets and liabilities of the Company between 31 May 2016 and the completion of the Offers except for:

- at full subscription of the Entitlement Offer and completion of the Placement, the issue of 55,476,124 New Shares at \$0.33 each (subject to rounding and assuming that no Options are exercised before the Record Date) to raise approximately \$18,307,121; and
- estimated costs of the Entitlement Offer and Placement of \$1,156,253.

No allowance has been made for expenditure incurred in the normal course of business from 31 May 2016 to the Closing Date.

**UNAUDITED PRO-FORMA CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS AT 31 MAY 2016**

	UNAUDITED	CAPITAL RAISING FEES	FUNDS RECEIVED FROM ENTITLEMENT OFFER AND PLACEMENT	UNAUDITED PRO-FORMA
	31 May 2016			31 May 2016
	\$		\$	\$
ASSETS				
Current assets				
Cash and cash equivalents	9,723,210	(1,156,253)	18,307,121	26,874,078
Trade and other receivables	2,879,276			2,879,276
Inventories	3,586,488			3,586,488
Total current assets	16,188,974	(1,156,253)	18,307,121	33,339,842
Non-current assets				
Property, plant & equipment	2,698,360			2,698,360
Intangible assets	7,599,225			7,599,225
Total non-current assets	10,297,585	0	0	10,297,585
Total assets	26,486,559	(1,156,253)	18,307,121	43,637,427
LIABILITIES				
Current liabilities				
Trade and other payables	1,986,425			1,986,425
Employee benefit provisions	1,061,501			1,061,501
Total current liabilities	3,047,926	0	0	3,047,926
Non-current liabilities				
Lease make good provisions	466,337			466,337
Total non-current liabilities	466,337	0	0	466,337
Total liabilities	3,514,263	0	0	3,514,263
NET ASSETS	22,972,296	(1,156,253)	18,307,121	40,123,164
EQUITY				
Contributed equity	87,887,942	(1,156,253)	18,307,121	105,038,810
Reserves	509,744			509,744
Accumulated losses	(67,595,032)			(67,595,032)
Capital and reserves attributable to equity holders of Admedus Ltd	20,802,654	(1,156,253)	18,307,121	37,953,522
Non-controlling interest	2,169,642			2,169,642
TOTAL EQUITY	22,972,296	(1,156,253)	18,307,121	40,123,164

4. Action required by Applicants

4.1 Eligible Shareholders

Your entitlement to participate in the Entitlement Offer will be determined on the Record Date. The number of New Shares which Eligible Shareholders are entitled to is shown on the Entitlement and Acceptance Form accompanying this Prospectus.

If you do not accept your Entitlement, then your percentage holding in the Company will be diluted.

If you are an Eligible Shareholder you may either:

- accept all of your Entitlement;
- accept part of your Entitlement and allow the balance to lapse;
- accept all of your Entitlement and apply for New Shares in excess of your Entitlement by applying for Shortfall Shares;
- sell all of your Entitlement on ASX;
- accept part of your Entitlement and sell the balance on ASX;
- deal with all or part of your Entitlement other than on ASX; or
- decline to accept any part of your Entitlement and allow it to lapse.

If you are an Eligible Shareholder and wish to accept all or part of your Entitlement:

- carefully read this Prospectus in its entirety;
- consider the risks associated with an investment in the Company (refer to Section 5) in light of your personal circumstances;
- complete the relevant sections of the Entitlement and Acceptance Form in accordance with the instructions contained in this Prospectus and detailed on the Entitlement and Acceptance Form; and
- return the completed Entitlement and Acceptance Form together with the Application Monies (in full) in accordance with Section 4.4, so that it is received at the following address by no later than 3.00pm (WST) on the Closing Date:

Admedus Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

(a) Acceptance of all of your Entitlement

If you wish to accept all of your Entitlement, complete the relevant sections of the Entitlement and Acceptance Form in accordance with the instructions contained in this Prospectus and detailed on the Entitlement and Acceptance Form, including the number of New Shares you wish to accept under the Entitlement Offer and the total Application Monies (calculated at \$0.33 per New

Share accepted under the Entitlement Offer). Please read the instructions carefully.

Please return the completed Entitlement and Acceptance Form, together with the Application Monies (in full) in accordance with Section 4.4, to the Share Registry so that it is received at the following address by no later than 3.00pm (WST) on the Closing Date:

Admedus Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

(b) Acceptance of part of your Entitlement and allowing the balance to lapse

If you wish to accept part of your Entitlement and allow the balance to lapse, complete the relevant sections of the Entitlement and Acceptance Form in accordance with the instructions contained in this Prospectus and detailed on the Entitlement and Acceptance Form, including the number of New Shares you wish to accept under the Entitlement Offer and the Application Monies (calculated at \$0.33 per New Share accepted under the Entitlement Offer). Please read the instructions carefully.

Please return the completed Entitlement and Acceptance Form, together with the Application Monies (in full) in accordance with Section 4.4, to the Share Registry so that it is received at the following address by no later than 3.00pm (WST) on the Closing Date:

Admedus Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

(c) Acceptance of all of your Entitlement and applying for Shortfall Shares

If you wish to accept all of your Entitlement and apply for New Shares in excess of your Entitlement by applying for Shortfall Shares, complete the relevant sections of the Entitlement and Acceptance Form in accordance with the instructions contained in this Prospectus and detailed on the Entitlement and Acceptance Form, including the number of New Shares you wish to accept under the Entitlement Offer, the number of Shortfall Shares you wish to apply for under the Shortfall Offer and the total Application Monies (calculated at \$0.33 per New Share accepted under the Entitlement Offer and \$0.33 per Shortfall Share applied for under the Shortfall Offer). Please read the instructions carefully.

Please return the completed Entitlement and Acceptable Form, together with the Application Monies (in full) in accordance with Section 4.4, to the Share Registry so that it is received at the following address by no later than 3.00pm (WST) on the Closing Date:

Admedus Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

(d) **Selling all of your Entitlement on ASX**

If you wish to sell all of your Entitlement on ASX, complete the appropriate section on the Entitlement and Acceptance Form marked 'Instructions to Your Stockbroker' and return it to your stockbroker as soon as possible, or otherwise provide instructions to your stockbroker regarding the sale of all of your Entitlement on ASX.

You can sell your Entitlement on ASX from the Entitlement Trading Commencement Date to the Entitlement Trading End Date. The Company accepts no responsibility for any failure by your stockbroker to carry out your instructions.

(e) **Acceptance of part of your Entitlement and selling the balance on ASX**

If you wish to accept only part of your Entitlement, complete the relevant sections of the Entitlement and Acceptance Form in accordance with the instructions contained in this Prospectus and detailed on the Entitlement and Acceptance Form, including the number of New Shares you wish to accept under the Entitlement Offer and the Application Monies (calculated at \$0.33 per New Share accepted under the Entitlement Offer). Please read the instructions carefully.

Please return the completed Entitlement and Acceptance Form, together with the Application Monies (in full) in accordance with Section 4.4, to the Share Registry so that it is received at the following address by no later than 3.00pm (WST) on the Closing Date:

Admedus Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

You may then provide instructions to your stockbroker regarding the proportion of your Entitlement you wish to sell on ASX.

(f) **Dealing with part or all of your Entitlement other than on ASX**

You may transfer all or part of your Entitlement to another person other than on ASX provided that the purchaser is not a Foreign Shareholder or would not be a Foreign Shareholder if the purchaser was the registered holder of Shares.

If you wish to transfer all of your Entitlement to another person other than on ASX, forward a completed standard renunciation form (obtainable from the Company's Share Registry) and the applicable transferee's cheque, bank draft or money order for the requisite Application Monies (calculated at \$0.33 per New Share) to the Share Registry so that it is received at the following address by no later than 3.00pm (WST) on the Closing Date:

Admedus Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

If you wish to transfer part of your Entitlement to another person other than on ASX only, but also wish to accept some or all of the balance of your

Entitlement, you will need to take the steps described above in relation to the proportion of your Entitlement you wish to transfer and complete the relevant sections of the Entitlement and Acceptance Form in accordance with this Prospectus and the detailed on the Entitlement and Acceptance Form , including the number of New Shares you wish to accept under the Entitlement Offer and the Application Monies (calculated at \$0.33 per New Share accepted under the Entitlement Offer).

Please return the completed Entitlement and Acceptance Form, together with the Application Monies (in full) in accordance with Section 4.4, to the Share Registry so that it is received at the following address by no later than 3.00pm (WST) on the Closing Date:

Admedus Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

If the Company receives both a completed renunciation form and a completed Entitlement and Acceptance Form in respect of the same Entitlement, the renunciation will be given effect in priority.

(g) Allow all or part of your Entitlement to lapse

Your Entitlement may have value. The Entitlements are renounceable, which enables Eligible Shareholders who do not wish to accept some or all of their Entitlement to sell or trade all or part of their Entitlement on ASX.

If you do not wish to accept any of your Entitlement, you are not obliged to do anything.

The number of Shares you currently hold and the rights attaching to those Shares will not be affected should you choose not to accept or sell any part of your Entitlement, however, your percentage holding in the Company will be diluted.

(h) Enquiries concerning your Entitlement

If you have any queries concerning your Entitlement please contact the Company Secretary on +61 (08) 9266 0100.

4.2 Non-Eligible Shareholders – Foreign Shareholders

If you are a Foreign Shareholder, you may not accept any of, or do anything in relation to, your Entitlement. Refer to Section 2.17 for treatment of Foreign Shareholders.

4.3 Applications for Shortfall Shares under the Shortfall Offer

If you are not an Eligible Shareholder and wish to apply for Shortfall Shares under the Shortfall Offer, you must complete the relevant sections on the Shortfall Application Form, in accordance with the instructions referred to in this Prospectus and on the Shortfall Application Form, including the number of Shortfall Shares you wish to apply for under the Shortfall Offer and the total Application Monies (calculated at \$0.33 per Shortfall Share applied for under the Shortfall Offer). Please read the instructions carefully.

Please return the Shortfall Application Form, together with the Application Monies (in full) in accordance with Section 4.4, to the Share Registry so that it is received at the following address by no later than 3.00pm (WST) on the Closing Date:

Admedus Limited
C/- Computershare Investor Services Pty Limited
GPO Box 2115
Melbourne VIC 3001

4.4 Payment

The offer price of New Shares under the Offers is \$0.33 per New Share.

For Eligible Shareholders participating in the Entitlement Offer, Application Monies must be received by the Company by 3.00pm (WST) on the Closing Date.

Completed Application Forms must be accompanied by a cheque, bank draft or money order drawn in Australian dollars, made payable to 'Admedus Limited' and crossed 'Not Negotiable'.

Eligible Shareholders participating in the Entitlement Offer, and who wish to pay via BPAY® must follow the instructions on the Entitlement and Acceptance Form. You will be deemed to have accepted all or part of your Entitlement (as applicable) upon receipt of the BPAY® payment by the Company.

If paying via BPAY®, Eligible Shareholders should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of Eligible Shareholders to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

The Company shall not be responsible for any postal or delivery delays, or delay in the receipt of the BPAY® payment.

4.5 Representations by Applicants

By completing and returning an Application Form or paying any Application Monies by BPAY®, in addition to the representations set out elsewhere in this Prospectus and the Application Form, you:

- (a) if participating in the Entitlement Offer, represent to the Company that you are an Eligible Shareholder;
- (b) acknowledge that you have received a copy of this Prospectus and an accompanying Application Form, and read them both in their entirety;
- (c) agree to be bound by the terms of the Offers, the provisions of this Prospectus and the Constitution;
- (d) authorise the Company to register you as the holder(s) of the New Shares allotted to you;
- (e) declare that all details and statements in the Application Form are complete and accurate;

- (f) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (g) acknowledge that once the Application Form is returned, or a BPAY[®] payment instruction is given in relation to any Application Monies, the Application may not be varied or withdrawn except as required by law;
- (h) agree to accept and be issued up to the number of New Shares specified in the Application Form at the issue price of \$0.33 per New Share;
- (i) authorise the Company and its respective officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Application Form;
- (j) if participating in the Entitlement Offer, declare that you were the registered holder at 5.00 pm (WST) on the Record Date of the Shares indicated on your personalised Entitlement and Acceptance Form as being held by you at 5.00 pm (WST) on the Record Date;
- (k) acknowledge the statement of risks in Section 5 of this Prospectus and that an investment in the Company is subject to risk;
- (l) represent and warrant that the law of any place does not prohibit you from being given this Prospectus and the Application Form, nor does it prohibit you from accepting New Shares and that if you participate in the Entitlement Offer, that you are eligible to do so;
- (m) represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States;
- (n) understand and acknowledge that neither the Entitlement or New Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia, New Zealand, Singapore or the United Kingdom and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- (o) agree not to send this Prospectus, an Application Form or any other material relating to the Offers to any person in the United States or that is a person in the United States, or is acting for the account or benefit of a person in the United States; and
- (p) agree that if in the future you decide to sell or otherwise transfer your New Shares you will only do so in transactions where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, in the United States or a person in the United States.

4.6 Brokerage

No brokerage or stamp duty is payable by Eligible Shareholders who accept their Entitlement.

5. Risks

The New Shares are considered highly speculative and carry no guarantee with respect to the payment of dividends or returns of capital. An investment in the Company is not risk free and the Directors strongly recommend that potential investors consult their professional advisers and consider the risks described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for New Shares.

The following list of risks ought not to be taken as exhaustive of all the risks faced by the Company or by Shareholders. The proposed future activities of the Company are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be managed and mitigated by planning and the use of safeguards and appropriate controls. However, many of the risks are outside the control of the Company or the Directors and cannot be mitigated.

5.1 Risks specific to the Group

(a) Risk of commercial failure or underperformance of marketed products

With CardioCel[®] on the market in Europe and the United States, the Group is pursuing additional approvals in other jurisdictions. Since launching the product, the Group has made good progress with CardioCel[®] now being used in key cardiac centres in Europe, with a similar plan for the United States and the rest of the world. With the sales and marketing of CardioCel[®] within the Group, the Group reduces the risk of third party distributions issues. To further decrease the commercial risk, the Group's sales team are working diligently to increase the exposure of CardioCel[®] to cardiothoracic surgeons globally.

The Group is also undertaking several R&D programmes to continued expansion of its intellectual property portfolio as well as developing additional products for the regenerative medicine portfolio to further reduce the possibility of commercial risk.

The Group currently maintains a range of patents across the various technologies and continues to monitor these patents as well as exploring new patents based on the R&D currently being undertaken by the Group.

(b) Clinical trial risk

The development of innovative products in the biomedical and healthcare industries is inherently risky and subject to many factors beyond the Group's control. The market clearance of CardioCel[®] in Europe and the United States reduces the risk for this product, but the Group will continue to monitor the risks as it continues clinical studies and product development within its regenerative medicine vision.

(c) Patient adverse event and product liability claims

There is a risk that a patient may have an adverse event as a result of one of the Group's products leading to a product liability claim against the Group. The Group attempts to reduce the risk of such claims through disclaimers and liability limitation clauses and by maintaining adequate product liability insurance, however these may not be adequate and a product liability claim for damages could be substantial. A product liability claim where there was insufficient insurance coverage could have a material adverse effect on the

Group's financial condition. An adverse patient event or product liability claim could harm the market perception of the effectiveness of the Group's products.

(d) **Competition**

As with most markets, there can be no assurance that other parties will not develop, or achieve commercialisation, or products or intellectual property that compete with or supersede the Group's potential products or intellectual property. Therefore, it is likely that there are competing development programs in the areas being researched by the Group.

(e) **Financial performance**

The amount, timing and payment of any dividend will depend on a range of factors, including future capital and R&D requirements and the financial positions generally of the Group at the time. There will also be factors that affect the ability of the Group to pay dividends and the timing of those dividends that will be outside the control of the Group and Directors. The Directors are, therefore, unable to give any assurance regarding the payment of dividends in the future.

(f) **Intellectual property**

The Group's success will depend, in part, on its ability to obtain adequate and valid patent protection, maintain trade secret protections and operate without infringing the proprietary rights of third parties or having third parties circumvent the Group's rights.

While the Group believes it has taken appropriate steps to protect its proprietary technology, the laws may not adequately protect it in all places the Group does business or enable the Group's rights to be enforced with sufficient adequacy.

The enforceability of a patent is dependent on a number of factors which may vary between jurisdictions, including the validity of the patent and the scope of protection it provides. The validity of a patent depends upon factors such as the novelty of the invention, the requirement in many jurisdictions that the invention not be obvious in light of the prior art (including any prior use or documentary disclosure of the invention), the utility of the invention and the extent to which the patent specification clearly discloses the best methods or working or carrying out the invention. The legal interpretation of these requirements often varies between jurisdictions. There can be no assurance even if the Group succeeded or succeeds in obtaining the grant of patents, that other will not seek to imitate the Group's products, and in doing so, attempt to design their products in such a way as to circumvent the Group patent rights. Additionally, the ability of the legal process to provide efficient and effective procedures for dealing with actual or suspected infringements can vary considerably between jurisdictions.

Regarding the Group's patent applications, no guarantee can be given that such protections will be obtained by the Group. If such patents are not granted, it may be possible for a third party to imitate and use the Group's intellectual property without its authorisation or to develop and use similar technology independently. The Group will pursue vigorously both its existing and all future patent applications for Australian and foreign patent applications. No guarantee can be given nor does the grant of a patent guarantee that the patent

concerned is valid or that the patented technology does not infringe the rights of others.

The Group may wish to expand into foreign countries in the future and the laws of many foreign countries treat the protection of proprietary rights differently from the laws in Australia. Those laws may not protect the Group's proprietary rights to the same extent as do laws in Australia.

(g) **Staff**

The Group's future success depends on its continuing ability to retain and attract highly qualified technical, R&D, and managerial personnel. Competition for such personnel can be intense and there can be no assurance that the Group will be able to retain its key managerial, R&D, and technical employees or that it will be able to attract and retain additional highly qualified personnel in the future. The ability to attract and retain the necessary personnel could have a material and adverse effect upon the Group's business, results of operations and financial condition.

(h) **Litigation**

On 12 November 2014, Dr Geoffrey Lane, Dr Keith Woollard and their respective associated entities Palkingston Pty Ltd and KV Woollard Pty Ltd (the Plaintiffs) instituted proceeding against the Company, its wholly owned subsidiary Admedus (Australia) Pty Ltd and its subsidiary Admedus Regen Pty Ltd alleging that the affairs of Admedus Regen Pty Ltd are being conducted in a matter that is contrary to the interests of the members of Admedus Regen Pty Ltd as a whole and oppressive of the interests of the Plaintiffs. This proceeding is being heard in the Federal Court and is listed for trial in November 2016. If the Federal Court finds in favour of the Plaintiffs, the Company may be liable for a quantum of damages which, at this stage, cannot be reliably determined. This may adversely affect the Group's financial position and reputation.

5.2 **General risks**

(a) **Share market**

There are risks associated with any securities investment and the share market. The price of Shares may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's operational or financial performance. These factors may include movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxations and royalties, war global hostilities and acts of terrorism.

(b) **Liquid risk**

There is no guarantee that there will be an ongoing liquid market for the Shares. Accordingly, there is a risk that, should the market or the Share become illiquid, the Shareholders will be unable to realise their investment in the Company.

(c) **Global credit and investment markets**

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

5.3 Investment speculative

The above list of risks ought not to be taken as exhaustive of the risks faced by the Company or by prospective investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares. The New Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares. Prospective investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Shares.

6. Rights attaching to New Shares

6.1 Rights attaching to New Shares

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

(a) Voting

Subject to any rights or restrictions at the time being attached to any class or classes of shares, at a general meeting of the company on a show of hands, every Shareholder present in person, or by proxy, attorney or representative (in the case of a company) has one vote and upon a poll, every Shareholder present in person, or by proxy, attorney or representative (in the case of a company) has one vote for any Share held by the Shareholder).

A poll may be demanded by the chairperson of the meeting, at least 5 Shareholders entitled to vote in person or by proxy, attorney or representative or by any one or more Shareholders holding not less than 5% of the total voting rights of all Shareholders having the right to vote.

(b) General meetings

Directors may call a meeting of Shareholders whenever they think fit. Members may call a meeting as provided by the Corporation Act. All Shareholders are entitled to a notice of meeting. A quorum for a meeting of Shareholders is 2 eligible voters.

The Company will hold annual general meetings in accordance with section 250N of the Corporations Act.

Shareholders are entitled to be present in person, or by proxy, attorney or representative (in the case of a company) to speak and to vote at general meetings of the Company.

(c) Dividends

The Directors may declare and authorise the distribution from the profits of the Company, dividends to be distributed to Shareholders according to their rights and interests. The dividend declared shall be payable on all Shares in accordance with section 254W of the Corporations Act.

(d) Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, and to the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia.

(e) **Variation of rights**

Shares may be converted or cancelled with member approval and the Company's share capital may be reduced in accordance with the requirements of the Corporations Act.

Class rights attaching to a particular class of share may be varied or cancelled with the consent in writing of holders of 75% of the shares in that class or by a special resolution of the holders of shares in that class.

(f) **Directors**

The business of the Company is to be managed by or under the direction of the Directors. Directors are not required under the Constitution to hold any Shares.

Unless changed by the Company in general meeting, the minimum number of Director is three and the maximum is 9. The existing Directors may appoint a new Director to fill a casual vacancy or as an addition to the Board. Any such Director must retire at the next following annual general meeting of the Company (at which meeting he or she may be eligible for elections as a Director).

The Constitution contains provisions relating to the rotation and election of directors. No Director other than the Managing Director may hold office later than the third annual general meeting after his or her appointment or election, without submitting himself or herself for re-election.

(g) **Decisions of Directors**

Questions arising at a meeting of Directors are decided by a majority of votes. The Chairman has a casting vote except where only two Directors are able to vote.

(h) **Issue of further Shares**

The Directors may, subject to any restrictions imposed by the Constitution and the Corporations Act, allot, issue, grant options over, or otherwise dispose of, further shares with or without preferential rights on such terms and conditions as they see fit.

(i) **Officers' indemnity**

Under the Constitution, the Company is obliged, to the extent permitted by law, to indemnify an officer (including Directors) of the Company against liabilities incurred by the officer in that capacity, against costs and expenses incurred by the officer in successfully defending civil or criminal proceedings, and against any liability which arises out of conduct not involving a lack of good faith.

To the extent permitted by law, the Company may also pay the premium or any insurance policy for any person who is or has been, an officer against a liability incurred by that person in this or capacity as an officer of the Company, provided that the liability does not arise out of conduct involving a wilful breach of duty.

(j) **Alteration to the Constitution**

The Company's constitution can only be amended by a special resolution passed by at least 75% of Shareholders present and voting at a general meeting. At least 28 days' notice of the intention to propose the special resolution must be given.

6.2 Dividend policy

The Company does not intend to declare or pay any dividends in the immediately foreseeable future.

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

7. Additional information

7.1 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act, and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares are in the same class as Shares that have been quoted on the official list of the ASX during the three months prior to the issue of this Prospectus.

This Prospectus is a 'transaction specific prospectus' to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities, or operation to acquire securities, in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms 'transaction specific prospectuses' are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, the financial position, profits and losses or prospects of the issuing company.

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 and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. 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.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the closing date of the Entitlement Offer:
 - (i) the annual financial report of the Company for the financial year ended 30 June 2015 being the most recent annual financial report of the Company lodged with the ASIC before the issue of this Prospectus; and

- (ii) the half year financial report of the Company for the six months ended 31 December 2015 lodged with ASIC after the lodgement of the annual financial report mentioned in paragraph (i) and before the issue of this Prospectus; and
- (iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the annual financial report referred to in paragraph (i) above until the issue of this Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

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

The Company has lodged the following announcements with ASX since the lodgement of its annual report on 13 October 2015:

Date	Description of Announcement
13 October 2015	Notice of Annual General Meeting/Proxy Form
13 October 2015	Appendix 4G
13 October 2015	Letter to Shareholders
16 October 2015	Consolidation/Split - AHZ
16 October 2015	Update - Consolidation/Split - AHZ
29 October 2015	Admedus to host Investor Webinar
30 October 2015	Appendix 4C - quarterly
30 October 2015	Admedus Investor Presentation
4 November 2015	Admedus first sales in Malaysia
9 November 2015	Admedus achieves label expansion for CardioCel in Europe
13 November 2015	AGM Presentation 2015
13 November 2015	Results of Meeting
13 November 2015	Update - Consolidation/Split - AHZ
26 November 2015	Notice providing detail of shareholding
26 November 2015	Appendix 3B - Post Consolidation
26 November 2015	Change of Director's Interest Notices - Post Consolidation
1 December 2015	Change of Director's Interest Notice - Correction

Date	Description of Announcement
9 December 2015	Appendix 3B - Exercise of Options
11 December 2015	Appendix 3B
11 December 2015	Change of Director's Interest Notice
18 December 2015	Trading Halt
18 December 2015	Appendix 3B - Placement
22 December 2015	Notice under Section 708A(5)(e) of the Corporations Act
22 December 2015	Admedus announces US\$5M Placement of shares
24 December 2015	Admedus End of Year Update
24 December 2015	Appendix 3B - Placement
24 December 2015	Notice under Section 708A(5)(e) of the Corporations Act
24 December 2015	Becoming a substantial holder - Admedus Ltd
29 December 2015	Becoming a substantial holder
27 January 2016	Admedus signs exclusive distribution agreement with CORONEO
28 January 2016	Appendix 4C - quarterly
3 February 2016	Admedus First MENA Sales
8 February 2016	Admedus Director steps down
8 February 2016	Final Director's Interest Notice
9 February 2016	Admedus appoints new Chairman
9 February 2016	Final Director's Interest Notices
15 February 2016	HSV-2 Study timelines update
26 February 2016	Half Yearly Report
4 March 2016	HSV-2 Phase II Initial Results
9 March 2016	Change of Director's Interest Notice
8 April 2016	CORONEO Australia New Zealand Distribution Partnership
29 April 2016	Appendix 4C - quarterly

Date	Description of Announcement
3 May 2016	Admedus Investor Presentation
11 May 2016	Admedus Represented at Leading US Heart Conferences
13 May 2016	Admedus Wins 2016 Australian Manufacturer of the Year Award
23 May 2016	Managing Director Resignation
23 May 2016	Chairman's Letter to Shareholders
25 May 2016	Admedus Awarded Major Supply Tender
27 May 2016	Admedus Appoints New Board Director
30 May 2016	Initial Director's Interest Notice
7 June 2016	Chairman's Letter to Shareholders
29 June 2016	Appendix 3B
6 July 2016	Admedus to Host Investor Webinar
11 July 2016	Trading Halt
11 July 2016	Admedus Investor Webinar
13 July 2016	Cancellation of Unlisted Options
15 July 2016	ASIC consent for resignation of auditor
20 July 2016	Appendix 4C - quarterly
27 July 2016	Trading Halt
29 July 2016	Capital Raise Announcement
29 July 2016	Investor Presentation
29 July 2016	Final Directors' Interest Notice

7.2 Interests of Directors

Except as disclosed in this Prospectus, no Director (or entity in which they are a partner or director) has, or has had in the two years before the date of this Prospectus, any interests in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or

(c) the Offers;

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- (a) any Director to induce him or her to become, or to qualify as, a Director; or
- (b) any Director for services which he or she (or entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Offers.

7.3 Control implications and potential dilution

Patersons is not presently a Shareholder and is not a related party of the Company for the purposes of the Corporations Act.

Patersons has entered into the Sub-Underwriting Agreement with MC Management Group (of which Mr Mathew Ratty, a Director, is a director) pursuant to which MC Management Group has agreed to sub-underwrite the Entitlement Offer up to \$300,000 (909,091 New Shares). Neither MC Management Group nor Mr Ratty will acquire an interest greater than 20% if Mr Ratty is required to subscribe for his full entitlement and MC Management Group is required to subscribe for its full sub-underwriting commitment.

The number of New Shares that may be held by Patersons following completion of the Entitlement Offer and its corresponding voting power is detailed in the table below. However, it is unlikely that no Shareholders will take up their Entitlements. The underwriting obligation and therefore voting power of Patersons and Mr Ratty will change by a corresponding amount for the amount of Entitlements taken up by Shareholders.

Event	Shares held by Patersons ⁽¹⁾	Voting power of Patersons ⁽¹⁾	Shares held by MC Management Group ⁽¹⁾	Voting power of MC Management Group ⁽¹⁾
Record Date	Nil	Nil	10,088,587	4.45%
Fully subscribed	Nil	Nil	11,209,542	4.45%
75% subscribed	5,384,143	2.14%	12,118,633	4.81%
50% subscribed	11,677,456	4.64%	12,118,633	4.81%

Note:

- (1) Assumes that Mr Ratty subscribes for a maximum of \$300,000 of Shortfall and that Patersons does not engage any further sub-underwriters.

Eligible Shareholders should note that if they do not participate in the Entitlement Offer their holdings will be diluted. Examples of how the dilution may impact Eligible Shareholders are detailed in the table below:

Shareholder	Shareholding as at Record Date	% at Record Date	Entitlements under the Entitlement Offer	Shareholding if Shareholder does not participate in the Entitlement Offer	% post Entitlement Offer
Shareholder 1	10,000	0.01%	1,111	10,000	less than 0.01%
Shareholder 2	50,000	0.03%	5,556	50,000	0.02%
Shareholder 3	250,000	0.13%	27,778	250,000	0.10%
Shareholder 4	1,250,000	0.64%	138,889	1,250,000	0.50%
Shareholder 5	6,250,000	3.18%	694,445	6,250,000	2.48%

7.4 Directors' interests

As at the date of this Prospectus, the relevant interests of the Directors and their related entities in securities in the Company, are detailed in the table below.

Director	Shares held	Options or other securities in the Company held	Entitlement to subscribe for New Shares under the Entitlement Offer ⁽¹⁾
Wayne Paterson	50,000	100,000 Options expiring 10 December 2020	5,556
Michael Bennett	1,257,400 ⁽²⁾	130,000 Options expiring 16 December 2018	139,712
John Seaberg	19,036	100,000 Options expiring 10 December 2020	2,116
Mathew Ratty	10,088,587 ⁽³⁾	190,000 unlisted warrants expiring 22 December 2020 ⁽⁴⁾	1,120,955

Notes:

1. The Entitlement shown assumes that none of the Options held by a Director are exercised prior to the Record Date.
2. 1,100,000 Shares are held by Parerg Pty Ltd, 2,400 Shares are held by Parhel Pty Ltd and 90,000 Shares are held by his wife, Patricia Elaine Simpson.
3. 10,088,587 Shares are held by MC Management Group Pty Ltd, of which Mr Ratty is a director.
4. 190,000 warrants are held by MC Management Group Pty Ltd, of which Mr Ratty is a director.

At the date of this Prospectus, all Directors intend to accept some or all of their Entitlement, subject to their financial position prior to the Closing Date.

7.5 Directors' Remuneration

The remuneration (including superannuation) of existing Directors for the past two financial years (30 June year-end) are as follows:

Director	Title	Financial Year to 30 June 2016	Financial Year to 30 June 2015
Wayne Paterson ⁽¹⁾	Interim Managing Director and Non-Executive Chairman	\$101,850	\$57,750
Michael Bennett	Executive director	\$278,190	\$264,000
John Seaberg	Non-executive director	\$90,017	\$57,750
Mathew Ratty ⁽²⁾	Non-executive director	\$10,275	\$0
TOTAL		\$480,332	\$379,500

Notes:

1. Wayne Paterson was appointed as Interim Managing Director of the Company effective on and from 23 May 2016.
2. Mathew Ratty was appointed to the Board as a Non-Executive Director on 27 May 2016.

7.6 Lead Manager mandate

The Company has entered into a lead manager mandate with Patersons pursuant to which Patersons has been appointed as lead manager to the Placement and Offers. Patersons will assist the Company in marketing and facilitating demand for the Offers.

The lead manager mandate with Patersons contains other terms and conditions considered standard for an agreement of this type, including warranties, representations and indemnities in favour of Patersons that are standard for services of the kind that Patersons is providing to the Company.

7.7 Underwriting Agreement

The Company entered into an agreement (**Underwriting Agreement**) with Patersons on 1 August 2016 to fully underwrite the Entitlement Offer.

Pursuant to the Underwriting Agreement, Patersons has an obligation to subscribe for, or procure subscription for, the Shortfall Shares not otherwise applied for under the Prospectus by completing and lodging with the Company, or procuring other persons complete and lodge with the Company, Shortfall Application Forms and the relevant Application Monies.

Patersons may terminate the Underwriting Agreement if, at any time prior to the date on which allotment of the last of the New Shares occurs in accordance with the Prospectus:

- (a) (**Indices fall**): any of the All Ordinaries Index or the Standard and Poors / ASX 200 Index as published by ASX is at any time after the date of the Underwriting Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;

- (b) **(Share Price)**: the Shares finish trading on the ASX, under the ASX code of 'AHZ', on any day with a closing price that is less than \$0.33;
- (c) **(Prospectus)**: the Company does not lodge the Prospectus on the date specified in the timetable in the Underwriting Agreement or the Prospectus or the Offers are withdrawn by the Company;
- (d) **(Copies of Prospectus)**: the Company fails to provide Patersons with a copy of this Prospectus as required under the Underwriting Agreement and such failure is not remedied within two days;
- (e) **(Supplementary prospectus)**:
 - (i) Patersons, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an occurrence as described in Section 7.7(p)(vi) of this Prospectus, forms the view on reasonable grounds that a supplementary or replacement prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act; or
 - (ii) the Company lodges a supplementary or replacement prospectus without the prior written agreement of Patersons;
- (f) **(Non-compliance with disclosure requirements)**: it transpires that the Prospectus does not contain all information required by the Corporations Act;
- (g) **(Misleading Prospectus)**: it transpires there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of section 713 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive and the Company does not issue a supplementary or replacement prospectus approved by Patersons within a reasonable time;
- (h) **(Restriction on allotment)**: the Company is prevented from allotting the New Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (i) **(Withdrawal of consent to Prospectus)**: any person (other than Patersons) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- (j) **(ASIC application)**: an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the Shortfall Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn;
- (k) **(ASIC hearing)**: ASIC gives notice of its intention to hold a hearing under section 739 or any other provision of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or the ASIC makes an interim or final stop order in relation to the Prospectus under section 739 or any other provision of the Corporations Act;

- (l) **(Takeovers Panel):** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;
- (m) **(Hostilities):** there is an outbreak of material hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this agreement involving one or more of Australia, New Zealand, Japan, the United Kingdom, the United States of America, the People's Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (n) **(Authorisation)** any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to Patersons;
- (o) **(Indictable offence):** a director or senior manager of the Company or its subsidiaries is charged with an indictable offence; or
- (p) **(Termination Events):** subject to having a material adverse effect or otherwise giving rise to a liability for Patersons, any of the following events:
 - (i) **(Default):** default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
 - (ii) **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
 - (iii) **(Contravention of constitution or Act):** a contravention by the Company (or a subsidiary) of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (iv) **(Adverse change):** an event occurs which gives rise to a material adverse effect (as defined in the Underwriting Agreement) or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company (or a subsidiary) including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in Patersons' reasonable opinion, unlikely to be met in the projected time;
 - (v) **(Error in Due Diligence Results):** it transpires that any of the due diligence results or any part of the verification material was false, misleading or deceptive or that there was an omission from them;
 - (vi) **(Significant change):** a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
 - (vii) **(Public statements):** without the prior approval of Patersons a public statement is made by the Company in relation to the Offers, the issue of the New Shares or the Prospectus;

- (viii) **(Misleading information)**: any information supplied at any time by the Company or any person on its behalf to Patersons in respect of any aspect of the Offers or the issue of New Shares or Underwriter Shares or the affairs of the Company (or subsidiary) is or becomes misleading or deceptive or likely to mislead or deceive;
- (ix) **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (x) **(Prescribed Occurrence)**: a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs;
- (xi) **(Suspension of debt payments)**: the Company suspends payment of its debts generally;
- (xii) **(Event of Insolvency)**: an Event of Insolvency (as defined in the Underwriting Agreement) occurs in respect of the Company (or subsidiary);
- (xiii) **(Judgment against the Company (or subsidiary))**: a judgment in an amount exceeding \$25,000 is obtained against the Company (or a subsidiary) and is not set aside or satisfied within seven days;
- (xiv) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against the Company (or a subsidiary), other than any claims foreshadowed in this Prospectus;
- (xv) **(Board and senior management composition)**: there is a change in the composition of the Board or a change in the senior management of the Company before allotment of the last of Shortfall Shares and Underwriter Shares in accordance with the Prospectus without the prior written consent of Patersons;
- (xvi) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of the Company (or a subsidiary) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company (or a subsidiary);
- (xvii) **(Timetable)**: there is a delay in any specified date in the timetable for the Entitlement Offer which is greater than three Business Days, without the prior written consent of Patersons (such consent not to be unreasonably withheld or delayed);
- (xviii) **(Force Majeure)**: a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of seven days occurs;
- (xix) **(Certain resolutions passed)**: the Company (or a subsidiary) passes or takes any steps to pass a resolution under section 254N, section

257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of Patersons;

- (xx) **(Capital Structure)**: the Company (or a subsidiary) alters its capital structure in any manner not contemplated by the Prospectus;
- (xxi) **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of the Company (or a subsidiary);
- (xxii) **(Market Conditions)**: a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America, the European Union or other international financial markets; or
- (xxiii) **(Suspension)**: the Company is removed from the Official List or the Shares become suspended from Official Quotation and that suspension is not lifted within 24 hours following such suspension.

Patersons will be paid a lead manager fee of \$40,000, a management fee of 1% of the total dollar amount raised under the Placement and Offers, and a selling fee of 4.5% of the total dollar amount raised under the Placement and Offers.

The Underwriting Agreement contains other terms and conditions considered standard for an agreement of this type, including warranties, representations and indemnities in favour of Patersons that are standard for services of the kind that Patersons is providing to the Company.

Patersons has entered into a sub-underwriting agreement with MC Management Group (of which Mr Mathew Ratty, a Director, is a direct) pursuant to which MC Management Group has agreed to sub-underwrite the Entitlement Offer up to \$300,000 (909,091 New Shares) (**Sub-Underwriting Agreement**). Pursuant to the Sub-Underwriting Agreement Patersons will pay MC Management Group a 1.38% sub-underwriting fee of \$4,410.00. The Sub-Underwriting Agreement contains other terms and conditions considered standard for an agreement of this type.

7.8 Interests of Other Persons

No promoter or other person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director) do not hold, have, and have not had in the two years before the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to a promoter or any person named in this Prospectus as having performed a function in a professional, advisory or other capacity in

connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director), provided in connection with the formation or promotion of the Company or the Offers, except as disclosed in this Prospectus and as follows:

- (d) DLA Piper has acted as the Australian lawyers to the Company for the Offers. In respect of this work the Company will pay DLA Piper approximately \$30,000 (exclusive of GST). During the two years before the date of this Prospectus, DLA Piper has provided the Company with legal services and was paid approximately \$160,922 for these services;
- (e) Patersons has been engaged to manage the Placement and the Offers and underwrite the Entitlement Offer. In respect of this work the Company will pay Patersons the fees described in section 7.7. Patersons has also been engaged as the Nominee, in respect of which it will be paid brokerage of 1.5% on the total gross dollar value of all Entitlements sold or \$1,000 (plus GST), whichever is greater; and
- (f) Computershare Investor Services Pty Limited conducts the Company's share registry functions and will provide administrative services in respect to the proposed Share applications pursuant to this Prospectus. Computershare Investor Services Pty Limited will be paid for these services on standard industry terms and conditions.

The amounts disclosed above are exclusive of GST.

7.9 Related party transactions

At the date of this Prospectus, no material transactions with related parties and Directors interests exist that the Directors are aware of, other than those disclosed in this Prospectus.

7.10 Market price of Shares

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

Highest: \$0.92 (30 July 2015)

Lowest: \$0.28 (27 June 2016)

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.350 per Share on 1 August 2016.

7.11 Costs of the Entitlement Offer and Placement

The costs of the Entitlement Offer and Placement payable by the Company (exclusive of GST) are listed below.

	(A\$)
ASIC lodgement fee	\$2,350
ASX quotation fee	\$38,961
Lead manager and underwriting fees ¹	\$1,046,892

	(A\$)
Legal expenses	\$30,000
Printing and other expenses	\$38,050
TOTAL	\$1,156,253

Notes:

1. Patersons has been engaged to manage the Placement and the Offers and underwrite the Entitlement Offer. In respect of this work the Company will pay Patersons the fees described in section 7.7.

7.12 Taxation implications

The acquisition and disposal of Shares will have taxation consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in Company are urged to take independent financial advice about the taxation and any other consequences of acquiring and selling the Shares.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to the taxation consequences of subscribing for New Shares.

7.13 Litigation and claims

So far as the Directors are aware, other than as disclosed by the Company to ASX, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company (or any other member of the Group) is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company or the Group.

7.14 Consents

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

Each of the following parties:

Name	Role
DLA Piper	Lawyers
Patersons	Lead Manager and Underwriter
Computershare Investor Services Pty Limited	Share Registry
MC Management Group	Sub-Underwriter

- (a) has given its consent to be named in this Prospectus as set out above and has not withdrawn its consent at the date of lodgement of this Prospectus with ASIC;
- (b) makes no express or implied representation or warranty in relation to the Company, this Prospectus or the Offers;
- (c) has not made or purported to have made any statement in this Prospectus or statement on which a statement in this Prospectus is based, except as described in this Section; and
- (d) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for this Prospectus other than a reference to its name and any statement or report included in this Prospectus with the consent of that party as described in this Section.

None of the parties referred to in this Section 7.14 has authorised or caused the issue of this Prospectus or the making of the Offers.

Each of the Directors has given their written consent to being named in this Prospectus in the context in which they are named and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.

7.15 Documents available for inspection

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

- (a) this Prospectus; and
- (b) the Constitution.

7.16 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules, and which is required to be set out in this Prospectus.

7.17 Determination by ASIC

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

7.18 Electronic Prospectus

Pursuant to Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic copy of this Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of New Shares in response to an electronic Application Form, subject to compliance with certain provisions. If you have received an electronic copy of this Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please contact the Company and the Company will send to you, free of charge to you, either a hard copy or a further electronic copy of this Prospectus or both.

The Company reserves the right not to accept an Application Form from an Applicant if it has reason to believe that when that Applicant was given access to the electronic Application Form, it was not provided together with an electronic copy of this Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies shall be held by the Company on trust and returned (without interest) to the Applicant as soon as practicable.

8. Authorisation

This Prospectus is authorised by each of the Directors.

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

A handwritten signature in black ink, appearing to read 'Michael Bennett', written in a cursive style.

MICHAEL BENNETT

Executive Director

2 August 2016

9. Glossary

In this Prospectus, unless the context otherwise requires:

Annual Report means the financial report lodged by the Company with ASIC in respect to the year ended 30 June 2015 and includes the corporate directory, review of activities, Shareholder information, financial report of the Company and its controlled entities for the year ended 30 June 2015, together with a Directors' report in relation to that financial year and the auditor's report for the period to 30 June 2015.

Applicant means a person who submits an Entitlement and Acceptance Form or Shortfall Application Form (as applicable).

Application means a valid application for New Shares under the Entitlement Offer made pursuant to an Entitlement and Acceptance Form or Shortfall Shares under the Shortfall Offer made pursuant to a Shortfall Application Form (as applicable).

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form (as applicable).

Application Monies means application monies for New Shares received by the Company from an Applicant.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 and where the context permits, the market operated by it.

ASX Settlement Rules means ASX Settlement Operating Rules of the ASX.

Board means the board of Directors.

Business Day means Monday to Friday inclusive, excluding public holidays in Western Australia and any other day that ASX declares is not a trading day.

CHES means ASX Clearing House Electronic Subregistry System.

Closing Date means the date referred to as such in the Indicative Timetable.

Company means Admedus Limited ACN 088 221 078.

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

DLA Piper means DLA Piper Australia.

Eligible Shareholder means a person who:

- (a) is a Shareholder at 5.00pm (WST) on the Record Date; and
- (b) has a registered address in Australia, New Zealand, Singapore or the United Kingdom as recorded with the Share Registry as at the Record Date.

Entitlement means a Shareholder's entitlement to subscribe for New Shares under the Entitlement Offer.

Entitlement Offer has the meaning given to that term in Section 2.1.

Entitlement and Acceptance Form means the entitlement and acceptance form attached to, or accompanying this Prospectus, that sets out the entitlement of an Eligible Shareholder to subscribe for New Shares pursuant to the Entitlement Offer.

Entitlement Trading Commencement Date means the date referred to as such in the Indicative Timetable.

Entitlement Trading End Date means the date referred to as such in the Indicative Timetable.

Foreign Shareholder means a Shareholder who is not an Eligible Shareholder.

Group means the Company and each of its subsidiaries.

Indicative Timetable means the indicative timetable on page 6 of this Prospectus.

Issuer Sponsored means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESSE.

Listing Rules means the official listing rules of ASX.

MC Management Group means MC Management Group Pty Ltd.

New Share means a Share offered pursuant to this Prospectus.

Nominee has the meaning given to that term in Section 2.18.

Offers means the Entitlement Offer and Shortfall Offer.

Official Quotation means quotation of Shares on the official list of ASX.

Opening Date means the date referred to as such in the Indicative Timetable.

Option means an option to acquire a Share.

Patersons means Patersons Securities Limited.

Placement has the meaning given to that term in Section 2.2.

Prospectus means this prospectus dated 2 August 2016.

Record Date means the date referred to as such in the Indicative Timetable.

Section means a section of this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of Shares.

Share Registry means Computershare Investor Services Pty Limited.

Shortfall means the New Shares not applied for under the Entitlement Offer before the Closing Date.

Shortfall Application Form means the application form attached to, or accompanying this Prospectus, to be used for the purposes of applying for Shortfall Shares.

Shortfall Notice Deadline Date means the date by which the Company must give the Underwriter written notice of the Shortfall Shares.

Shortfall Offer has the meaning given to that term in Section 2.7.

Shortfall Shares means the New Shares constituting the Shortfall.

Statements has the meaning given to that term in Section 3.2.

Sub-Underwriting Agreement has the meaning given to that term in Section 7.7.

Underwriter means Patersons Securities Limited.

Underwriting Agreement has the meaning given to that term in Section 7.7.

Voting Power has the meaning given in section 610 of the Corporations Act.

VWAP means, in relation to the Shares for a particular period, the volume weighted average price of trading in Shares on the ASX market over that particular period.

WST means Australian Western Standard Time.



Admedus Ltd
ABN 35 088 221 078

For all enquiries:

Phone:
(within Australia) 08 9266 0100
(outside Australia) +61 (08) 9266 0100

Web:
www.investorcentre.com/contact



AHZ
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:

 See overleaf for details of the Offer and how to make your payment

Renounceable Pro Rata Entitlement Offer — Entitlement and Acceptance Form

 **Your payment must be received by 3:00pm (WST) Monday, 29 August 2016**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Capitalised terms used in this Entitlement and Acceptance Form have the meanings given to them in the Prospectus that was lodged by Admedus Limited with the Australian Securities and Investments Commission on Tuesday, 2 August 2016.

ASX will quote a market for Entitlement rights between 12 August 2016 and 22 August 2016. Please refer to the prospectus for details on how to renounce your Entitlement rights.

Step 1: Registration Name & Offer Details

Details of the shareholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. If you take up your full Entitlement, you may also apply for additional New Shares. Enter the number of New Shares you wish to apply for and the amount of payment for those New Shares.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the prospectus dated 2 August 2016.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of the payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Admedus Limited**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Turn over for details of the Offer →

Sale of your Entitlement rights in full by your Stockbroker/ Agent

If you wish to sell your rights entitlement in full, you should instruct your Stockbroker personally and provide details as requested, which appear overleaf.

DO NOT forward your requests for sale of your Entitlement rights to Computershare Investor Services Pty Limited.

Disposal of your Entitlement rights held on the Issuer sponsored sub-register

A Standard Renunciation Form must be used for an off market transfer of Entitlement rights. These forms may be obtained from your Stockbroker or Computershare Investor Services Pty Limited.

Sale of your Entitlement rights in part by your Stockbroker/ Agent and take up the balance

If you wish to sell part of your Entitlement rights and take up the balance you should:

- Instruct your Stockbroker personally and provide details as requested, which appear overleaf, **AND**
- Send the payment slip to Computershare Investor Services Pty Limited with your cheque, bank draft or money order payment **OR** make payment using BPAY, in order to take up the balance of your Entitlement rights.

Admedus Limited Renounceable Pro Rata Entitlement Offer
Payment must be received by 3:00pm (WST) Monday, 29 August 2016

© Registered to BPAY Pty Limited ABN 69 079 137 518

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Admedus Ltd
ABN 35 088 221 078

For all enquiries:
(within Australia) 08 9266 0100
(outside Australia) +61 8 9266 0100

Shortfall Application Form

Shortfall Offer closes 3.00pm (WST) on Monday, 29 August 2016

This Shortfall Application Form relates to the Shortfall Offer by Admedus Ltd (the Company) made under the prospectus lodged with Australian Securities and Investments Commission on Tuesday, 2 August 2016 (Prospectus) (and any replacement or supplementary prospectus). The Prospectus will expire 13 months after the date of the Prospectus.

This Shortfall Application Form is important. If you are in doubt as to how to deal with it, please contact your Broker, financial adviser or other independent and qualified professional adviser. You should read the entire Prospectus carefully before completing this Shortfall Application Form. Capitalised terms used in this Shortfall Application Form have the meanings given to them in the Prospectus. To meet the requirements of the Corporations Act, this Shortfall Application Form must not be distributed unless included in, or accompanied by, the Prospectus.

By applying under the Shortfall Offer, you make the acknowledgements, declarations, representation and warranties set out in the Prospectus.

STEP 1 Shortfall Shares applied for

Enter the number of Shortfall Shares you wish to apply for under the Shortfall Offer. To calculate this amount, multiply the number of Shares applied for under the Shortfall Offer by the issue price which is A\$0.33 per Share.

STEP 2 Shortfall Applicant Details

Enter the full name(s) you wish to appear on the register. This must be either your own name or the name of a company. Up to three joint applicants may register. You should refer to the table below for the correct forms of registrable title(s). Applications using the wrong form of names may be rejected. CHES participants should complete their name identically to that presently registered in CHES. Enter your postal address for all correspondence. All communications to you from the registry will be mailed to the person(s) and address as shown. For joint applicants, only one address can be entered. Enter your contact name and telephone number. This information may be used to communicate other matters to you subject to the Company's privacy statement. This is not compulsory but will assist us if we need to contact you.

STEP 3 CHES holdings only

If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold Shares allotted to you under this application on the CHES subregister, enter your CHES Holder Identification Number (HIN). Otherwise, leave the section blank and on allotment you will be sponsored by the Company and a Securityholder Reference Number (SRN) will be allocated to you.

Please note that if you supply a CHES HIN but the name and address details on your application form do not correspond exactly with the registration details held at CHES, your application will be deemed to be made without the CHES HIN, and any Shortfall Shares issued will be held on the issuer sponsored subregister.

STEP 4 Application Monies

Applicants under the Shortfall Offer must lodge their Shortfall Application Form and Application Monies with the Share Registry at the below address:

Computershare Investor Services Pty Limited
GPO Box 2115
Melbourne VIC 3001

Your completed Application Form and Application Monies must be received by 3.00pm (WST) on Monday, 29 August 2016.

Turn over to complete this Application Form →

Privacy statement

The personal information you provide on this form is collected by Computershare, as registry for the Company, for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the Company may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting the registrar using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the Company for whom we maintain securities registers or to third parties upon direction by the Company where related to the issuers administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

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