

## **Memphasys Secures \$500,000 Short-Term Loan to Support Key Commercialisation Activities**

Australian reproductive biotechnology company Memphasys Limited (ASX: MEM) is pleased to announce it has secured a \$500,000 short-term loan facility from Keystonegroup Investments Pty Ltd (Loan). This facility provides essential working capital to maintain the momentum of Memphasys' key commercialisation projects as the company awaits formal approval of its recently announced \$2.0 million capital raise at the upcoming Extraordinary General Meeting (EGM).<sup>1</sup>

The funds from this loan will be directed towards several critical initiatives to ensure continued progress in the company's strategic commercialisation activities, including:

### **1. Finalisation of the Felix™ System Clinical Trial**

The clinical trial of the Felix™ System, which is due for completion at the end of 2024. To date the trial has shown promising results in preliminary phases, with the Felix™ System outperforming conventional sperm preparation methods in Assisted Reproductive Technology (ART) procedures.<sup>2</sup>

The finalisation of the trial is a crucial step toward securing wider adoption of the Felix™ System, initially in Japan, Canada and New Zealand, which is anticipated to expedite distributor sales through Memphasys' exclusive partnership with Vitrolife Japan KK, a subsidiary of Vitrolife Group, one of the global leaders in reproductive health.

### **2. Advancement of the Equine Fertility Study**

Memphasys' equine fertility study aims to expand the application of the Felix™ System into the lucrative animal reproductive technology market. This study is expected to demonstrate the device's capabilities in equine sperm selection, positioning it as the leading technology in this field. Commercial sales in the equine fertility market are anticipated to commence within 12 months. The equine sector presents a significant growth opportunity for Memphasys, and successful results from this study will serve as a catalyst for broader commercialisation.<sup>3</sup>

### **3. Oxidative Stress Measurement System Study**

This study is designed to establish baseline oxidative stress thresholds associated with reproductive performance in livestock, particularly bovines. Memphasys has identified a need within the animal breeding industry for tools that can assess and manage oxidative stress, a key factor influencing reproductive health and outcomes. The development and application of this system, currently at a prototype stage, could open up significant new market opportunities for Memphasys within the animal reproductive industry. The study will involve partnerships with clinical on-farm collaborators, further strengthening the company's industry relationships.<sup>4</sup>

Memphasys' CEO and Managing Director, Dr. David Ali, said:

"This short-term loan provides vital support for our ongoing commercialisation activities, particularly as we work towards completing key milestones with the Felix™ System and expanding into new markets. With a strengthened financial position we are able to push forward with projects that will unlock significant commercial and strategic opportunities for the company. We are grateful for the support of Keystonegroup Investments and look forward to the outcomes of our current initiatives."

---

<sup>1</sup> Refer ASX announcement dated 12 September 2024

<sup>2</sup> Refer ASX announcement dated 24 July 2024

<sup>3</sup> Refer ASX announcement dated 16 September 2024

<sup>4</sup> Refer ASX announcement dated 19 July 2024

#### Loan Terms

- **Loan Amount:** \$500,000
- **Fixed Return:** Shares to the value of \$50,000 and free attaching options, in line with the terms of the share placement capital raise.
- **Repayment:** The loan, along with the fixed return, is repayable within 48 hours of a payment demand, which will occur either after the EGM ratifying the share placement or on 30 October 2024, whichever is earlier. Subject to shareholder approval at the EGM, the shares and options will have an issue date of 25 October 2024 (aligning with the expected issue date under the announced capital raising).

The Company will seek shareholder approval at the upcoming EGM for the issue of the shares and free attaching options to the lender for their fee. The terms of that issue (including the calculation of the number of securities to be issued) will be the same terms as those of the capital raising announced on 12 September 2024.

This announcement has been approved for release by the board of Memphasys Limited.

**ENDS**

For further information, please contact:

Dr David Ali  
Managing Director / Chief Executive Officer  
Memphasys Limited  
Tel: +61 2 8415 7300  
E: david.ali@memphasys.com

David Tasker  
Managing Director  
Chapter One Advisors  
Tel: +61 433 112 936  
E: dtasker@chapteroneadvisors.com.au

#### About Memphasys

Memphasys Limited (ASX: MEM) specialises in reproductive biotechnology for high value commercial applications. Reproductive biotechnology products in development include medical devices, in vitro diagnostics, and new proprietary media. The Company's patented bio-separation technology, utilised by the Company's most advanced product, the Felix™ System, combines electrophoresis with proprietary size exclusion membranes to separate the most viable sperm cells for human artificial reproduction.

Website: [www.memphasys.com](http://www.memphasys.com)

The Felix™ System is a registered trademark of Memphasys Limited. All rights reserved.