

**ASX ANNOUNCEMENT****20 October 2016****Cleansing Prospectus**

Attached to this announcement is a copy of the Prospectus lodged by MedAdvisor Limited (ASX: **MDR**, the **Company**) with ASIC today.

The Prospectus is being issued for two purposes. Firstly, to allow for the issue of shares in the Company as part consideration for the acquisition of the shares in Health Enterprises 2 Pty Ltd (**HealthNotes**). The offer under the Prospectus is strictly limited to the vendors of the HealthNotes shares. Secondly, further to the announcement on 19 October 2016 regarding the successful capital raising by way of private placement to raise \$8 million, the Prospectus is also issued to facilitate the secondary trading of shares issued under the placement.

**-ENDS-****For more information**

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**About MedAdvisor**

MedAdvisor is a world class medication management platform focused on addressing the gap and burden of medication adherence. Founded with a desire to simplify medication management, the highly automated and intuitive Australian software system connects patients to their local pharmacy, providing them with real time access to their personal medication records. Available free on mobile and internet devices, the platform also incorporates a variety of valuable and convenient features including reminders and pre-ordering of medications, which together improves adherence by more than 20%.

Since launching in 2013, MedAdvisor has over 220,000 registered users and is connected with a third of pharmacies across Australia. With the recent GP software integration enabling patients to order script renewals remotely from their doctor, MedAdvisor continues to lead the way in delivering innovative patient centred health solutions.



## **MedAdvisor Limited** **ACN 145 327 617**

### **PROSPECTUS**

This Prospectus has been issued to provide information for the offer of 57,894,738 Shares at an issue price of \$0.038 per Share (**Offer**). No funds will be raised under the Offer as the Shares to be issued are part consideration for the acquisition of shares in Health Enterprises 2 Pty Ltd. The Offer is strictly limited to the HealthNotes Vendors.

This Prospectus has also been issued to facilitate the secondary trading of Placement Shares issued on or around the date of this Prospectus.

The Offer are scheduled to close at 5.00pm (AEST) on 28 October 2016 unless extended or withdrawn.

#### **IMPORTANT INFORMATION**

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the *Corporations Act* 2001 (Cth). This Prospectus does not, itself, contain all the information that is generally required to be set out in a prospectus, but refers to other information in relation to the Company which has been publicly disclosed to the ASX.

This Prospectus and any such publicly available information should be read in their entirety before deciding whether to apply for Offer Shares. If you have any queries about any part of the Prospectus, please contact your professional adviser without delay. The securities offered by this Prospectus should be considered speculative.

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## **1. IMPORTANT NOTICE**

This Prospectus is dated 20 October 2016 and was lodged with ASIC on that date. Neither ASIC nor ASX, nor any of their officers, take any responsibility for the contents of this Prospectus.

Offer Shares offered under this Prospectus will not be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. An application will be made to ASX within seven days after the date of this Prospectus for the Quotation of the Offer Shares the subject of this Prospectus.

### **1.1 Transaction Specific Prospectus**

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is issued pursuant to section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities. 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 is generally required to be included in a prospectus. Refer to section 6.10 for details of the publicly available information.

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. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe the requirements of these laws. Non-observance by such persons may violate securities laws. Any recipient of this Prospectus residing outside Australia should consult their professional advisers on requisite formalities.

This Prospectus has been prepared to comply with the requirements of the securities laws of Australia. No action has been taken to register or qualify the Offer or the Offer Shares, or otherwise permit the public offering of the Offer Shares, in any jurisdiction other than Australia. The Offer is not being extended to any person outside Australia.

This Prospectus does not constitute an offer in the United States or in any other place in which, or to any person to whom, it would not be lawful to make such an offer.

The Offer Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States unless the Offer Shares have been registered under the US Securities Act or in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. The Offer Shares will be offered outside the United States in accordance with Regulation S of the US Securities Act.

### **1.2 Prospectus Availability**

The offer constituted by an electronic version of this Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. It is not available to persons in other jurisdictions (including the United States). Any person within Australia may obtain a hard copy of this Prospectus by contacting the Company.

### **1.3 Disclaimer of Representations**

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Prospectus.

Any information or representation that is not in this Prospectus may not be relied on as having been authorised by the Company or its related bodies corporate in connection with the Offer.

### **1.4 Risks**

This document is important and it should be read in its entirety along with all information that is deemed to be incorporated. The Offer Shares to be issued pursuant to this Prospectus should be viewed as a speculative investment and investors should refer to the risks affecting the Company set out in section 5. HealthNotes Vendors should consult their stockbroker, solicitor, accountant or other professional adviser if necessary. No person is authorised to give any information or to make any representation in relation to the Offer which is not contained in this Prospectus and any such information may not be relied upon as having been authorised by the Directors.

### **1.5 Defined Words and Expressions**

A number of terms and abbreviations used in this Prospectus have defined meanings set out in section 7. All financial amounts are in Australian dollars unless otherwise specified.

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## 2. DETAILS OF THE OFFER

### 2.1 Purpose of the Prospectus

As announced to the market on 31 August 2016, the Company has entered into an agreement to acquire all of the shares in Health Enterprises 2 Pty Ltd, the entity that conducts the business known as "Health Notes" (**Acquisition**).

Part of the consideration for the Acquisition will be the issue of the Consideration Shares to the HealthNotes Vendors. The Offer is for 57,894,738 Consideration Shares at an issue price of \$0.038 per share. All shares issued under this Prospectus will be fully paid and will rank equally with all other Shares then currently on issue.

Further, a condition to completion of the Acquisition is the Company undertaking capital raising of up to \$8,000,000 (but at least \$6,000,000) to provide the cash component for the Acquisition (being \$3,300,000) as well as further working capital for the Company (Capital Raising). The Capital Raising will take place by way of private placement to wholesale and sophisticated investors (**Placement Investors**) on or around the date of this Prospectus.

The Placement Investors are Exempt Offerees who do not require a disclosure document or prospectus to be issued by the Company in respect of the issue of Shares. As a result, the Placement Shares will be issued without disclosure under Part 6D.2 of the Corporations Act. Further, a 'cleansing notice' under section 708A(5)(e) of the Corporations Act will not be lodged with ASX within five days of the issue of the Consideration Shares or Placement Shares. The Company is unable to lodge a 'cleansing notice' as the Company's Shares have been suspended for more than five days during the last 12 months, being as a result of the suspension prior to the acquisition of MedAdvisor International Pty Ltd in November 2015.

A prospectus is therefore required under the Corporations Act to enable the issue of the Consideration Shares and to enable the Placement Investors to on-sell the Placement Shares within 12 months of their issue. Accordingly, this Prospectus is being issued to remove any secondary sale restrictions and facilitate future secondary trading of the Consideration Shares and Placement Shares in accordance with section 708A(11)(b) of the Corporations Act.

The Company is not issuing the Consideration Shares and Placement Shares with the purpose of the HealthNotes Vendor or Placement Investors selling or transferring those Shares, or granting, issuing or transferring interests in those Shares within 12 months of the issue but this Prospectus provides them the ability to do so should it so wish, save that the Consideration Shares will be subject to a voluntary escrow for no less than 12 months.

### 2.2 Indicative Timetable

|                                       |                 |
|---------------------------------------|-----------------|
| Lodgement of Prospectus with the ASIC | 20 October 2016 |
| Opening Date of the Offer             | 20 October 2016 |
| Closing Date                          | 28 October 2016 |
| Issue of Securities under the Offer   | 28 October 2016 |
| Despatch of holding statements        | 2 November 2016 |

\* The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date. The Company also reserves the right not to proceed with the Offer at any time before the issue of Securities to Applicants.

## **2.3 Taxation**

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in Securities in the Company.

## **2.4 Applications**

Each HealthNotes Vendor has applied for their respective Consideration Shares under the Share Sale Agreement.

## **2.5 General**

This Prospectus does not, and is not intended to, constitute an offer of, or invitation to apply for, Securities in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Securities or otherwise permit an offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia or New Zealand. Persons who are resident in countries other than Australia and New Zealand should not apply for Securities under the Offer.

Where this Prospectus has been dispatched to persons in jurisdictions outside of Australia and New Zealand, in which the securities legislation or regulation requires registration or any analogous treatment, this Prospectus is provided for information purposes only. Other than Australia and New Zealand, this Prospectus has not been and will not be registered under any such legislation or regulation or in any such jurisdiction.

The Offer does not and will not constitute an offer of Securities in the US. The Securities have not been, and will not be, registered under the US Securities Act or the securities laws of any State or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US State securities laws. This Prospectus may not be released or distributed in the United States. If the Company believes that any Applicant is ordinarily resident in the US, or is acting on behalf of a person or entity that is ordinarily a resident of the US, the Company will reject that Applicant's application.

## **2.6 Enquiries**

If you have any queries in relation to the Offer, please contact the Company Secretary on +61 3 9095 3036.

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### **3. ACQUISITION AND CAPITAL RAISING INFORMATION**

#### **3.1 Overview of MedAdvisor**

MedAdvisor is a world class medication management platform focused on addressing the gap and burden of medication adherence. Founded with a desire to simplify medication management, the highly automated and intuitive Australian software system connects patients to their local pharmacy, providing them with real time access to their personal medication records. Available free on mobile and internet devices, the platform also incorporates a variety of valuable and convenient features including reminders and pre-ordering of medications, which together improves adherence by more than 20%.

Since launching in 2013, MedAdvisor has over 220,000 registered users and is connected with 30% of pharmacies across Australia. With the recent GP software integration enabling patients to order script renewals remotely from their doctor, MedAdvisor continues to lead the way in delivering innovative patient centred health solutions.

#### **3.2 Overview of HealthNotes**

HealthNotes is a privately held Melbourne based healthcare technology company with an innovative platform that manages patient messaging and medication adherence across multiple demographics. Its core platform promotes patient medication adherence, along with pharmacy loyalty by offering prescription management services for patients.

HealthNotes delivers timely SMS reminders to patients, as well as offering script tracker and refill functions. Linking with a free downloadable app (Google Play and App Store), it enables pharmacies to send notifications to patients and track their medication history. For doctors and nursing homes, it offers a useful patient record and medication summary, script processing, clinical interventions as well as allowing leave certificates and referral letters to be more easily produced. HealthNotes currently generates revenues from pharmacy subscription fees, SMS revenue and pharmaceutical manufacturer education programs.

Bringing together the two leaders in medication adherence management will strengthen the Company's strategic positioning and operational platform, offer valuable synergies and will consolidate the Company's position as the leading Australian digital medication management company.

#### **3.3 Strategic Rationale for Acquisition**

The Acquisition immediately grows and diversifies the Company's pharmacy network:

- (a) HealthNotes has a strong and complementary network of over 800 additional pharmacies across Australia that will substantially build MedAdvisor's network of community pharmacy store customers. Post-acquisition, MedAdvisor's pharmacy network will exceed 2,400 pharmacies.
- (b) This enhanced pharmacy network represents ~45% of the Australian community pharmacy market, giving the Company a leading market penetration position.
- (c) Acquisition brings complementary technologies to MedAdvisor that will boost its services to pharmacies and GPs.

The Company's GP Link, which connects GPs and pharmacies to make patient's lives easier and improve health outcomes, is launching in late September following a beta phase. HealthNotes has relationships with more than 3,700 GPs across Australia.



Following the Acquisition, the Company will have access to a combined user base of over 500,000 Australian patients, an increase of over 150%.

The “Tap-to-Refill” feature in the Company is one of the most used by patients. It allows patients to pre-order from their preferred pharmacy to reduce waiting times.

Increased user base will represent increased value to pharmaceutical manufacturers for Patient Engagement Programs.

### 3.4 Share Sale Agreement

The material terms of the Share Sale Agreement for the Acquisition are as follows:

- (a) **(Consideration):** The consideration payable by the Company in respect of the Acquisition is as follows:
  - (i) **Consideration Shares** - \$2,200,000 worth of Shares to be issued to the HealthNotes Vendors at an issue price equal to 95% of the issue price under the Capital Raising; and
  - (ii) **Cash Consideration** - \$3,300,000, subject to adjustment after a working capital accounting exercise post-completion.
- (b) **(Conditions Precedent):** Completion is conditional upon the satisfaction or waiver of multiple conditions precedent. The following are the key conditions:
  - (i) **(Due Diligence)** The Company being satisfied with its phase 2 confirmatory legal, financial, taxation, insurance, commercial, management and technical due diligence investigations of HealthNotes and its business.
  - (ii) **(Shareholder approval)** The Company having obtained all approvals of Shareholders which are necessary under the Corporations Act and the ASX Listing Rules to implement the Acquisition. This was obtained on 10 October 2016.
  - (iii) **(Capital Raising)** The Company undertaking a capital raising to raise not less than \$6,000,000 through the issue of Shares.
  - (iv) **(Joint Business Plan)** The parties agree a joint business plan setting out the resourcing and integration issues as a result of the sale and purchase of the HealthNotes Shares.
  - (v) **(Change of Control)** Evidence of the consent of the relevant third parties to those contracts or business authorisations that require the consent of the other party for a change in control of HealthNotes.
  - (vi) **(Run-off Insurance)** The Company having received satisfactory evidence that, on and from completion, HealthNotes has obtained information technology liability, management liability and public liability run-off cover for a period of at least five years, on terms acceptable to the Company.
  - (vii) **(Releases)** HealthNotes having received copies of acceptable releases in respect of all encumbrances over the HealthNotes Shares and HealthNotes' property.

- (viii) **(Material Adverse Change)** There not being a material adverse change of the Company or HealthNotes before completion.

**(Completion Date)** It is currently anticipated that completion of the Acquisition will occur on 28 October 2016.

**(Warranties and Indemnities)** The Share Sale Agreement contains standard warranties and indemnities in respect of the Acquisition including, but not limited to, warranties relating to information provided, HealthNotes and its business, the assets owned by HealthNotes, taxation, financial issues, employees, insurance and intellectual property. All HealthNotes Vendors provide warranties as to the title to their HealthNotes Shares. The remainder of the warranties and indemnities are provided by the majority HealthNotes Vendors noted in section 3.5.

- (c) **(Escrow Arrangements and Share Mortgage)** The Consideration Shares issued to the HealthNotes Vendors will be subject to voluntary escrow for 24 months (with 50% of the Consideration Shares released from escrow after 12 months). The Directors are of the view that the escrow periods are typical for a transaction such as the Acquisition. Certain majority HealthNotes Vendors will also provide a share mortgage in favour of the Company in relation to their Consideration Shares as security for any claims for a breach of the warranties. \$600,000 of the Cash Consideration will also be held in escrow for up to 18 months after Completion (with \$200,000 released after 12 months) to provide security for any warranty or indemnity claims arising as a result of the Acquisition.

### 3.5 HealthNotes Vendors

The HealthNotes Vendors are as follows:

| Name of Shareholder                     | HealthNotes Shares | Proportion of total | Consideration Shares |
|---|--------------------|---------------------|----------------------|
| NVR Alliance Pty Ltd                    | 887,636            | 9.8272%             | 5,689,412            |
| William Paul Reid                       | 309,906            | 3.4310%             | 1,986,381            |
| Marissa Falting <sup>1</sup>            | 1,354,871          | 15.0000%            | 8,684,212            |
| Mishra Enterprises Pty Ltd <sup>1</sup> | 3,161,366          | 35.0000%            | 20,263,163           |
| Capital Concerns Pty Ltd <sup>1</sup>   | 2,026,236          | 22.4328%            | 12,987,408           |
| Quickinvest Pty Ltd                     | 68,729             | 0.7609%             | 440,527              |
| Gavan Lim-Joon                          | 189,987            | 2.1034%             | 1,217,745            |
| Hot Springs Superannuation Pty Limited  | 1,033,741          | 11.4447%            | 6,625,890            |
| <b>Total</b>                            | <b>9,032,472</b>   | <b>100%</b>         | <b>57,894,738</b>    |

<sup>1</sup> Majority HealthNotes Vendors providing operational warranties and specific indemnities.

### 3.6 Capital Raising

On 10 October 2016, Shareholders approved in general meeting the issue of new shares to assist the Company undertake a private placement of between \$6,000,000 and \$8,000,000 **(Capital Raising)**.

The Company has been successful in placing 200,000,000 Placement Shares at \$0.04 per Share to raise \$8,000,000. Placement Shares will be issued by the Company on or around the date of this Prospectus. This Prospectus is being issued to remove any secondary sale

restrictions and facilitate future secondary trading of the Placement Shares in accordance with section 708A(11)(b) of the Corporations Act.

Under agreement dated 16 September 2016 (**JLM Mandate**), the Company appointed Peloton and Veritas to act as joint lead managers on the Capital Raising. Under the terms of the JLM Mandate, 6% of the gross proceeds from the Capital Raising (exclusive of GST) will be paid to the JLMs as sales and management fees. The Company is also required to reimburse all reasonable out-of-pocket expenses incurred by the JLMs in respect of the Capital Raising.

The Company has granted the JLMs an exclusive right to act as joint lead managers or underwrite any subsequent capital raisings in the next 12 months on similar terms.

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## **4. PURPOSE AND EFFECT OF OFFER**

### **4.1 Use of Proceeds**

The Company will not raise any funds from the issue of the Consideration Shares as these are being issued as part consideration in the Acquisition. The expenses of the Offer will be met by the Company's cash reserves and/or cash raised under the Capital Raising.

The Company has previously advised Shareholders of the intended use of funds from the Capital Raising in its Notice of General Meeting dated 9 September 2016.

### **4.2 Capital Structure**

The expected capital structure of the Company following completion of the Offer and the Capital Raising and all related matters (assuming no Options are exercised) will be as follows:

| <b>Item</b>                   | <b>Shares</b>      | <b>Options</b>    | <b>Performance Shares</b> | <b>Performance Rights</b> |
|-------------------------------|--------------------|-------------------|---------------------------|---------------------------|
| <b>Current</b>                | 686,986,687        | 43,600,000        | 250,000,000               | 42,500,000                |
| <b>Capital Raising Shares</b> | 200,000,000        | -                 | -                         | -                         |
| <b>Consideration Shares</b>   | 57,894,738         | -                 | -                         | -                         |
| <b>Total</b>                  | <b>944,881,425</b> | <b>43,600,000</b> | <b>250,000,000</b>        | <b>42,500,000</b>         |

### **4.3 Effect of the Offer on the Company's balance sheet**

There will be no proceeds from the issue of the Offer Shares. Expenses of the Offer are expected to be approximately \$17,350 comprising ASIC fees and legal costs.

The expenses of the Offer will be met by the Company's cash reserves, with the result that the Company's cash reserves will decrease by approximately \$17,350.

A pro forma statement of financial position showing financial effect of the Offer has not been included in this Prospectus as the issue of Consideration Shares pursuant to this Prospectus will not have a material impact on the Company's financial position.

### **4.4 Effect of the Capital Raising and Acquisition on the Company's balance sheet**

The pro-forma Statement of Financial Position set out below has been prepared to illustrate the effects of the Capital Raising and Acquisition, as if they occurred on or before 30 June 2016.

|                                      | As at<br>30-Jun-16 | 30-Jun-16 Post<br>Capital Raising | 30-Jun-16 Post<br>Capital Raising<br>and Acquisition |
|--------------------------------------|--------------------|-----------------------------------|--|
| <b>ASSETS</b>                        |                    |                                   |  |
| <b>Current Assets</b>                |                    |                                   |  |
| Cash and Cash Equivalents            | 2,888,990          | 10,188,990                        | 6,988,990  |
| Trade and Other Receivables          | 309,008            | 309,008                           | 609,008  |
| Other Assets                         | 208,114            | 208,114                           | 208,114  |
| <b>Total Current Assets</b>          | <b>3,406,112</b>   | <b>10,706,112</b>                 | <b>7,806,112</b>                                     |
| <b>Non-Current Assets</b>            |                    |                                   |  |
| Fixed Assets                         | 167,536            | 167,536                           | 167,536  |
| Intangible Assets                    | 72,140             | 72,140                            | 5,442,140  |
| <b>Total Non-Current Assets</b>      | <b>239,676</b>     | <b>239,676</b>                    | <b>5,609,676</b>                                     |
| <b>Total Assets</b>                  | <b>3,645,788</b>   | <b>10,945,788</b>                 | <b>13,415,788</b>                                    |
| <b>LIABILITIES</b>                   |                    |                                   |  |
| <b>Current Liabilities</b>           |                    |                                   |  |
| Trade and Other Payables             | 724,540            | 724,540                           | 914,540  |
| Income in Advance                    | 296,666            | 296,666                           | 296,666  |
| Employee Benefits                    | 140,427            | 140,427                           | 140,427  |
| <b>Total Current Liabilities</b>     | <b>1,161,633</b>   | <b>1,161,633</b>                  | <b>1,351,633</b>                                     |
| <b>Non-Current Liabilities</b>       |                    |                                   |  |
| Employee Benefits                    | 19,727             | 19,727                            | 99,727   |
| <b>Total Non-Current Liabilities</b> | <b>19,727</b>      | <b>19,727</b>                     | <b>99,727</b>  |
| <b>Total Liabilities</b>             | <b>1,181,360</b>   | <b>1,181,360</b>                  | <b>1,451,360</b>                                     |
| <b>Net Assets / (Liabilities)</b>    | <b>2,464,428</b>   | <b>9,764,428</b>                  | <b>11,964,428</b>                                    |
| <b>EQUITY</b>                        |                    |                                   |  |
| Contributed Equity                   | 6,508,117          | 13,808,117                        | 16,008,117   |
| Reserves                             | 615,914            | 615,914                           | 615,914  |
| Retained Profits / (Losses)          | (4,659,603)        | (4,659,603)                       | (4,659,603)  |
| <b>Total Equity</b>                  | <b>2,464,428</b>   | <b>9,764,428</b>                  | <b>11,964,428</b>                                    |

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## **5. RISK FACTORS**

### **5.1 Introduction**

An investment in the Company is not risk free and the Board strongly recommends that HealthNotes Vendors consider the key risk factors described below, together with information contained elsewhere in this Prospectus before deciding whether to apply for Consideration Shares and to consult their professional advisers before deciding whether to apply for Consideration Shares pursuant to this Prospectus.

This Section 5 identifies circumstances that the Board regard as the major risks associated with an investment in the Company and which may have a material adverse impact on the financial performance of the Company and the market price of the Shares if they were to arise. Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities

The following risk factors are not intended to be an exhaustive list of the risk factors to which the Company is exposed. In addition, this Section 5 has been prepared without taking into account offerees' individual financial objectives, financial situation and particular needs. HealthNotes Vendors should seek professional investment advice if they have any queries in relation to making an investment in the Company.

### **5.2 Risks in respect of MedAdvisor's current operations**

#### **(a) Limited operating history**

MedAdvisor was incorporated in 2012 and has limited operating history. MedAdvisor's limited operating history may not provide a meaningful basis for investors to evaluate the business, financial performance and prospects of the Company post-Acquisition. Accordingly, investors should not rely on financial performance information for any prior periods as an indication of future performance. Investors should consider MedAdvisor's business and prospects in light of the risks, uncertainties, expenses and challenges that the business may face as an early-stage business. Going forward, the Company may not be successful in addressing the risks and uncertainties that may arise and which may materially and adversely affect MedAdvisor's business prospects.

MedAdvisor's ability to achieve its objectives depends on the ability of MedAdvisor's nominee directors and officers to implement the proposed business plans and to respond in a timely and appropriate manner to any unforeseen circumstances.

#### **(b) Competition and new technologies**

The industry in which MedAdvisor is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of the Company's projects and business. For instance, new technologies could result in the MedAdvisor Platform not being differentiated to other similar offerings.

The size and financial strength of some of MedAdvisor's competitors may make it difficult for it to maintain a competitive position in the technology market. In particular, MedAdvisor's ability to acquire additional technology interests could be

adversely affected if it is unable to respond effectively and/or in a timely manner to the strategies and actions of competitors and potential competitors or the entry of new competitors into the market. This may in turn impede the financial condition and rate of growth of the Company.

The key competition risk is in achieving appreciable market share and differentiation from its key competitors.

**(c) Sales and marketing success**

The Company is focused on Platform development and marketing. By its nature, there is no guarantee that the Platform's development and marketing campaign will be successful. In the event that it is not, the Company may encounter difficulty creating market awareness of the "MedAdvisor" Platform. This would likely have an adverse impact on the Company's potential profitability.

Even if the Company does successfully commercialise the MedAdvisor Platform, there is a risk the Company will not achieve a commercial return. For example, new technology may overtake the Company's technology.

**(d) Attracting customers to the Platform**

The Company's revenue will be affected by its ability to attract customers to the MedAdvisor Platform. Various factors can affect the level of customers using the MedAdvisor Platform, including:

- (i) Marketing and promotions: If the Company's marketing and promotion efforts are not effective this may result in fewer customers using the MedAdvisor Platform.
- (ii) Brand damage: If the Company or MedAdvisor suffer from reputational damage, customer numbers could be affected.
- (iii) MMG: MMG may have limited success in recruiting GPs and pharmacies to use the MedAdvisor Platform which may result in reduced revenue for the Company.

**(e) Hacker attacks**

MedAdvisor will rely upon the availability of its Platform to provide services to customers and attract new customers. Hackers could render the Platform unavailable or cause customers' personal information to be compromised.

Although MedAdvisor has strategies in place to minimise such attacks, these strategies may not be successful. Unavailability of the Platform could lead to a loss of revenue for the Company while compromising customers' information could hinder the Company's abilities to retain existing customers or attract new customers, which would have a material adverse impact on the Company's growth.

**(f) Contractual Third Party Risk**

MedAdvisor relies on third parties for key deliverables in its business model. This includes payment gateway providers, data providers, sales staff and integration of the MedAdvisor platforms to the in market dispensing software packages via third parties. A failure of any one of these parties without an appropriate countermeasure could cause a disruption to operations. MedAdvisor is continually assessing the risk and opportunities associated with its business model and other

than disruptions for short periods of time due to service delivery failure is not solely reliant on any one party for delivery.

**(g) Domain name risk**

The MedAdvisor Platform will depend to some extent on customers being attracted to the MedAdvisor website. MedAdvisor has registered a domain name for the purposes of its website. However, should MedAdvisor not renew or otherwise lose control of its domain name, it would lose all website traffic directed to that domain. This would likely adversely affect MedAdvisor's revenue.

**(h) Staff Risk**

There is a risk that, where there is a turnover of development staff who have knowledge of the technology and business, that knowledge will be lost in the event that those staff resign or retire. This involves the risk that those staff will have information in respect of MedAdvisor's intellectual property which has a commercial value to MedAdvisor as well as an opportunity cost for replacement of those staff and subsequent training.

MedAdvisor has historically had low levels of staff turnover in the development teams. In addition, all staff contracts contain express provisions with respect to ownership of intellectual property and restraints of trade to limit any potential loss suffered by MedAdvisor to the maximum extent possible.

**(i) Protection of intellectual property rights**

MedAdvisor protects its intellectual property rights in respect of the MedAdvisor Platform through copyright, trademarks, trade secrets and end user licenses. If the Company fails to protect the intellectual property rights of MedAdvisor adequately, competitors may gain access to its technology which would in turn harm its business.

Legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain. Effective patent, trademark, copyright and trade secret protection may not be available to the Company in every country in which the MedAdvisor Platform may eventually be launched. Accordingly, despite its efforts, the Company may not be able to prevent third parties from infringing upon or misappropriating its intellectual property.

The Company may be required to incur significant expenses in monitoring and protecting its intellectual property rights. It may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of its rights. Any litigation, whether or not it is successful, could result in significant expense to the Company and cause a distraction to management.

In addition, unauthorised use of the "MedAdvisor" brand in counterfeit products or services may not only result in potential revenue loss, but also have an adverse impact on its brand value and perceptions of its product qualities.

**(j) Acquisition**

The completion of the Acquisition will result in the removal of one of the Company's key competitors in the marketplace. As a result, other competitors may emerge in their place. Further, there may be a heightened risk that customers or third parties who the Company relies on for key deliverables may seek to renegotiate [or terminate] existing arrangements.



**(k) Access to Patient Prescription Data**

The successful continuation of the MedAdvisor Platform will depend on the continued access to patient prescription data. Access to the data is dependent on permissions given by both the pharmacy and the patient. At present there are no legal impediments to accessing the data as long as MedAdvisor has the necessary consents from both the pharmacist and the patient and the Company continues to comply with requirements of the Privacy Act 1988 (Cth).

Both pharmacies and patients have expressly consented to allow MedAdvisor to access patient prescription data as part of the registration process when they accept the standard MedAdvisor terms and conditions. Unless this consent is expressly revoked by either the pharmacy or the patient the consent is an enduring consent.

MedAdvisor has systems and processes in place to ensure that it complies and continues to comply with the Privacy Act 1988 (Cth).

There is a risk that either a pharmacy or a patient withdraws consent to access the prescription data. In the case of a pharmacy withdrawing consent this would be in the form of the pharmacy discontinuing their subscription of MedAdvisor, in which case their patients would be offered to switch their favourite pharmacy to a pharmacy that continues to support MedAdvisor.

There is a risk that the Federal Government may legislate to prohibit the access of prescription data by commercial organisations such as MedAdvisor.

**5.3 General Risks Relating to the Company**

**(a) Going Concern Risk**

MedAdvisor's audit report in the 2016 Annual Report contained an Emphasis Matter relating to going concern. Due to their losses in recent years and dependency on the ability to raise additional funds in the following 12 months, there may be uncertainty as to whether the Company will continue as a going concern and therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business.

Notwithstanding the 'going concern' note, the Directors and Incoming Directors believe that there are reasonable grounds to believe that the Company will be able to continue as a going concern.

**(b) Reliance on Key Management**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and directors. There can be no assurance that there will be no detrimental impact on the performance of the Company or its growth potential if one or more of these employees cease their employment and suitable replacements are not identified and engaged in a timely manner.

**(c) Risk of High Volume of Share Sales**

Some of the MedAdvisor Shareholders and others that receive Shares as a result of the Capital Raising, the Acquisition or the Offer may not intend to continue to hold those Shares and may wish to sell them on ASX (subject to any applicable

escrow period). There is a risk that an increase in the number of people wanting to sell Shares may adversely impact on the market price of the Company's Shares.

There can be no assurance that there will be, or continue to be, an active market for Shares or that the price of Shares will increase.

**(d) Trading Price of Shares**

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

**(e) Additional Requirements for Capital**

The capital requirements of the Company depend on numerous factors. Depending on the ability of the Company to generate income from its operations, the Company may require further financing in addition to amounts raised under the Public Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.

**(f) Litigation Risks**

The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. MedAdvisor is not currently engaged in any litigation.

**(g) Economic Risks**

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

Further, share market conditions may affect the value of the Company's securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;

- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

**(h) Force Majeure**

The Company, now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

**(i) Acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, companies, products, technologies and/or products that are complementary to MedAdvisor business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies, products and technologies, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving the sales and margins anticipated and retaining key staff and customer and supplier relationships.

**(j) Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by 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 Company's securities.

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## **6. ADDITIONAL MATERIAL INFORMATION**

### **6.1 Rights attaching to Shares**

The following is a summary of the more significant rights and restrictions that will attach to Shares following the Shareholder approval of the Constitution at the General Meeting. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

#### **(a) General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution.

#### **(b) Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

#### **(c) Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

**(d) Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

**(e) Shareholder liability**

As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

**(f) Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

**(g) Variation of rights**

Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

**(h) Alteration of Constitution**

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

## 6.2 Directors

The Directors of the Company are listed in the Corporate Directory. A summary of their skills and background is set out on pages 8 and 9 of the Company's 2016 Annual Report.

## 6.3 Interests of Directors

Other than as set out elsewhere in this Prospectus, no Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offer.

The direct and indirect interests of the Directors in the Securities of the Company as at the date of this Prospectus are as follows:

| Director          | Shares      | Performance Shares | Options                | Performance Rights |
|-------------------|-------------|--------------------|------------------------|--------------------|
| Peter Bennetto    | -           | -                  | 10,000,000             | -                  |
| Joshua Swinnerton | 106,837,500 | 68,225,102         | -                      | -                  |
| Jim Xenos         | 87,750,000  | 56,036,062         | -                      | -                  |
| Sandra Hook       | -           | -                  | 5,000,000 <sup>1</sup> | -                  |
| Robert Read       | 6,000,000   | -                  | -                      | 42,500,000         |

<sup>1</sup> Subject to Shareholder approval which is anticipated to be received at the upcoming Annual General Meeting on 26 October 2016.

## 6.4 Interests of Advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- (b) promoter of the Company;

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (c) the formation or promotion of the Company;
- (d) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (e) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons for services provided in connection with:

- (f) the formation or promotion of the Company; or
- (g) the Offer.

HWL Ebsworth has acted as the solicitors to the Company in respect of the Offer. MedAdvisor estimates that it will pay HWL Ebsworth \$15,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. HWL Ebsworth has also acted for the Company in respect of the Acquisition.

## **6.5 Consents**

Other than as set out below, each of the parties referred to in this Section 6.5:

- (a) do not make, or purport to make, any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by the relevant party;
- (b) to the maximum extent permitted by law, expressly disclaim and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of the party; and
- (c) did not authorise or cause the issue of all or any part of this Prospectus.

HWL Ebsworth has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as lawyers to MedAdvisor in relation to the Offer.

Peloton has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as joint lead manager to the Company in relation to the Capital Raising.

Veritas has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as joint lead manager to the Company in relation to the Capital Raising.

RSM Australia Partners has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as auditor of the Company.

Computershare Investor Services Pty Ltd has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as share registry of the Company.

## 6.6 Expenses of the Offer

The total expenses of the Offer (excluding GST) are estimated to be approximately \$17,350.00.

The table below sets out the items that the expenses of the Offer are expected to be applied towards:

| Fees/Expenses      |                    |
|--------------------|--------------------|
| Legal fees         | \$15,000.00        |
| ASIC lodgment fees | \$2,350.00         |
| <b>Total</b>       | <b>\$17,350.00</b> |

## 6.7 Transaction Specific Prospectus

This Prospectus is issued under the special prospectus content rules for continuously quoted securities in section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company, to issue a prospectus for continuously quoted securities with modified disclosure requirements if they satisfy certain requirements.

The information in this Prospectus principally concerns the terms and conditions of the Offer and the information reasonably necessary to make an informed assessment of:

- (a) the effect of the Offer on the Company; and
- (b) the rights and liabilities attaching to the Consideration Shares.

The 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. Shareholders should therefore also have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company.

## 6.8 Continuous disclosure obligations

The Company is listed on ASX and its Shares are quoted on ASX under the code "MDR".

The Company is a "disclosing entity" (as defined in Section 111AC of the Corporations Act) and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will continue to be 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.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.



## 6.9 Excluded information

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.

## 6.10 Information Available To Shareholders

The Company will provide a copy of each of the following documents, free of charge, to anyone who so requests:

- (a) the 2015 Prospectus;
- (b) the Annual Financial Report for the financial year ended 30 June 2016;
- (c) the following documents used to notify ASX of information relating to the Company during the period after lodgement of the Annual Financial Report and prior to the date of this Prospectus.

| Date       | ASX Announcement  |
|------------|---|
| 23/09/2016 | Appendix 4G (12 pages)                                      |
| 23/09/2016 | Notice of Annual General Meeting / Proxy (24 pages)         |
| 29/09/2016 | Listing Rule 4.10.19 Statement                              |
| 04/10/2016 | Publication of Research Note                                |
| 05/10/2016 | September Quarterly Activities Report and Appendix 4C       |
| 07/10/2016 | MedAdvisor Partners with Osteoporosis Australia             |
| 10/10/2016 | Results of MedAdvisor Limited Extraordinary General Meeting |
| 11/10/2016 | MedAdvisor Strengthens Management Team                      |
| 12/10/2016 | Continued Growth of Tap To Refill Feature                   |
| 17/10/2016 | Trading Halt  |
| 19/10/2016 | MedAdvisor Completes \$8M Oversubscribed Capital Raising    |

## 6.11 Market Price of Shares

The lowest and highest recorded closing market sale prices of the Shares quoted on ASX during the three month period immediately prior the date of this Prospectus was \$0.03 and \$0.046 respectively. The closing market sale price of the Shares quoted on ASX on the last day that trading took place in the Shares prior to the date of this Prospectus was \$0.044 and the five trading day VWAP prior to the date of this Prospectus was \$0.04.

## 6.12 Electronic Prospectus

Pursuant to Class Order 00/44, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus on the basis of a paper prospectus lodged with ASIC, and the publication of notices referring to an electronic prospectus, subject to compliance with certain conditions. If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

### **6.13 Litigation**

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

### **6.14 Governing law**

The Offer and the contracts formed on return of an Application Form are governed by the laws applicable in Victoria, Australia. Each person who applies for Securities pursuant to this Prospectus submits to the non-exclusive jurisdiction of the courts of Victoria, Australia, and the relevant appellate courts.

### **6.15 Directors' Authorisation**

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

In accordance with section 720 of the Corporations Act, each Existing Director and Incoming Director has consented, and as at the date of this Prospectus has not withdrawn his consent, to the lodgement of this Prospectus with the ASIC.

A handwritten signature in black ink, appearing to read 'Peter Bennetto', with a stylized, cursive script.

**Peter Bennetto**  
Non-executive Director  
MedAdvisor Limited

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## 7. GLOSSARY AND INTERPRETATION

### 7.1 Definitions

Unless the context requires otherwise, where the following terms are used in this Prospectus, they have the following meanings:

**\$** means an Australian dollar.

**2015 Prospectus** means the Prospectus for the Company lodged with ASIC on 8 September 2015.

**Acquisition** has the meaning given at Section 2.1.

**Applicant** means each HealthNotes Vendor.

**ASIC** means Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

**ASX Listing Rules** means the official listing rules of ASX.

**Board** means the board of Directors as constituted from time to time.

**Capital Raising** has the meaning given at Section 2.1.

**Closing Date** means the closing date of the Offer as set out in the indicative timetable in Section 2.2 of this Prospectus (subject to the Company reserving the right to extend the Closing Date).

**Company** or **MedAdvisor** means MedAdvisor Limited (ACN 145 327 617).

**Consideration Shares** means Shares issued to the HealthNotes Vendors under the Offer.

**Constitution** means the constitution of the Company (as amended or replaced from time to time) and following settlement of the Acquisition will be as described in Section 6.1.

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

**Directors** means the directors of the Company appointed from time to time.

**Exempt Offeree** means:

- (a) a "sophisticated investor" within the meaning of section 708(8) of the Corporations Act;
- (b) a "professional investor" within the meaning of section 708(11) of the Corporations Act;
- (c) an offeree receiving an offer through a financial services licensee within the meaning of section 708(10) of the Corporations Act; or
- (d) an otherwise "exempt" investor within any meaning contained in section 708 of the Corporations Act.

**HealthNotes** means Health Enterprises 2 Pty Ltd ACN 141 345 904.

**HealthNotes Shares** means fully paid ordinary shares in HealthNotes.

**HealthNotes Vendors** means the sellers of the HealthNotes Shares under the Acquisition, as detailed in Section 3.5.

**JLMs** means the joint lead managers of the Capital Raising, being Peloton and Veritas.

**Offer** means the offer of 57,894,738 Consideration Shares to the HealthNotes Vendors under the terms of this Prospectus.

**Peloton** means Peloton Capital Pty Ltd ACN 149 540 018.

**Placement Investors** has the meaning given in Section 2.1.

**Placement Shares** means the Shares issued under the Capital Raising.

**Prospectus** means this prospectus.

**Related Bodies Corporate** has the meaning given to that term under section 9 of the Corporations Act.

**Section** means a section of this Prospectus.

**Securities** mean all securities of the Company.

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

**Share Registry** means Computershare Investor Services Pty Limited (ACN 078 279 277).

**Shareholder** means a holder of one or more Shares.

**US** means the United States of America.

**US Securities Act** means the United States Securities Act of 1933, as amended.

**Veritas** means Veritas Securities Limited ACN 117 124 535.

## **7.2 Interpretation**

Unless the contrary intention appears, the following rules apply in interpreting this Prospectus:

- (a) words or phrases defined in the Corporations Act have the same meaning in this Prospectus;
- (b) a reference to legislation, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (c) the singular includes the plural and vice versa;
- (d) the word “person” includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any government agency;
- (e) a reference to Australian dollars, AUD, \$ or dollars is to the lawful currency of the Commonwealth of Australia; and
- (f) a reference to time is to Australian Eastern Standard Time (AEST).

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## 8. CORPORATE DIRECTORY

### Directors

Mr Peter Bennetto (Non-executive Chairman)  
Mr Jim Xenos (Non-executive Director)  
Ms Sandra Hook (Non-executive Director)  
Mr Robert Read (Executive Director and CEO)  
Mr Joshua Swinnerton (Executive Director and CTO)

### Company Secretary

Mr Carlo Campiciano

### Joint Lead Managers to Capital Raising

Peloton Capital Pty Ltd  
Level 5  
56 Pitt Street  
SYDNEY NSW 2000

Veritas Securities Limited  
Level 4  
175 Macquarie Street  
SYDNEY NSW 2000

### Share Registry

Computershare Investor Services Pty Limited  
Yarra Falls  
452 Johnston Street  
ABBOTSFORD VIC 3067

### Registered Office

Level 4  
969 Burke Road  
CAMBERWELL VIC 3124  
  
Telephone: +61 3 9095 3036  
Facsimile: +61 3 9882 3317  
Email: [corporate@medadvisor.com.au](mailto:corporate@medadvisor.com.au)  
Website: [www.medadvisor.com.au](http://www.medadvisor.com.au)

ASX Code: MDR

### Legal Advisers

HWL Ebsworth  
Level 26  
530 Collins Street  
MELBOURNE VIC 3000

### Auditor

RSM Australia Partners  
Level 21  
55 Collins Street  
MELBOURNE VIC 3000