

# R H I N O M E D

**Rhinomed Limited**  
**ACN 107 903 159**

## REPLACEMENT PROSPECTUS

This replacement Prospectus is being primarily issued for a non-renounceable pro rata offer to Eligible Shareholders of 5 New Shares for every 12 Shares held on the Record Date, at an issue price of \$0.03 per New Share, to raise up to approximately \$3.54 million (before costs) (**Rights Issue**).

This Prospectus is also being issued for the Shortfall Offer.

The Rights Issue closes at 5.00pm (AEST) on Thursday, 22 August 2024.\*

The Offers are conditionally fully underwritten by Mr W. Whitney George. See Sections 1.3 and 9.1 for details of the underwriting.

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.**

**IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.**

**AN INVESTMENT IN THE SHARES OFFERED IN CONNECTION WITH THIS PROSPECTUS SHOULD BE CONSIDERED OF A SPECULATIVE NATURE.**

\*The Company reserves the right, subject to the Corporations Act and the Underwriting Agreement and any other applicable laws to extend the Closing Date for the Rights Issue.

***Not for release to US wire services or distribution in the United States  
except to Eligible Shareholders***

## Important Information

This replacement Prospectus is dated 23 July 2024 and was lodged with ASIC on that date (**Replacement Prospectus**). It replaces the original Prospectus which was lodged with ASIC on 28 June 2024 (**Original Prospectus**). On 12 July 2024, ASIC issued an Interim Stop Order in respect of the Original Prospectus. This Replacement Prospectus has been issued to address ASIC's concerns. ASIC nor its officers take any responsibility for the contents of this Prospectus.

No New 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).

This document replaces the Original Prospectus. The material differences between the Original Prospectus and this replacement Prospectus are as follows:

- changes to the Proposed Timetable;
- changes to the breakdown of the use of funds raised under the offer in section 1.4;
- changes to the important contracts of the Company in section 2.7;
- changes to the intellectual property of the Company in section 2.8;
- changes to the financial position of the Company in section 2.9 to include information previously referenced in the Company's FY24 Half Year Report;
- inclusion of a new section 4 setting out the Company's historical financials;
- changes to the substantial holders of the Company in Section 7.3;
- changes to the Underwriter's relevant interest and voting power in Section 7.4;
- changes to the material contracts in section 8 to include further details and summaries of those contracts;
- changes to the Nominee entity;
- changes to the Investment Overview section to reflect the changes made in the other sections of the Prospectus; and
- ancillary amendments to reflect the above changes consistently throughout the Prospectus and to reflect that this document is a replacement Prospectus.

A copy of this Prospectus is available for inspection at the registered office of the Company at Level 1, 132 Gwynne Street, Cremorne, Victoria, Australia during normal business hours. The Prospectus will also be made available in electronic form. 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 (see Section 10.4).

Pursuant to section 727(3) of the Corporations Act, this Prospectus is subject to an Exposure Period of seven days from the date of lodgement with ASIC. ASIC may extend the Exposure Period by a further seven days.

Applications for New Shares will only be accepted on an Application Form attached to or provided by the Company with a copy of this Prospectus either in paper or electronic form. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus. If the application is by BPAY® there is no need to return the original Application Form. The Offers contemplated by this Prospectus are only available in electronic form to persons receiving an electronic version of this Prospectus within Australia.

No person 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 so contained may not be relied on as having been authorised by the Company in connection with the Offers.

No action has been taken to permit the offer of New Shares under this Prospectus in any jurisdiction other than Australia, New Zealand and the United States to persons who are Eligible Shareholders. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these

restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of New Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus. In particular, the New Shares have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and any applicable US state securities laws.

This document is important and should be read in its entirety before deciding to participate in an Offer. This 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 their particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult their solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in Section 7.

This Prospectus includes forward looking statements that have been based on current expectations about future acts, events and circumstances. These forward looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in the forward looking statements.

Definitions of certain terms used in this Prospectus are contained in Section 12. All references to currency are to Australian dollars and all references to time are to the time in Melbourne, Victoria, Australia unless otherwise indicated. Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

# Corporate Directory

## Directors

Mr Michael Johnson	Managing Director & CEO
Mr Ron Dewhurst	Non-Executive Chairman
Ms Lynette Swinburne	Non-Executive Director
Prof. John McBain	Non-Executive Director

## Company Secretary & CFO

Mr Sean Slattery

## Registered and Principal Office

Level 1, 132 Gwynne Street  
CREMORNE VIC 3121

Phone: +61 3 8416 0900  
Email: [info@rhinomed.global](mailto:info@rhinomed.global)  
Website: [www.rhinomed.global](http://www.rhinomed.global)

## Share Registry\*

Automic Pty Ltd  
Level 5, 126 Phillip Street  
SYDNEY NSW 2000

Phone: +61 2 9698 5414

## Auditor\*

Grant Thornton  
Collins Square, Tower 5/727 Collins St, Melbourne VIC  
3008

## Solicitors

HWL Ebsworth Lawyers  
Level 8, 447 Collins Street  
MELBOURNE VIC 3000

\* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

## Proposed Timetable

Event	Date
Lodgement of Original Prospectus with ASIC	Friday, 28 June 2024
Lodgement of Replacement Prospectus Announcement of Rights Issue	Tuesday, 23 July 2024
Record Date for determining Entitlements	Monday, 22 July 2024
Company sends Prospectus and Entitlement and Acceptance Form to Eligible Shareholders Rights Issue opens	Wednesday, 24 July 2024
Closing Date of Rights Issue (5pm AEST)*	Thursday, 22 August 2024
Announcement of results of Rights Issue, including any shortfall	Tuesday, 27 August 2024
Last date for issue of the Shares under the Rights Issue	Monday, 2 September 2024

\* All dates (other than the date of the Prospectus and the date of lodgement of the Prospectus with ASIC) are indicative only. The Directors may extend the Closing Date. The Company reserves the right, subject to the Corporations Act, the Underwriting Agreement and other applicable laws, to vary any other date of the Offers, including accepting late applications, either generally or in particular cases, without notice.

## Letter from the Chairman

Dear Shareholders

On behalf of the Board of Rhinomed Limited, I am pleased to invite you as a valued Shareholder to participate in a 5-for-12 pro-rata non-renounceable rights issue of New Shares at an issue price of \$0.03 per New Share (**Offer Price**) to raise approximately \$3.54 million (before costs) (**Rights Issue**).

Under the Rights Issue, Eligible Shareholders are entitled to subscribe for 5 New Shares for every 12 existing fully paid ordinary shares (**Shares**) in the Company held on the record date, being 7.00pm (AEST) on Monday, 22 July 2024 (**Record Date**). Eligible Shareholders may also apply for Shares in excess of their Entitlement pursuant to the Shortfall Offer at the Offer Price.

Approximately 118,135,035 New Shares will be issued under the Offers. New Shares will rank equally in all respects with the existing Shares from the date of quotation.

The Rights Issue is conditionally fully underwritten by substantial shareholder, Mr W. Whitney George (**Underwriter**) (refer to Sections 1.3 and 9.1 for details of the underwriting). Shareholders should be aware that there are potential control implications for the Company as a result of the underwriting arrangements with the Underwriter, which are set out in detail in Section 7.4.

The Company has continued to pursue its strategy of driving to a breakeven position by executing the right sizing program that was announced to investors late last year. Additionally, we continue to focus on growing our market share in the global sleep and snoring markets via our Mute brand which includes the proprietary Mute nasal dilator and the new Mute Mouth Tape. The Company is also progressing its Rhinoswab business and is awaiting regulatory clearance for inclusion of the Rhinoswab into Rapid Antigen test kits in the US, Australian and European markets.

Funds raised by the Rights Issue will be used to drive growth in the Company's major markets; support the Company's leading products, including the Mute range of products (Nasal Dilator and Mouth Tape), Turbine nasal dilator, the Rhinoswab range of nasal swabs and continue development of the Pronto technology platform; provide general working capital and the costs of the Rights Issue.

The Rights Issue under this Prospectus will close at **5:00pm (AEST) on Thursday, 22 August 2024**.

The Rights Issue is made to Eligible Shareholders, who will be sent an entitlement and acceptance form with this Prospectus. To participate in the Offers, you will need to complete either the Entitlement and Acceptance Form or a Shortfall Application Form in accordance with the instructions contained in this Prospectus.

The Prospectus includes further details of the Offers and the effect of the Offers on the Company, and a statement of the risks associated with investing in the Company. This is an important document and should be read in its entirety. If you have any doubts or questions in relation to the Prospectus you should consult your stockbroker, accountant, solicitor or other independent professional advisor to evaluate whether or not to participate in the Offers.

On behalf of Rhinomed Limited, I invite you to consider this investment opportunity and thank you for your continued support.

Yours faithfully,



**Ron Dewhurst**  
Non-Executive Chairman

## Investment Overview

This Section is intended to highlight key information for potential investors. It is an overview only, and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in Shares.

Topic	Key Information	Further Information
<b>Introduction</b>		
<p><b>Who is the Company and what does it do?</b></p>	<p>The Company is a nasal airway technology company developing and commercialising innovative products that improve breathing, help the diagnosis of upper respiratory diseases and have the potential to enable more effective drug delivery.</p> <p>Through the Company's proprietary platform technology that focuses on the role and function of the nose, the Company seeks to radically improve the way people breathe, sleep, take medication and diagnose disease.</p> <p>The Company's relentless focus on identifying and understanding the needs of customers, clinicians and patients drives the design and development of leading edge solutions.</p> <p>The Company continues to pursue a strategy of creating category leading technologies that can have a long lasting impact on the health of people around the world. Entering FY25, the Company is well positioned to take advantage of significant opportunities in the global sleep, snoring, diagnostic and drug delivery markets.</p>	<p>Section 2.1</p>
<p><b>What is the history of the Company?</b></p>	<p>The Company began its life in 2007 as a medical technology company listed on the ASX. In 2013 the then board appointed Mr Michael Johnson as CEO. Mr Johnson led a restructure and turnaround program while also developing what is now the Company's nasal medical device intellectual property platform. Over the past decade the Company has commercialised four products from this platform that are now on sale in markets all over the world.</p> <p>On 16 February 2024, the Company was formally voluntarily delisted from the Official List of the ASX following shareholder approval at an extraordinary general meeting and remains an Australian unlisted public company at the date of this Prospectus with no immediate plans for restructuring or redomiciling.</p>	<p>Section 2.1</p>
<p><b>What is the Company's intellectual property portfolio?</b></p>	<p>The Company has built an extensive intellectual property portfolio covering its nasal medical device platform. The Company currently has 70 utility patents and 104 design patents pending and granted across multiple jurisdictions.</p> <p>The intellectual property platform also covers the use of the technology across a wide range of applications including diagnostics and nasal drug delivery. The Company anticipates developing solutions in these markets over the long term.</p>	<p>Section 2.5</p>

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What is the Regulatory status of Rhinomed's products?	The Company's commercialisation strategy has been to seek to introduce its technology directly to consumers in the Australian, North American and European markets. As a result, the Company has successfully registered each of its commercialised technology as Class 1 devices in the abovementioned markets.	Section 2.11																																																												
What markets does Rhinomed operate in?	The Company participates in the two key markets: <ul style="list-style-type: none"> <li>the consumer health market, where it focuses on upper respiratory issues and specifically the sleep and snoring markets; and</li> <li>the point of care diagnostic testing market, with a focus on the development and commercialisation of nasal swabs for POC diagnostic tests for upper respiratory infectious diseases.</li> </ul>	Section 3.1																																																												
What are the Company's sources of revenue?	The Company generates revenue from selling its technology to customers via global consumer health retail channels.	Section 2.3																																																												
What is the Company's growth strategy?	The Company's strategy is to build out a global brand in two key emerging consumer health markets, sleep and snoring and point of care diagnostics.	Section 2.6																																																												
What is the Company's historical statutory financial performance?	<p>Figure 1.1 Historical statutory financial performance FY22 and FY23</p> <table border="1"> <thead> <tr> <th></th> <th>FY22</th> <th>FY23</th> </tr> <tr> <th></th> <th>\$</th> <th>\$</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>10,393,420</td> <td>8,456,309</td> </tr> <tr> <td>Expenses</td> <td>(15,361,581)</td> <td>(19,053,512)</td> </tr> <tr> <td><b>Operating loss</b></td> <td><b>(5,238,161)</b></td> <td><b>(10,597,203)</b></td> </tr> <tr> <td><b>Loss before income tax expense</b></td> <td><b>(5,280,198)</b></td> <td><b>(10,907,475)</b></td> </tr> <tr> <td>Income tax expense</td> <td>(840)</td> <td>(780)</td> </tr> <tr> <td><b>Loss after income tax expense</b></td> <td><b>(5,281,038)</b></td> <td><b>(10,908,255)</b></td> </tr> <tr> <td>Exchange differences on translation of foreign operations</td> <td>(829,912)</td> <td>(532,144)</td> </tr> <tr> <td><b>Total comprehensive loss</b></td> <td><b>(6,110,950)</b></td> <td><b>(11,440,399)</b></td> </tr> </tbody> </table> <p>Figure 1.2 Historical statutory financial performance H1 FY23 and H1 FY24</p> <table border="1"> <thead> <tr> <th></th> <th>H1 FY23</th> <th>H1 FY24</th> </tr> <tr> <th></th> <th>\$</th> <th>\$</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>3,944,659</td> <td>4,140,294</td> </tr> <tr> <td>Expenses</td> <td>(8,528,211)</td> <td>(7,933,997)</td> </tr> <tr> <td><b>Operating loss</b></td> <td><b>(4,583,552)</b></td> <td><b>(3,793,703)</b></td> </tr> <tr> <td><b>Loss before income tax expense</b></td> <td><b>(4,653,645)</b></td> <td><b>(4,160,518)</b></td> </tr> <tr> <td>Income tax expense</td> <td>(746)</td> <td>(823)</td> </tr> <tr> <td><b>Loss after income tax expense</b></td> <td><b>(4,654,391)</b></td> <td><b>(4,161,341)</b></td> </tr> <tr> <td>Exchange differences on translation of foreign operations</td> <td>(170,685)</td> <td>531,363</td> </tr> <tr> <td><b>Total comprehensive loss</b></td> <td><b>(4,825,076)</b></td> <td><b>(3,629,978)</b></td> </tr> </tbody> </table>		FY22	FY23		\$	\$	Revenue	10,393,420	8,456,309	Expenses	(15,361,581)	(19,053,512)	<b>Operating loss</b>	<b>(5,238,161)</b>	<b>(10,597,203)</b>	<b>Loss before income tax expense</b>	<b>(5,280,198)</b>	<b>(10,907,475)</b>	Income tax expense	(840)	(780)	<b>Loss after income tax expense</b>	<b>(5,281,038)</b>	<b>(10,908,255)</b>	Exchange differences on translation of foreign operations	(829,912)	(532,144)	<b>Total comprehensive loss</b>	<b>(6,110,950)</b>	<b>(11,440,399)</b>		H1 FY23	H1 FY24		\$	\$	Revenue	3,944,659	4,140,294	Expenses	(8,528,211)	(7,933,997)	<b>Operating loss</b>	<b>(4,583,552)</b>	<b>(3,793,703)</b>	<b>Loss before income tax expense</b>	<b>(4,653,645)</b>	<b>(4,160,518)</b>	Income tax expense	(746)	(823)	<b>Loss after income tax expense</b>	<b>(4,654,391)</b>	<b>(4,161,341)</b>	Exchange differences on translation of foreign operations	(170,685)	531,363	<b>Total comprehensive loss</b>	<b>(4,825,076)</b>	<b>(3,629,978)</b>	Section 4
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<b>How does the Company intend to fund operations</b>	<p>Rhinomed has funded its operations through cash flow generated by the business, debt financing and through capital raisings. The Company expects to fund its future operations principally through cash flow generated by the business.</p> <p>Along with cash held at completion of the Offers, and subject to negotiating extensions of existing debt facilities with substantial shareholders, the Directors believe Rhinomed will have sufficient cash flow from operations to meet business needs during the next 12 months and will have sufficient working capital to carry out its stated objectives.</p>	Section 2.9
<b>Operational changes</b>	<p>In late 2023 the company announced a right sizing program to reduce burn and reach break even during FY25.</p> <p>This Cost reduction program has delivered the following annualised reductions over the course of Q3:</p> <ul style="list-style-type: none"> <li>• \$2.6 million reduction in marketing expenses;</li> <li>• \$0.5 million in other operational expenses;</li> <li>• \$0.4 million in administrative expenses; and</li> <li>• \$0.7 million in employee expenses.</li> </ul>	Section 2.9
<b>What is our dividend policy</b>	The Company does not expect to pay dividends in the short to medium term as its focus will primarily be on growing the existing business.	Section 2.10
<b>Summary of key risks</b>		
Potential investors should be aware that subscribing for Shares involves a number of risks. The key risk factors of which investors should be aware are set out in Section 8, including (but not limited to) risks in respect of:		Section 8
<b>Control risk</b>	In the event the Underwriter takes up his full Entitlement and no other Eligible Shareholders or investors subscribe for Shares under the Offers, the Underwriter's voting power in the Company could increase from 25.61% to up to 47.49%, although the Company does not expect the Underwriter's interest to exceed 39.93% (refer to Section 7.4(b) for further discussion).	
<b>Future capital needs</b>	Further funding will be required by the Company to support its ongoing activities and operations. There can be no assurance that such funding will be available on satisfactory terms or at all.	
<b>Liquidity risk</b>	There is no active market for the Company's Shares following the Company's delisting from the ASX.	
<b>Clinical trial risk</b>	The successful commercialisation of some of the Company's products (including the development of its Rhinoswab range of products) is dependent on the Company's ability to conduct further user and clinical trials and the results of those trials being positive. There is no guarantee these trials will return positive results.	
<b>Medical device development risks</b>	The development and commercialisation of medical devices is subject to the inherent risk of failure, including but not limited to the possibility	

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	that products may be found to be unsafe or ineffective or fail to receive necessary regulatory approvals.																									
<b>Competition</b>	The medical device and consumer health industries are highly competitive and subject to rapid change. The Company competes or will in due course compete with other businesses. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities.																									
<b>Directors, Related Party Interests and Substantial Holders</b>																										
<b>Who are the Directors?</b>	As at the date of this Prospectus, the Board comprises of: <ul style="list-style-type: none"> <li>• Mr Ronald Dewhurst - Chair, Non-Executive Director;</li> <li>• Mr Michael Johnson - CEO, Executive Director;</li> <li>• Professor John McBain - Non-Executive Director; and</li> <li>• Ms Lynette Swinburne - Non-Executive Director.</li> </ul>	Section 5.1																								
<b>Who are they key management personnel?</b>	As at the date of this Prospectus, other than the Directors, the Company's key management personnel includes Mr Sean Slattery - Chief Financial Officer, Company Secretary.	Sections 5.1 and 5.2																								
<b>What benefits are being paid to the non-executive Directors?</b>	As at the date of this Prospectus, the Non-Executive Directors will be paid the following fees (exclusive of superannuation): <ul style="list-style-type: none"> <li>• Mr Ronald Dewhurst - Nil;</li> <li>• Professor John McBain - \$35,874; and</li> <li>• Ms Lynette Swinburne - \$35,874.</li> </ul>	Section 5.3																								
<b>What benefits are being paid to the CEO?</b>	The Company has an executive employment agreement with Michael Johnson, pursuant to which Mr Johnson serves as CEO of the Company on a full-time basis. Mr Johnson receives \$336,323 per annum (excluding superannuation).	Section 5.3																								
<b>What interests do the Directors and key management personnel have in the Securities of the Company?</b>	The Directors, key management personnel and their related entities have the following interests in Securities as at the date of this Prospectus: <table border="1" data-bbox="470 1601 1236 1892"> <thead> <tr> <th>Name</th> <th>Shares</th> <th>Voting Power</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>Ronald Dewhurst</td> <td>19,808,510</td> <td>6.99%</td> <td>-</td> </tr> <tr> <td>Michael Johnson</td> <td>1,848,617</td> <td>0.65%</td> <td>25,380,913</td> </tr> <tr> <td>John McBain</td> <td>53,017,490</td> <td>18.70%</td> <td>-</td> </tr> <tr> <td>Lynette Swinburne</td> <td>178,000</td> <td>0.06%</td> <td>-</td> </tr> <tr> <td>Sean Slattery</td> <td>Nil</td> <td>Nil</td> <td>2,538,091</td> </tr> </tbody> </table>	Name	Shares	Voting Power	Options	Ronald Dewhurst	19,808,510	6.99%	-	Michael Johnson	1,848,617	0.65%	25,380,913	John McBain	53,017,490	18.70%	-	Lynette Swinburne	178,000	0.06%	-	Sean Slattery	Nil	Nil	2,538,091	Section 5.3
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<p><b>Who are the substantial holders of the Company?</b></p>	<p>Those Shareholders (and their associates) holding a substantial holding in 5% or more of the Shares on issue as at the date of this Prospectus are as follows.</p> <table border="1" data-bbox="461 376 1246 660"> <thead> <tr> <th data-bbox="461 376 829 427">Name</th> <th data-bbox="829 376 1034 427">Shares</th> <th data-bbox="1034 376 1246 427">% of Shares</th> </tr> </thead> <tbody> <tr> <td data-bbox="461 427 829 479">W. Whitney George</td> <td data-bbox="829 427 1034 479">72,604,016</td> <td data-bbox="1034 427 1246 479">25.61%</td> </tr> <tr> <td data-bbox="461 479 829 530">John McBain</td> <td data-bbox="829 479 1034 530">53,017,490</td> <td data-bbox="1034 479 1246 530">18.70%</td> </tr> <tr> <td data-bbox="461 530 829 582">Ryan McIntyre</td> <td data-bbox="829 530 1034 582">28,000,000</td> <td data-bbox="1034 530 1246 582">9.88%</td> </tr> <tr> <td data-bbox="461 582 829 633">Darrel Harvey</td> <td data-bbox="829 582 1034 633">25,000,000</td> <td data-bbox="1034 582 1246 633">8.82%</td> </tr> <tr> <td data-bbox="461 633 829 683">Ron Dewhurst</td> <td data-bbox="829 633 1034 683">19,808,510</td> <td data-bbox="1034 633 1246 683">6.99%</td> </tr> </tbody> </table>	Name	Shares	% of Shares	W. Whitney George	72,604,016	25.61%	John McBain	53,017,490	18.70%	Ryan McIntyre	28,000,000	9.88%	Darrel Harvey	25,000,000	8.82%	Ron Dewhurst	19,808,510	6.99%	<p>Section 7.3</p>
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Ryan McIntyre	28,000,000	9.88%																		
Darrel Harvey	25,000,000	8.82%																		
Ron Dewhurst	19,808,510	6.99%																		
<p><b>What are the Offers?</b></p>																				
<p><b>Rights Issue</b></p>	<p>This Prospectus is for a non-renounceable entitlement issue of 5 New Shares for every 12 existing Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.03 per New Share to raise up to approximately \$3.54 million (before costs).</p>	<p>Section 1.1</p>																		
<p><b>Use of Funds</b></p>	<p>Funds raised under the Offers will be used for sales and marketing initiatives, research and development, and production costs in order to drive growth in the Company's major markets, support the Company's leading products, including Mute Snoring, Mute Mouth Tape and Rhinoswab technologies, and provide working capital. Funds raised will also go towards repaying some existing debt, general working capital (such as working capital reserves, webpage development, staff costs) and the costs of the Offers.</p>	<p>Section 1.4</p>																		
<p><b>Eligible Shareholders</b></p>	<p>The Rights Issue is made to Eligible Shareholders only. Eligible Shareholders are those Shareholders who:</p> <ul style="list-style-type: none"> <li>• are the registered holder of Shares as at 7.00pm (AEST) on the Record Date; and</li> <li>• have a registered address in Australia, New Zealand or the United States (but only if (i) such person in the United States is an "accredited investor" as defined in Rule 501(a) under the US Securities Act and (ii) the Company would like to extend the Offers to such person taking into account any US state "blue sky" securities law requirements).</li> </ul>	<p>Sections 1.1 and 1.10</p>																		
<p><b>Shortfall Offer</b></p>	<p>Any New Shares not taken up pursuant to the Rights Issue will form the Shortfall Offer. The issue price for each Shortfall Share shall be \$0.03, being the same price at which New Shares are being offered under the Rights Issue.</p> <p>In addition to their Entitlement, Eligible Shareholders may apply for Shortfall Shares under the Shortfall Offer subject to such applications being received by the Closing Date.</p> <p>Any Shortfall Shares will be allocated in the following order of priority in accordance with the allocation policy outlined in Section 1.2:</p>	<p>Section 1.2</p>																		

Topic	Key Information	Further Information												
	<ul style="list-style-type: none"> <li>Firstly, to any Eligible Shareholders unrelated to the Company that have fully subscribed for their Entitlement under the Rights Issue and subscribe for Shortfall Shares in excess of their Entitlement.</li> <li>Secondly, to any third parties unrelated to the Company who apply for Shortfall Shares prior to the Closing Date (at the Directors' discretion).</li> <li>Lastly, any remaining Shortfall Shares will be subscribed for by the Underwriter.</li> </ul>													
<b>Underwriting</b>	<p>The Offers are fully underwritten by Mr W. Whitney George (<b>Underwriter</b>).</p> <p>The Underwriter is not a related party of the Company and is an existing Shareholder with a substantial holding of 72,604,016 Shares, which is approximately 25.61% of the total number of Shares currently on issue.</p> <p>Pursuant to the Underwriting Agreement, any Shortfall Shares not subscribed for by Eligible Shareholders and other investors will be taken up by the Underwriter. See Section 1.2 for further details of the shortfall allocation policy.</p> <p>No underwriting fees are payable to the Underwriter. See Section 9.1 for further details of the underwriting arrangements.</p>	Sections 1.3 and 9.1												
<b>Effect on control of the Company</b>	<p>The effect of the Offers on the control of the Company will depend on the take-up of Entitlements by Eligible Shareholders and any Shortfall Shares by Eligible Shareholders and other third party investors unrelated to the Company.</p> <p>It should be noted that in the event that no other Shareholder or investor subscribes for the Offers, the Underwriter's maximum potential relevant interest in Shares is 47.49% (assuming no further Shares are issued or Options exercised). The Company does not expect the Underwriter's interest to exceed 39.93% having regard to the verbal commitments provided by other substantial shareholders to take up their respective Entitlements.</p> <p>Shareholders should note that if they do not participate in the Offers, their holdings will be diluted. Examples of how the dilution may impact Shareholders are set out in Section 7.5.</p>	Sections 7.4 and 7.5												
<b>Indicative capital structure and pro-forma balance sheet</b>	<p>Subject to rounding and assuming no further Securities are issued or Options exercised, the indicative capital structure upon completion of the Offers is set out below:</p> <table border="1" data-bbox="470 1713 1236 1904"> <thead> <tr> <th></th> <th>Shares</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>Balance at Prospectus date</td> <td>283,524,215</td> <td>15,228,548</td> </tr> <tr> <td>To be issued pursuant to the Offers</td> <td>118,135,035</td> <td>-</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>401,659,118</b></td> <td><b>15,228,548</b></td> </tr> </tbody> </table> <p>The indicative pro-forma balance sheet showing the effect of the Offers is in Section 7.2.</p>		Shares	Options	Balance at Prospectus date	283,524,215	15,228,548	To be issued pursuant to the Offers	118,135,035	-	<b>TOTAL</b>	<b>401,659,118</b>	<b>15,228,548</b>	Sections 7.1 and 7.2
	Shares	Options												
Balance at Prospectus date	283,524,215	15,228,548												
To be issued pursuant to the Offers	118,135,035	-												
<b>TOTAL</b>	<b>401,659,118</b>	<b>15,228,548</b>												

Topic	Key Information	Further Information															
<p><b>Directors' interests in Shares and Entitlements</b></p>	<p>The relevant interest of each of the Directors in Shares as at the date of this Prospectus, together with their respective Entitlements (assuming no Options are exercised), is set out in the table below:</p> <table border="1" data-bbox="469 378 1238 611"> <thead> <tr> <th data-bbox="469 378 759 427">Name</th> <th data-bbox="759 378 1007 427">Existing Shares</th> <th data-bbox="1007 378 1238 427">Entitlement</th> </tr> </thead> <tbody> <tr> <td data-bbox="469 427 759 472">Michael Johnson</td> <td data-bbox="759 427 1007 472">1,848,617</td> <td data-bbox="1007 427 1238 472">770,257</td> </tr> <tr> <td data-bbox="469 472 759 517">Ron Dewhurst</td> <td data-bbox="759 472 1007 517">19,808,510</td> <td data-bbox="1007 472 1238 517">8,253,546</td> </tr> <tr> <td data-bbox="469 517 759 562">Lynette Swinburne</td> <td data-bbox="759 517 1007 562">178,000</td> <td data-bbox="1007 517 1238 562">74,167</td> </tr> <tr> <td data-bbox="469 562 759 611">John McBain</td> <td data-bbox="759 562 1007 611">53,017,490</td> <td data-bbox="1007 562 1238 611">22,090,621</td> </tr> </tbody> </table> <p>It is the current intention of all directors to take up all or part of their Entitlement specified above under the Rights Issue.</p>	Name	Existing Shares	Entitlement	Michael Johnson	1,848,617	770,257	Ron Dewhurst	19,808,510	8,253,546	Lynette Swinburne	178,000	74,167	John McBain	53,017,490	22,090,621	<p>Section 5.3</p>
Name	Existing Shares	Entitlement															
Michael Johnson	1,848,617	770,257															
Ron Dewhurst	19,808,510	8,253,546															
Lynette Swinburne	178,000	74,167															
John McBain	53,017,490	22,090,621															
<p><b>Forward looking statements</b></p>	<p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>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 considered reasonable.</p> <p>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 the management.</p> <p>The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have 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.</p> <p>These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 8.</p>	<p>Key Information and Section 8</p>															

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## 1. Details of the Offers

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### 1.1 Rights Issue

The Company is making a non-renounceable pro-rata offer of ordinary fully paid Shares (**New Shares**) at an issue price of \$0.03 each to Eligible Shareholders on the basis of 5 New Shares for every 12 Shares held at 7.00pm on the Record Date (**Rights Issue**).

As at the date of this Prospectus, the Company has on issue 283,524,215 Shares and 15,228,548 Options.

On the basis that no existing Options are exercised prior to the Record Date (and subject to rounding), the Rights Issue is for a maximum of 118,135,035 New Shares, to raise up to approximately \$3.54 million (before costs).

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

Eligible Shareholders have the opportunity to apply for additional New Shares in excess of their Entitlement. Further details are contained in Section 1.2 below.

New Shares issued under the Rights Issue will be issued as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to the New Shares offered under the Rights Issue is in Section 10.1.

### 1.2 Shortfall Offer

Any New Shares not taken up pursuant to the Rights Issue will become Shortfall Shares. The Shortfall Offer is a separate offer of the Shortfall Shares made pursuant to this Prospectus and will remain open for up to three months following the Closing Date (or such shorter period determined by the Directors).

The issue price of Shares offered under the Shortfall Offer will be \$0.03 each, which is the issue price at which Shares have been offered to Eligible Shareholders under the Rights Issue. Shortfall Shares will be issued as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to Shares is in Section 10.1.

The issue of Shortfall Shares will be limited to the extent that there are sufficient New Shares from Eligible Shareholders who do not take up their full Entitlements. Therefore Shortfall Shares will only be issued if the Rights Issue is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions.

The Company will allow Eligible Shareholders that have fully subscribed for their Entitlement under the Rights Issue to subscribe for Shortfall Shares by completing the relevant part of the Entitlement and Acceptance Form, or through BPAY®. Please refer to Section 6.5.

Third parties who are not related to the Company may also apply for Shortfall Shares. Investors wishing to participate should contact the Company to obtain a copy of this Prospectus and the Shortfall Application Form.

Any Shortfall Shares will be allocated in the following order of priority:

- (a) Firstly, to any Eligible Shareholders unrelated to the Company that have fully subscribed for their Entitlement under the Rights Issue and subscribe for Shortfall Shares in excess of their Entitlement. If there are insufficient Shortfall Shares to satisfy Applications by Eligible Shareholders, such Applications will be scaled back on a pro rata basis.
- (b) Secondly, to any third parties unrelated to the Company who apply for Shortfall Shares prior to the Closing Date. The Directors reserve the right to issue Shortfall Shares at their absolute discretion. In exercising this discretion, the Board will take into consideration a number of factors, including the Company's best interests, the financial needs of the Company, and the optimal composition of the Company's register following the Offers. To the extent commercially practicable and taking into account the Company's requirement for funds, the Directors will endeavour to allot any Shortfall Shares to a spread of investors, in order to mitigate any control effects which may arise from issuing the Shortfall Shares to a single or small number of investors.
- (c) Lastly, any remaining Shortfall Shares will be subscribed for by the Underwriter, in accordance with the Underwriting Agreement up to the maximum amount to be underwritten. For the avoidance of doubt, the Underwriter will not be allocated any Shortfall Shares under paragraphs (a) or (b) above. Further, in the event an additional underwriter or underwriters are sourced during the Offer period, the Underwriter's obligation to subscribe for Shortfall Shares will be reduced to the extent of any commitment from additional underwriters. Refer to Section 9.1 for further details.

Notwithstanding the above, no Shortfall Shares will be allocated or issued to any person to the extent that the Company is aware that to do so would result in a breach of the Corporations Act or any other relevant legislation or law, including without limitation, a breach of section 606 of the Corporations Act.

Applicants wishing to apply for Shortfall Shares must consider whether the issue of the Shortfall Shares applied for would breach the Corporations Act having regard to their own circumstances (including the existence of any associates). The Company expressly disclaims any responsibility for monitoring such applications or ensuring that individual Applicants do not breach the Corporations Act as a result of participation in the Offers.

It is a term of the Shortfall Offer that, should the Company scale back applications for Shortfall Shares, the Applicant will be bound to accept such lesser number allocated to them. There is no guarantee that Applicants will receive Shares applied for under the Shortfall Offer. In that event, Application Monies for Shortfall Shares will be refunded by the Company (without interest) in accordance with the provisions of the Corporations Act.

### 1.3 Underwriting

The Offers are fully underwritten by the Underwriter for up to approximately \$3.54 million (subject to reconciliation following the Record Date) (**Underwritten Amount**), or 118,135,035 New Shares (subject to reconciliation following the Record Date) (**Underwritten Shares**), pursuant to an underwriting agreement between the Company and the Underwriter (**Underwriting Agreement**).

All valid Applications for New Shares pursuant to this Prospectus received and accepted by the Company, from all sources, will go towards relief of the obligations of the Underwriter under the Underwriting Agreement.

No underwriting fees are payable to the Underwriter under the Underwriting Agreement.



The Underwriter, together with his associates, is a current substantial Shareholder and has undertaken to support the Rights Issue by subscribing in full for his Entitlements, being approximately \$907,500, or 30,251,673 New Shares.

The Underwriting Agreement is subject to standard terms and conditions. Section 9.1 contains a summary of the material terms and conditions of the Underwriting Agreement.

Please refer to Section 7.4 for a description of the potential impact of the Offers on control of the Company.

#### 1.4 Use of funds

Completion of the Offers will result in an increase in cash at hand of approximately \$3.54 million before costs (assuming no Options are exercised prior to the Record Date).

Funds raised by the Rights Issue will be used to drive growth in the Company's major markets; support the Company's leading products, including the Mute range of products (nasal dilator, Mouth Tape, Turbine nasal dilator) and the Rhinoswab range of nasal swabs; provide general working capital and the costs of the Rights Issue.

The following indicative table sets out the proposed use of funds raised under the Offers:

Proposed use	\$'000
Sales and Marketing	\$1,000
Research and Development	\$200
Production	\$750
Debt repayment <sup>1</sup>	\$759
Working capital requirements <sup>2</sup>	\$950
Estimated expenses of the Offers <sup>3</sup>	\$135
<b>TOTAL</b>	<b>\$3,544</b>

**Notes:**

1. The Underwriter advanced this amount to the Company, which will be set-off against the Underwriters subscription price for the Underwriter's Entitlements. Other debt owed to the Underwriter will not be paid down from the funds raised by the Offers.
2. The working capital requirements include but not limited to additional staff costs, working capital reserve and webpage development.
3. See Section 10.8 for further details relating to the estimated expenses of the Offers.

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied, including market conditions, the development of new opportunities and/or any number of other factors. The Board reserves the right to alter the way the funds are applied on this basis.

#### 1.5 Opening and Closing Dates

The Company will accept Application Forms from the date it dispatches the Prospectus until 5.00pm (AEST) on **Thursday, 22 August 2024** or such other date as the Directors in their absolute discretion shall determine (**Closing Date**).

The Offers may be closed at an earlier date and time at the discretion of the Directors, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as

possible. However, the Company reserves the right to extend the Offers or accept late Applications, subject to the Corporations Act, the Underwriting Agreement and any other applicable laws.

#### 1.6 **Minimum subscription**

There is no minimum subscription for the Offers.

#### 1.7 **Rights trading**

The Entitlements under the Rights Issue are non-renounceable. This means that Eligible Shareholders who do not wish to subscribe for some or all of their Entitlement under the Rights Issue are not able to sell their respective Entitlements and also Shareholders or other investors are not able to purchase additional Entitlements if they desired to.

#### 1.8 **Issue Date and dispatch**

All New Shares under the Rights Issue are expected to be issued on or before the date specified in the proposed Timetable. The Company intends to issue any Shortfall Shares at the same time as, or as soon as practicable after, the issue of New Shares under the Rights Issue. Shareholder statements will be dispatched at the end of the calendar month following the issue of the New Shares under the Offers.

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

#### 1.9 **Application Monies held on trust**

All Application Monies received for New Shares 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.

#### 1.10 **Residents outside Australia**

##### (a) **Offers and distribution of Prospectus**

This Prospectus, and any accompanying Application Form, do not, and are not intended to, constitute an offer of Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the New Shares under the Offers.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

##### (b) **New Zealand**

The New Shares and Entitlements are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

(c) **United States**

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Entitlements and the New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, these securities may not be offered or sold 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.

The New Shares will only be offered and sold in the United States to persons who are Eligible Shareholders.

(d) **Ineligible Foreign Shareholders**

The Company believes that it is unreasonable to extend the Offers to Ineligible Foreign Shareholders. The Company has formed this view having considered:

- (i) the number of Shareholders in the places where the Offers would be made;
- (ii) the number and value of the New Shares that would be offered to those Shareholders; and
- (iii) the cost of complying with the legal requirements and the requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, Ineligible Foreign Shareholders will not be entitled to participate in the Offers.

The Company has appointed Canaccord Genuity (Australia) Limited (**Nominee**) (subject to ASIC approval) to arrange for the sale of the Entitlements that would have been given to Ineligible Foreign Shareholders and to account for them for the net proceeds of the sale (see Section 1.10(e) below for further details).

(e) **Sale of Ineligible Foreign Shareholders' Entitlements**

The Company has applied for ASIC approval of the appointment of the Nominee to subscribe for and sell the Entitlements that would otherwise be held by Ineligible Foreign Shareholders (**Ineligible New Shares**) for the purposes of section 615 of the Corporations Act.

The Nominee will seek to sell the Ineligible New Shares as soon as practicable on a 'best endeavours' basis, and to that end will be able to procure any buyer for the Ineligible New Shares, and will be able to sell some or all of the Ineligible New Shares at differing prices, at its sole and absolute discretion.

The proceeds of the sale of these Ineligible New Shares will firstly be applied against expenses of such sale, including brokerage. The net proceeds (if any) will then be remitted to the Share Registry for distribution to each of the Ineligible Foreign Shareholders in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses).

For performing this role, the Company has agreed to pay to the Nominee the higher of a 6% brokerage fee on the gross amount raised from the sale of any such Ineligible New Shares and \$20,000 (plus GST).

There is no guarantee that the Nominee will be able to sell the Ineligible New Shares. Even where the Nominee is able to do so, Ineligible Foreign Shareholders may receive no net proceeds if the costs of the sale are greater than the sale proceeds. Neither the Company nor the Nominee take any responsibility for the outcome of the sale of such Ineligible New Shares or the failure to sell such Ineligible New Shares.

If there is no viable market for the Ineligible New Shares or those Ineligible New Shares cannot otherwise be sold, those Ineligible New Shares may be taken up in accordance with the allocation policy set out in Section 1.2, in which case it is expected that there will be no proceeds remitted to Ineligible Foreign Shareholders in respect of their Ineligible New Shares.

Ineligible Foreign Shareholders should note that the sale of any Ineligible New Shares may affect their Australian taxation position. It is recommended that Ineligible Foreign Shareholders obtain independent tax advice if they are in doubt as to the tax treatment of any cash proceeds they may receive.

Where this Prospectus has been dispatched to Ineligible Foreign Shareholders, it is provided for information purposes only.

(f) **Notice to nominees and custodians**

Nominees and custodians that hold Shares should note that the Rights Issue is available only to Eligible Shareholders and that nominees and custodians may not distribute this Prospectus, and may not permit any beneficial shareholder to participate in the Offers, in any country outside Australia and New Zealand.

The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares.

### 1.11 Risk factors

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 8.

### 1.12 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for New Shares under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for New Shares under this Prospectus.

### 1.13 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 2023, can be found in the Company's Annual Report announced on ASX on 18 October 2023. The Company's preliminary half-year report to 31 December 2023 can be located at: <https://www.rhinomed.global/investor-information/quarterly-annual-reports/>. The Company's continuous disclosure notices (i.e. ASX announcements) since 18 October 2023 are listed in Section 10.4. Copies of these documents are available free of charge from the

Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offer.

#### 1.14 **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 holding of Shares 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 set out 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 regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your application (as applicable).

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.

#### 1.15 **Enquiries**

For enquiries concerning the Offers, Application Forms and the Prospectus, please contact the Company Secretary on +61 3 8416 0900.

For general Shareholder enquiries, please contact the Company's share registry, Automic, on +61 2 9698 5414.

## 2. Company Overview

### 2.1 Introduction

The Company is an airway technology company that seeks to radically improve the way you breathe, sleep, maintain your health and take medication. The Company's patented nasal technology leverages the physiology of the nose to optimise our breathing which is essential to restful sleep and to maintaining good health.

The Company began its life in 2007 as a medical technology company listed on the ASX. In 2013 the then board appointed Mr Michael Johnson as CEO. Mr Johnson led a restructure and turnaround program while also developing what is now the Company's nasal medical device intellectual property platform. Over the past decade the Company has commercialised four products from this platform that are now on sale in markets all over the world.

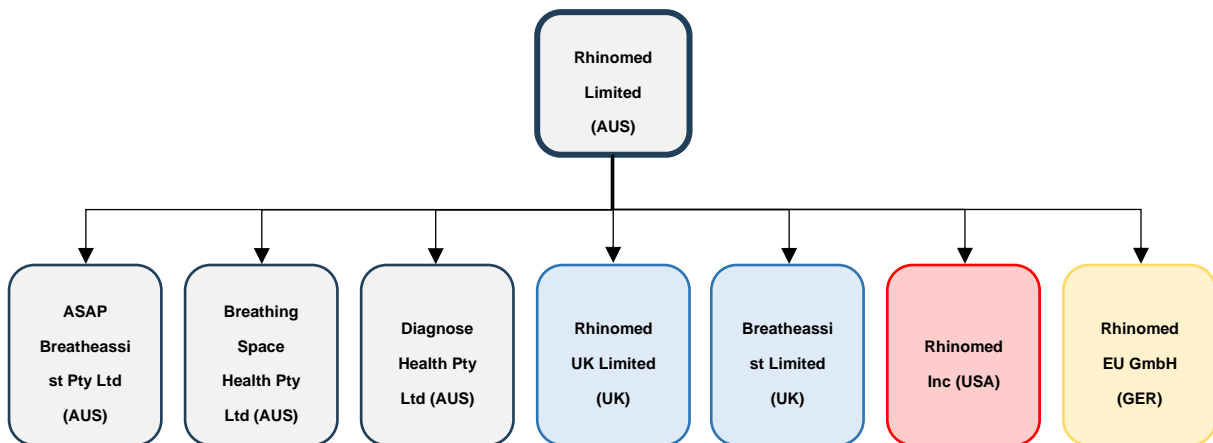
To further reduce cost base and to achieve a better return for investors, the Company proposed to shareholders that it delist from the ASX.

Following an Extraordinary General meeting in January 2024, shareholders voted in favour of delisting. As a result, the Company ceased trading on the ASX on 16 February 2024. There is no current intention to list the Company on another bourse and the Board are presently focused on growing the business as an unlisted public company registered in Australia.

The Company's technology platform is protected by a family of over 60 patents globally. The Company is headquartered in Melbourne, Australia.

### 2.2 Group structure

As at the date of this Prospectus, the Company has the below group structure:



Below are summaries of the operations of each entity:

- Rhinomed Limited: Parent entity, responsible for overheads and staff costs relating to Australia.
- ASAP Breatheassist Pty Ltd: Australian entity responsible for sales and marketing related to Australia.
- Breathing Space Health Pty Ltd: Dormant entity.
- Diagnose Health Pty Ltd: Dormant entity.

- (e) Rhinomed UK Limited: UK entity responsible for sales and marketing related to the EU/UK.
- (f) Breatheassist Limited: Dormant entity.
- (g) Rhinomed Inc.: US entity, responsible for sales, marketing, overheads, and staff costs related to the USA.
- (h) Rhinomed EU GmbH: German entity, responsible for sales and marketing in the EU region.

### 2.3 Sources of revenue

The Company develops the technology internally, outsources the manufacturing of these products and then sells the products to customers via consumer health retail chains. The Company has developed a global logistics network through which it supplies these products to its customers.

The Company generates revenue from selling its technology to customers via global consumer health retail channels, including Walgreens, CVS, Ingles, Amerisource, Kinney Drug, McKesson, Meijer, Wegmans, Giant Eagle Holland and Barrett AAH, Pharmaher Ireland, Chemist Warehouse, Terry White Chemmart, Amcal, API, Sigma, Symbion, Priceline, Blooms the Chemist, Pharmacy 777 and Chemist King, amongst others.

The Company also has a significant presence on Amazon in the US, UK, Australia and Germany.

The agreements in place with these retail channels are on the retailers' standard terms and conditions with the Company receiving purchase orders from each. Shareholders should refer to Section 9 for further information.

### 2.4 Sources of expenses

The Company's expenses are largely driven by the following:

- (a) raw materials and consumables used,
- (b) administrative expenses,
- (c) depreciation and amortisation expenses,
- (d) employee benefit expenses,
- (e) marketing expenses,
- (f) research and development expenses,
- (g) other operating expenses, and
- (h) finance costs incurred by the Company.

### 2.5 Current Operations and Product Lines

The Company is predominantly a wearable nasal and respiratory medical device company and actively seeks to improve the way millions of people around the world breathe, sleep, take medication and maintain their health by utilising the nose as a site for delivery of novel solutions.

The Company achieves this goal by assisting people to overcome nasal breathing issues, such as congestion and obstruction, and socialise 'wearing' a device in the nose in order to solve high value unmet needs in the global consumer health, diagnostic, and drug delivery markets. The Company's strategy is to ensure its products are available online and on the shelves of the world's leading pharmacy/drugstore, grocery and mass market retailers and are recommended by

leading clinicians and practitioners who recognise the impact the nose and upper airway has on a wide range of health issues.

Over the past decade the Company has commercialised four products from its IP platform (discussed at Section 2.8 below) that are now on sale in markets all over the world. These products include:

- (a) **Mute:** A nasal dilator that assists users to breathe more through their nose thereby reducing the likelihood of snoring and improving overall sleep;



- (b) **Turbine:** A nasal dilator designed to assist users to breathe more through the nose while undertaking aerobic exercise and sporting activities;



- (c) **Rhinoswab:** A range of nasal swabs for both adults and children that are clinically equivalent to the more invasive combined nose and throat swabs, greatly improve the user experience, are able to be self-administered and which can be used across molecular and rapid antigen testing platforms;







- (d) **Mouth tape:** A new range of mouth Tape designed to assist nasal breathing, reduce mouth breathing and complement the Company's growing sleep and snoring franchise.



- (e) **The Pronto nasal delivery platform:** A nasal drug delivery platform capable of delivering a wide variety of volatile formulations into the nasal airway.

The Company is now selling the Mute, Turbine, Mouth Tape and Rhinoswab products in multiple markets and has built an extensive wholesale and retail network including a presence on the shelves of some of the world's leading consumer health wholesalers and retailers.

The Company is now well positioned with a strong presence in both bricks and mortar retail and ecommerce.

## 2.6 Strategy, plans and objectives

The Company's strategy is to build out a global brand in two key emerging consumer health markets. Sleep and snoring market and point of care diagnostics market.

The Company's strategy is to firstly ensure the Company has a significant presence in the key channels through which consumers access these products (brick and mortar retail and online/ecommerce). Secondly, to ensure the Company delivers a range of high value solutions via these channels.

As at the date of this prospectus, the Company has used the Mute technology as a flagship product to build out this retail network, build solid relationships with the Company's retailers and create a growing customer base. The next phase involves continuing to grow the number of stockists carrying the Company's products and then expand the Company's offering to both stockists and consumers via the introduction of new technology and brand variations.

This strategy is best illustrated by the recent addition of the Company's new mouth tape product to major US retailers (CVS and Walgreens) in the first half of CY2024. This will be followed by a similar roll out into the Company's Australian retail network.

Following regulatory approval in the US, Europe and Australia, the Company will also seek to roll out the new rapid antigen test kits containing the Rhinoswab technology into the same retail and online channels.

The Company is now well positioned to be able to use its IP and brands to create highly differentiated and clearly branded products that can be rapidly commercialised via its pre-existing channels to market. Over time, the Company anticipates building a portfolio of branded and patented applications in these key growth markets.

As these brands grow and as more and more people are exposed to the Company's nasal technology, the Company in turn mitigates the market risk attached to the development of more sophisticated clinical applications such as nasal diagnostics and nasal drug delivery. This strategy makes partnering a more viable and potentially attractive proposition for both diagnostics and drug developers looking for a unique, highly accessible and well established platform.

The Company anticipate that over the longer term its growth ambitions will be assisted by a licensing partnership program.

## 2.7 Important contracts

The Company has set out below its key customers and suppliers.

### (a) Key customers

The Company sells its products through the following retailer chains:

- Amazon Vendor Central (US);
- Walgreens Boots Alliance, Inc. (US);
- CVS Health Corporation (US);
- Sigma Company Limited (AU);
- API Services Australia Pty Ltd (AU);
- Symbion Pty Ltd (AU);
- AAH Pharmaceuticals Limited (UK); and
- Boots UK Limited (UK).

The Company does not have formal contracts with these parties, rather it supplies products under purchase orders subject to each retailer's standard terms and conditions of trade.

### (b) Key suppliers

The Company has contracts with the following key suppliers:

- Chinamed Products (China) Ltd (CN) for the manufacture of Breatheassist products; and
- One World Distribution, Inc. (US) who provide the Company with third-party logistics services in the US.

For further information on the above key suppliers' contracts, please refer to section 9.

The Company engages with the following key suppliers without any formal contract and in accordance with the suppliers' standard terms and conditions of trade:

- Amazon Advertising LLC (US) in respect of the provision of on-line advertising;

- APS Innovations Pty Ltd (AU) in respect of industrial design and production management oversight services; and
- Willship International Pty Ltd in respect of international freight forwarding and customs brokering services.

## 2.8 Intellectual Property

The Company has built an extensive intellectual property (**IP**) portfolio covering its nasal medical device platform.

The Company currently has 70 utility patents and 104 design patents pending and granted across multiple jurisdictions:

**Mute:** The Company IP strategy for Mute involves pursuing patents and trademarks in key sales markets along with emerging markets. The majority of Mute patents have been granted with the remainder in final phases of prosecution. During 2023 the Mute patent moved to granted status in the USA. Trademark protection has been granted in the key markets for Mute.

**Turbine:** Patents have been granted in one third of key markets with the remainder expected to be granted in the medium term. Turbine has extensive design protection, further entrenching Rhinomed position as leader in wearable nasal technology. The Turbine trademark is registered in over 20 countries.

**Rhinoswab and Rhinoswab Junior:** Patents for Rhinoswab and Rhinoswab Junior have been successfully filed and planning is currently underway for national phase prosecution in major geographies. The significant investment in the Rhinoswab platform is also protected by a broad range of design patent filings covering much of the global market. Rhinoswab is also protected by trademarks.

The intellectual property platform also covers the use of the technology across a wide range of applications including diagnostics and nasal drug delivery. The Company anticipates developing solutions in these markets over the long term.

Set out in the table below is a summary of the Company's registered intellectual property broken down by product, type and jurisdictions:

Title	Type	Number	Jurisdictions
Belt	Design	7	Europe, UK, USA, Australia, China, New Zealand, Canada
Bo2It	Trademark	1	Australia
Breathe Assist	Trademark	1	Australia
Dilator	Design	20	Europe, UK, USA, Australia, China, Canada, Japan, India
Dilator	Patent	11	Malaysia, Japan, Brazil, Russian Federation, China, New Zealand, Canada, Australia Taiwan, South Korea (Republic of Korea), USA
INPEAP	Design	8	China, Australia, EU IPO, UK, USA
INPEAP	PCT	1	USA
INPEAP	Trademark	2	International Bureau Of WIPO

Title	Type	Number	Jurisdictions
INPEAP	Patent	8	USA, New Zealand, China, Australia, UK, Germany, France, Europe
Making every breath count	Trademark	1	Australia
Mute	Trademark	26	USA, New Zealand, China, UK, Europe, International Bureau of WIPO, Mexico, Japan, Singapore, Norway, South Korea (Republic of Korea), India, Switzerland, Colombia, Australia, Thailand, Hong Kong, South Africa, Malaysia, Indonesia, Taiwan, Chile, Brazil, Argentina, Canada
Nasal dilator devices	Design	8	Europe, UK, Australia
Nasal dilator devices	Patent	18	USA, China, UK, South Korea (Republic of Korea), Australia, Malaysia, Taiwan, Canada, Japan, Brazil, New Zealand, Russian Federation, France, Germany
Pronto	Design	11	Japan, Hong Kong, China, Europe, Taiwan, Japan, USA
Pronto	Trademark	13	Australia, South Africa, Taiwan, Chile, Singapore, USA, UK, Mexico, Canada, Norway, India, Europe, New Zealand
Rhinomed	Trademark	5	USA, Europe, International Bureau Of WIPO, Australia, UK
Rhinoswab by Rhinomed	Trademark	8	Australia, UK, USA, Singapore, Japan, India, China, International Bureau Of WIPO
Sleep Assist	Trademark	1	Australia
Swab	Design	22	Japan, China, South Korea (Republic of Korea), New Zealand, Australia, Europe, Canada
Swab	Trademark	1	Australia
Tray for dilator	Design	1	Japan
Turbine	Design	24	Japan, India, South Korea (Republic of Korea), China, UK, Australia, Canada, USA, India, New Zealand
Turbine	Trademark	24	International Bureau Of WIPO, Colombia, Switzerland, USA, Europe, India, Japan, Norway, Mexico, China, South Korea (Republic of Korea), Singapore, Hong Kong, South Africa, Malaysia, Indonesia, Thailand, Taiwan, New Zealand, Brazil, Canada, Australia, Argentina, UK

## 2.9 Financial position

As set out in the Company's FY23 Annual Report and FY24 Half Year Report, FY23 revenue was \$6 million (an increase of 24% on FY22), FY23 units shipped was 445,360, 1H FY24 revenue was \$4 million (an increase of 18% on 1H FY23), and 1H FY24 units shipped was 225,800. Refer to Section 4 for further information.

Store numbers have increased in Australia and USA with the expansion into Terry White and Chemist Warehouse and with Walgreens having increased their store numbers that Mute products are stocked in. There is continued growth across multiple geographies due in large part to Amazon. The Company has also recently released its new Mute Mouth Tape product into Walgreens and CVS in the USA.

The Company's current financial arrangements includes long term debt from substantial shareholders. The Company currently has no intention of increasing its debt levels. The below table summarises the Company existing debt as at 31 December 2023:

Lender	Amount (\$)	Notes
AMAL Trustees Pty Ltd	\$499,275	Credit line facility to finance working capital. Under the facility ASAP Breatheassist Pty Ltd is able to borrow up to 80% of trade receivable balances approved by the lender with the maximum amount that can be drawn down being \$2,800,000. The repayment date is 30 November 2024. The interest rate is variable and averaged 11.08% for the financial period 1 July 2023 to 31 December 2023. There is a facility fee of 1.35%. The facility is secured by a featherweight General Security Agreement and a first ranking priority charge over ASAP Breatheassist Pty Ltd's assets and receivables book respectively.
W. George Revocable Trust & M. George Revocable Trust	US\$2,500,000	Repayment date of 1 October 2024, fixed rate of 8%, unsecured.
W. George Revocable Trust & M. George Revocable Trust	US\$1,970,000	Repayment date of 1 October 2024, fixed rate of 8%, unsecured.
Ron Dewhurst	\$1,250,000	Repayment date of 30 June 2025, fixed rate of 8%, unsecured.
John McBain	\$850,000	Repayment date of 1 October 2024, fixed rate of 8%, \$1,250,000 facility, unsecured.

The Company will shortly commence negotiations with the Messrs George and McBain in respect of extending the maturity dates of their respective loans. The Company notes these lenders, being the two largest shareholders, have accommodated extensions of repayment in the past. If the lenders do not extend the repayment dates to their respective loans, the Company may need to raise further capital, seek further debt or seek to arrange conversion of debt to equity (subject to the Company obtaining shareholders' approval, if required) to repay maturing debt.

In late 2023 the company announced a right sizing program to reduce burn and reach break even by end of FY24. This Cost reduction program has delivered the following annualised reductions over the course of Q3:

- (a) \$2.6 million reduction in marketing expenses;

- (b) \$0.5 million in other operational expenses;
- (c) \$0.4 million in administrative expenses; and
- (d) \$0.7 million in employee expenses.

For detailed breakdowns of the Company's historical financial position, Shareholders should refer to Section 4. Otherwise, Shareholders may obtain a copy of the following documents that have been previously lodged with ASIC either by viewing them on the Company's website at <https://www.rhinomed.global/investor-information/quarterly-annual-reports/> or by requesting a copy from the Company free of charge:

1. Half Year Report 1H for Financial Year 2024;
2. Audited Financial Report for Financial Year 2023;
3. Half Year Report 1H for Financial Year 2023;
4. Audited Financial Report for Financial Year 2022;
5. Half Year Report 1H for Financial Year 2022; and
6. Audited Financial Report for Financial Year 2021.

The Auditor recently provided the below 'Basis for Disclaimer of Conclusion' in the Company's FY24 Half Year Report:

*'The Group has incurred a net loss of \$4,161,341 and net cash outflows from operating activities of \$3,472,505 for the half-year ended 31 December 2023, and as at 31 December 2023, the Group's current liabilities exceeded its current assets by \$10,275,865 and the Group had net liabilities of \$10,035,739. The Group is reliant on ongoing cash funding from external parties to support its operations.'*

*'The half-year report has been prepared on a going concern basis. The directors have not been able to provide sufficient evidence to support management's assessment of the Group's ability to pay its debts as and when they fall due, and as a result, we are unable to determine whether the use of the going concern basis of accounting is appropriate.'*

## 2.10 Dividend policy

The Company does not expect to pay dividends in the near future as its focus will primarily be on growing the existing business.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

## 2.11 Regulatory status of products

The Company's commercialisation strategy has been to seek to introduce its technology directly to consumers in all major markets. As a result, the Company has successfully registered each of its commercialised technology as Class 1 devices in major markets.

Product	Australian TGA	US FDA	European Authority	Canada health	Other
Mute	Class 1 registration	Class 1 registration	Class 1 registration	Class 1 registration	N/A
Turbine	Class 1 registration	Class 1 registration	Class 1 registration	Class 1 registration	N/A
Rhinoswab	Class 1 registration	Class 1 registration	Class 1 registration	Class 1 registration	Malaysia
Mute Mouth Tape	Class 1 registration	Class 1 registration	N/A	N/A	N/A
Pronto platform	Class 1 registration	Class 1 registration	Class 1 registration	N/A	N/A

The Company is seeking to partner with manufacturers of Rapid Antigen Test kits for Covid-19, Flu A&B and RSV and to work with these companies to include the Rhinoswab technology in these rapid antigen test kits. The Company's partners have already successfully registered their test kits as Class 2 devices with the relevant regulatory authorities in each of the Company's target markets - the USA, Canada, Europa and Australia. Rhinomed is working with its partners to amend their existing registrations to include the Rhinoswab technology.

### 3. Industry Overview

#### 3.1 Key Markets

Rhinomed participates in the two key markets:

- (a) the consumer health market where it focuses on upper respiratory issues and specifically the sleep and snoring markets.
- (b) the point of care (**POC**) diagnostic testing market with a focus on the development and commercialisation of nasal swabs for POC diagnostic tests for upper respiratory infectious diseases.

#### 3.1 Consumer Health

The global consumer health market for snoring solutions is a AUD\$2.23 billion opportunity. In the 2023 Global Sleep and Snoring report conducted by Rhinomed and leading online health company WebMD, it was identified that 57% of the global population is affected by snoring (*One Poll Sleep & Snoring Study completed November 29-December 9th, 2022. UK/US/AUS. Question: Which of the following best describes you?*).

Rhinomed is currently focused on reaching customers in the Australian, North American and European markets. Rhinomed currently has no meaningful share of this market but aim to target this market through the application of funds for marketing and sales activities, as detailed in Section 1.4.



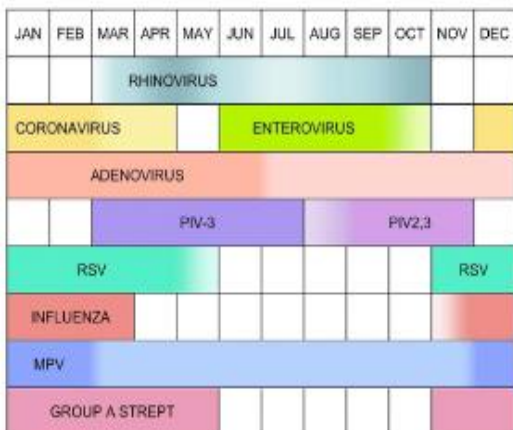


Image from *The 2023 Snoring and Sleep Report*, pg. 6 and 7,

### 3.2 POC testing

Global sales for POC diagnostic tests were approximately US\$49.7 billion in 2023. POC diagnostic tests for infectious diseases accounted for approximately 9.8% of the total global sales of all POC diagnostic tests in 2020 (*MarketsandMarkets, Point of Care / Rapid Diagnostics Market - Global Forecast to 2025*, February 2021). Rhinomed currently has no meaningful share of this market but aim to target this market through the application of funds for marketing and sales activities, as detailed in Section 1.4.

Every year millions of people are infected by upper respiratory disease. Prior to appropriate treatment the ability to effectively and efficiently diagnose people is key.



**Seasonal URI in USA**  
 Seasonal variation of selected upper respiratory tract infection pathogens. PIV is parainfluenza virus, RSV is respiratory syncytial virus, MPV is metapneumovirus, and Group A Strept is group A streptococcal disease. <sup>5</sup>



Image from *Global burden of upper respiratory infections in 204 countries and territories, from 1990 to 2019*, *The Lancet*, 28 June 28, 2021, [www.thelancet.com/journals/eclinm/article/PIIS25895370\(21\)00266-2](http://www.thelancet.com/journals/eclinm/article/PIIS25895370(21)00266-2)

The Company is pursuing opportunities in the Australian, North American and European markets.



## 4. Financial Information

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### 4.1 Introduction

The financial information contained in Section 4 has been prepared by Rhinomed on a consolidated basis, including all of its subsidiaries, for the financial years ended 30 June 2022 (**FY22**) and 30 June 2023 (**FY23**) and for the half-years ended 31 December 2022 (**1H FY23**) and 31 December 2023 (**1H FY24**).

Sections 4.3, 4.4, and 4.5 contains the statutory historical financial information of Rhinomed as described below.

The statutory historical financial information comprises the following:

- Statutory historical consolidated statements of profit or loss for FY22, FY23, 1H FY23 and 1H FY24;
- Statutory historical consolidated statements of cash flows for FY22, FY23, 1H FY23 and 1H FY24; and
- Statutory historical consolidated statement of financial position as at FY22, FY23, 1H FY23 and 1H FY24,

(together, the **Statutory Historical Financial Information**).

The Statutory Historical Financial Information forms the **Financial Information**.

The Financial Information has been reviewed in accordance with the Australian Standard on Assurance Engagements ASAE 3450 Assurance Engagements involving Fundraising and/or Prospective Financial Information, by Grant Thornton Audit Pty Ltd (the **Auditor**).

Also summarised in Section 4 are:

- The basis of preparation and presentation of the Financial Information (Section 4.2);
- The Statutory Historical Financial Information (Sections 4.3, 4.4 and 4.5);
- Commentary on the liquidity of, and the sources of capital available to Rhinomed (Section 4.6).

The information in Section 4 should be read in conjunction with the risk factors set out in Section 8 and other information contained in this Prospectus.

All amounts disclosed in the tables are presented in Australian dollars and unless otherwise noted, are rounded to the nearest \$1,000. Rounding of figures provided in the Financial Information may result in some immaterial differences between the sum of components and the totals outlined within tables and percentage calculation.

### 4.2 Basis of preparation and presentation of the Financial Information

The Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding the underlying historical financial performance, cash flows and financial position of Rhinomed, together with its forecast financial performance and cash flows. The Directors are responsible for the preparation and presentation of the Financial Information.

The Statutory Historical Financial Information have been prepared in accordance with the recognition and measurement principles of the Australian Accounting Standards (**AAS**) issued by the Australian Accounting Standards Board (**AASB**), which are consistent with the International Financial Reporting Standards (**IFRS**) and interpretations issued by the International Accounting Standards Board (**IASB**).

The Financial Information is presented in an abbreviated form insofar as it does not include all the disclosures, statements or comparative information as required by the AAS applicable to annual financial reports prepared in accordance with the Corporations Act.

Rhinomed has one reportable operating segment; that is, the identification, acquisition, and commercialisation of late stage consumer therapeutic and medical delivery technologies at Rhinomed group level as one consolidated operation.

(a) **Preparation of Historical Financial Information**

The Statutory Historical Financial Information has been derived from the consolidated general purpose financial statements of Rhinomed for FY22 and FY23 and the interim consolidated financial statements of Rhinomed for 1H FY24 and 1H FY23, as applicable.

The consolidated general purpose financial statements of Rhinomed for FY22 and FY23 were audited by the Auditor in accordance with Australian Auditing Standards. The Auditor issued unqualified audit opinions on these consolidated financial statements.

The interim consolidated financial statements of Rhinomed for 1H FY24 and 1H FY23 were reviewed by the Auditor in accordance with Auditing Standards on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. The Auditor was unable to obtain sufficient evidence to provide a basis for a review conclusion.

(b) **Going concern**

In the consolidated general purpose financial statements for FY22 and FY23, the Auditor included a statement that there was material uncertainty that casts doubt on Rhinomed's ability to continue as a going concern.

In FY22, Rhinomed incurred a net loss of \$5,281,038 during the year ended 30 June 2022 with a net cash outflow from operating activities of \$5,743,485.

In FY23, Rhinomed incurred a net loss of \$10,908,255 during the year ended 30 June 2023, and as at that date Rhinomed's current liabilities exceed its current assets by \$6,850,298 and had net liabilities of \$6,405,761.

In 1H FY24, Rhinomed had incurred a net loss of \$4,161,341 and net cash outflows from operating activities of \$3,472,505 for the half year ended 31 December 2023 with current liabilities exceeding its current assets by \$10,275,865 and net liabilities of \$10,035,739.

The Auditor noted that Rhinomed is reliant on ongoing cash funding from external parties to support its operations.

Rhinomed's management acknowledges that a material uncertainty exists that may cast doubt on Rhinomed's ability to continue as a going concern, however, the Directors are confident that Rhinomed has adequate resources and funding opportunities to continue in operational existence for the foreseeable future. Rhinomed has an established history of raising funds and management is confident that it will continue to be able to do so.

#### 4.3 Historical consolidated statements of profit or loss

##### (a) Statutory historical consolidated statements of profit or loss (FY22 and FY23)

	Note	FY22	FY23
<b>Revenue</b>		<b>\$</b>	<b>\$</b>
Revenue from customers	5	9,104,727	7,472,451
Other Income	6	1,288,693	983,858
<b>Expenses</b>			
Raw materials and consumables used		(2,898,870)	(1,881,248)
Administrative expenses		(1,210,368)	(1,307,983)
Depreciation and amortisation expenses	7	(699,462)	(891,984)
Employee benefit expenses		(3,885,332)	(4,889,659)
Marketing expenses		(4,763,126)	(5,615,397)
Research and development expenses		(1,716,232)	(1,161,353)
Other operating expenses		(458,191)	(819,311)
Impairment of intangible assets and inventory	7	-	(2,486,577)
<b>Operating loss</b>		<b>(5,238,161)</b>	<b>(10,597,203)</b>
Finance income	24	2,210	2,518
Finance costs	24	(44,247)	(312,790)
<b>Loss before income tax expense</b>		<b>(5,280,198)</b>	<b>(10,907,475)</b>
Income tax expense	8	(840)	(780)
<b>Loss after income tax expense for the year attributable to the owners of Rhinomed Ltd</b>		<b>(5,281,038)</b>	<b>(10,908,255)</b>
<b>Other comprehensive loss for the year</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		(829,912)	(532,144)
Other comprehensive loss for the year		(829,912)	(532,144)
<b>Total comprehensive loss for the year attributable to the owners of Rhinomed Ltd</b>		<b>(6,110,950)</b>	<b>(11,440,399)</b>

	Note	FY22	FY23
Basic earnings per share	35	(2.02)	(3.82)
Diluted earnings per share	35	(2.02)	(3.82)

*Notes (refer to the FY23 Annual Report for further information of the notes listed below)*

5. *Rhinomed derives revenue from the transfer of goods at a point in time.*
6. *Other income consists of government grants and incentives, R&D tax incentives, unrealised currency gains and other income.*
7. *Depreciation and amortisation consist of depreciation of right of use assets, property, plant and equipment and amortisation of intangible assets.*
8. *Refer to note 8 of FY23 Annual Report for full breakdown of this figure.*
24. *Finance income is calculated from the interest from financial assets held for cash management purposes. Finance costs are calculated from the interest and finance charges paid/payable for lease liabilities and other finance charges.*
35. *Earnings per share are calculated from the loss after income tax attributable to the owners of Rhinomed Ltd, the weighted average number of ordinary shares used in calculating basic earnings per share and diluted earnings per share.*

**(b) Statutory historical consolidated statements of profit or loss (1H FY23 and 1H FY24)**

	Note	1H FY23	1H FY24
<b>Revenue</b>		<b>\$</b>	<b>\$</b>
Revenue from customers	4	3,383,772	4,007,835
Other Income	5	366,174	132,459
Foreign currency exchange gains	6	194,713	-
<b>Expenses</b>			
Raw materials and consumables used		(1,079,567)	(940,607)
Administrative expenses		(689,416)	(955,307)
Depreciation and amortisation expenses		(488,841)	(175,726)
Employee benefit expenses		(2,366,150)	(2,215,192)
Marketing expenses		(2,992,804)	(2,410,809)
Research and development expenses		(462,873)	(433,036)
Other operating expenses		(420,019)	(179,821)
Impairment of intangible assets and inventory		-	(281,542)

	Note	1H FY23	1H FY24
Foreign exchange losses	6	(28,541)	(341,957)
<b>Operating loss</b>		<b>(4,583,552)</b>	<b>(3,793,703)</b>
Finance income		388	1,520
Finance costs		(70,481)	(368,335)
<b>Loss before income tax expense</b>		<b>(4,653,645)</b>	<b>(4,160,518)</b>
Income tax expense		(746)	(823)
<b>Loss after income tax expense for the year attributable to the owners of Rhinomed Ltd</b>		<b>(4,654,391)</b>	<b>(4,161,341)</b>
 <b>Other comprehensive loss for the year</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		(170,685)	531,363
Other comprehensive loss for the year		(170,685)	531,363
<b>Total comprehensive loss for the year attributable to the owners of Rhinomed Ltd</b>		<b>(4,825,076)</b>	<b>(3,629,978)</b>
Basic earnings per share		(1.63)	(1.46)
Diluted earnings per share		(1.63)	(1.46)

*Notes (refer to the 1H FY24 Half-Year Report for further information of the notes listed below)*

4. *Rhinomed derives revenue from the transfer of goods at a point in time.*
5. *Other income consists of government grants and incentives, R&D tax incentives, and other income.*
6. *Foreign exchange differences.*

#### 4.4 Historical statutory consolidated statement of financial position

##### (a) Statutory consolidated statement of financial position (FY22 and FY23)

	Note	FY22	FY23
<b>Assets</b>		\$	\$
<b>Current assets</b>			
Cash and cash equivalents	9	1,984,949	190,412
Trade and other receivables	10	2,093,557	1,497,381
Inventories	11	1,241,748	629,566
Other current assets	12	202,641	213,786
Total current assets		5,522,895	2,531,145
<b>Non-current assets</b>			
Other financial assets		81,472	82,015
Property, plant and equipment	13	751,420	320,324
Right-of-use assets	14	271,843	141,629
Intangible assets	15	1,870,108	-
Total non-current assets		2,974,843	543,968
<b>Total assets</b>		<b>8,497,738</b>	<b>3,075,113</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	16	2,669,515	2,558,843
Contract liabilities	17	125,144	417,423
Lease liabilities	18	151,304	170,572
Employee benefits obligations	19	249,083	444,506

Borrowings	20	-	5,790,099
Total current liabilities		3,195,046	9,381,443
<b>Non-current liabilities</b>			
Lease liabilities	18	185,439	14,867
Employee benefits obligations	19	82,615	84,564
Total non-current liabilities		268,054	99,431
<b>Total liabilities</b>		<b>3,463,100</b>	<b>9,480,874</b>
<b>Net (liabilities)/assets</b>		<b>5,034,638</b>	<b>(6,405,761)</b>
<b>Equity</b>			
Share capital	21	77,650,779	77,650,779
Other reserves	22	2,868,159	2,336,015
Accumulated losses		(75,484,300)	(86,392,555)
<b>Total (deficiency in equity)/equity</b>		<b>5,034,638</b>	<b>(6,405,761)</b>

Notes (refer to the FY23 Annual Report for further information of the notes listed below)

9. *Includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.*
10. *Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value.*
11. *Inventory is stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises purchase and delivery costs, net of rebates and discounts received or receivable. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.*  
*As a result of the delays in regulatory approval in the USA and Canada, the Directors have concluded that an impairment charge for Rhinoswab Adult inventory was necessary and as a result, Rhinomed has recognised an impairment loss of \$893,976.*
12. *Other current assets consist of prepayments and other deposits.*

13. *Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.*
- Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Rhinomed and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.*
14. *A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.*
- Right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease or the estimated useful life of the asset, whichever is the shorter. Where Rhinomed expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.*
- Rhinomed has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.*
15. *Consists of goodwill, research and development and intellectual property. Refer to note 15 of the FY23 Annual Report for a more detailed breakdown.*
16. *These amounts represent liabilities for goods and services provided to Rhinomed prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. Due to their short-term nature, the carrying amounts of trade and other payables are considered to be the same as their fair values.*
17. *Contract liabilities consist of the opening balance, increase due to cash received, excluding amounts recognised as revenue, revenue recognised that was included in the opening balance, revenue from performance obligations satisfied during the period and foreign exchange differences.*
18. *A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.*
- Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.*



19. *Current leave obligations relate to amounts that have vested due to employees having completed the required period of service. Based on past experience, Rhinomed does not expect the full amount of leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts are classified as current liabilities as Rhinomed does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.*

*Long service leave obligations relate to employee entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data.*

20. *Consists of credit line facility and unsecured loans.*

21. *Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.*

22. *Refer to note 22 of the FY23 Annual Report for a breakdown of the reserves.*

(b) **Statutory consolidated statement of financial position (1H FY23 and 1H FY24)**

	Note	1H FY23	1H FY24
<b>Assets</b>		<b>\$</b>	<b>\$</b>
<b>Current assets</b>			
Cash and cash equivalents		3,630,646	369,254
Trade and other receivables		1,421,108	1,951,598
Inventories	5	1,356,815	408,346
Other current assets		324,649	178,251
Total current assets		6,733,218	2,907,449
<b>Non-current assets</b>			
Other financial assets		81,556	82,667
Property, plant and equipment	6	548,403	177,397
Right-of-use assets	7	206,201	75,988
Intangible assets	8 & 7	1,689,294	-
Total non-current assets		2,525,454	336,052
<b>Total assets</b>		<b>9,258,672</b>	<b>3,243,501</b>

## Liabilities

### Current liabilities

Trade and other payables		3,347,304	2,542,167
Contract liabilities		430,621	500,257
Lease liabilities	9	160,741	102,089
Employee benefits obligations		431,936	419,767
Borrowings	10 & 8	4,476,918	9,619,034
Total current liabilities		8,847,520	13,183,314

### Non-current liabilities

Lease liabilities	9	102,089	-
Employee benefits obligations		99,503	95,926
Total non-current liabilities		201,592	95,926
<b>Total liabilities</b>		<b>9,049,112</b>	<b>13,279,240</b>
<b>Net (liabilities)/assets</b>		<b>209,560</b>	<b>(10,035,739)</b>

### Equity

Share capital	11 & 9	77,650,779	77,650,779
Other reserves		2,697,472	1,683,978
Accumulated losses		(80,138,691)	(89,370,496)
<b>Total (deficiency in equity)/equity</b>		<b>209,560</b>	<b>(10,035,739)</b>

Notes (refer to the 1H FY23 Half-Year Report and 1H FY24 Half-Year Report for further information of the notes listed below)

5. Consists of inventory available for sale at cost and inventory on consignment at cost.
6. Consists of plant and equipment at cost, less accumulated depreciation, fixtures and fittings at cost, less accumulated depreciation.
7. Consists of leased properties right of use less accumulated depreciation.

8. & 7. Consists of goodwill, development costs, and intellectual property. Refer to note 8 of 1H FY23 Half-Year Report and Note 7 of 1H FY24 Half-Year Report for a full breakdown.
9. Rhinomed's lease liability relates to the head office in Cremorne. This lease agreement does not impose any covenants, but leased assets may not be used as security for borrowing purposes.
10. & 8. Refer to Note 10 of 1H FY23 Half-Year Report and Note 8 of 1H FY24 Half-Year Report for a full breakdown.
11. & 9. Refer to Note 11 of 1H FY23 Half-Year Report and Note 9 of 1H FY24 Half-Year Report for a full breakdown.

#### 4.5 Historical consolidated statements of cash flows

##### (a) Statutory historical consolidated statements of cash flows (FY22 and FY23)

	Note	FY22 \$	FY23 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		8,765,467	8,346,637
Payments to suppliers and employees (inclusive of GST)		(14,891,824)	(16,037,803)
Government grants and tax incentives received		424,967	639,862
Interest received		2,152	1,974
Interest paid		(44,247)	(128,618)
Net cash outflow from operating activities	34	(5,743,485)	(7,177,948)
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(876,746)	(95,249)
Net cash outflow from investing activities		(876,746)	(95,249)
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	21	6,645,007	-
Share issue transaction costs	21	(263,252)	-
Lease principal repayment		(133,721)	(151,304)
Proceeds from borrowings		-	5,945,739
Repayment of borrowings		-	(329,675)
Net cash inflow from financing activities		6,248,034	5,464,760
Net decrease in cash and cash equivalents		(372,197)	(1,808,437)
Cash and cash equivalents at the beginning of the financial year		2,339,616	1,984,949
Effects of exchange rate changes on cash and cash		17,530	13,900

equivalents

**Cash and cash equivalents at the end of the financial year**

9

**1,984,949**

**190,412**

*Notes (refer to the FY23 Annual Report for further information of the notes listed below)*

9. *For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.*

21. *Refer to Note 21 of the FY23 Annual Report for a breakdown of the proceeds from issue of shares and share issue transaction costs.*

34. *Refer to Note 34 of the FY23 Annual Report for a breakdown of the Reconciliation of loss after income tax to net cash outflow from operating activities.*

**(b) Statutory historical consolidated statements of cash flows (1H FY23 and 1H FY24)**

	<b>Note</b>	<b>1h FY23</b>	<b>1H FY24</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		4,024,193	4,052,296
Payments to suppliers and employees (inclusive of GST)		(7,315,606)	(7,443,121)
Government grants and tax incentives received		639,861	-
Interest received		304	868
Interest paid		(68,099)	(82,548)
Net cash outflow from operating activities		<u>(2,719,347)</u>	<u>(3,472,505)</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(39,360)	(7,107)
Net cash outflow from investing activities		<u>(39,360)</u>	<u>(7,107)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		-	-
Share issue transaction costs		-	-
Lease principal repayment		(73,913)	(83,350)
Proceeds from borrowings		4,560,037	4,289,021
Repayment of borrowings		-	(527,050)
Net cash inflow from financing activities		<u>4,400,624</u>	<u>3,678,621</u>
Net increase in cash and cash equivalents		1,641,917	199,009

Cash and cash equivalents at the beginning of the financial year	1,984,949	190,412
Effects of exchange rate changes on cash and cash equivalents	3,780	(20,167)
<b>Cash and cash equivalents at the end of the financial year</b>	<b>3,630,646</b>	<b>369,254</b>

#### 4.6 Liquidity and capital resources

Following the completion of the Offers, Rhinomed expects that it will have sufficient cash to meet its business needs during the 12 months from the Closing Date and will have sufficient working capital to carry out its stated objectives.

Assuming that Rhinomed is able to renegotiate maturing loan repayment dates with lenders, and that the business continues on its current trajectory factoring in the impact of the recent right sizing and is not adversely impacted by any external factors (such as general economic downturns or force majeure events), the Company anticipates reaching a break even position during FY25. If Rhinomed is not able to renegotiate loan repayment dates with substantial shareholders, this would adversely impact the Company's financial position and would require the Company to raise additional funds in the near term.

Should Rhinomed wish to undertake further research and development, develop new products or consider possible acquisitions, it may also require further funding, which may involve the need to undertake further capital raising.

## 5. Board of Directors and Key Management Personnel

### 5.1 Board of Directors

Name:	Mr Michael Johnson
Title:	Executive Director and Chief Executive Officer
Experience and expertise:	<p>Mr Johnson is a director of Cogentum, one of Australia's leading market oriented strategic advisory firms based in Melbourne. Over the past 20 years, Mr Johnson has worked in and for a wide spectrum of companies from ASX 300 through to start-up companies in life sciences, cleantech, financial services, energy and utilities, manufacturing, marketing and communication, automotive, and consumer packaged goods. His most recent work has focused on helping companies implement technology platforms and achieve sustainable growth through business model innovation.</p> <p>Mr Johnson has received a Master of Entrepreneurship and Innovation from Swinburne University and a Bachelor's degree with distinction in business from Monash University.</p>
Special responsibilities:	Member of the Audit Committee

Name:	Mr Ron Dewhurst
Title:	Chair
Experience and expertise:	<p>Mr Dewhurst has spent 40 years in the investment banking and asset management industries, covering Australia, Asia, Europe and the United States of America. He was formerly Head of Americas for J P Morgan Asset Management and Senior Executive Vice President and Head of Global Investment Managers for Legg Mason Inc. based in the United States, before returning to live in Melbourne in 2014.</p>
Special responsibilities:	<p>Member of the Audit Committee</p> <p>Member of the Remuneration Committee</p>

Name:	Assoc. Prof. John McBain AO
Title:	Non-Executive Director
Experience and expertise:	<p>Assoc. Prof. McBain is the former Head of Reproductive Services at The Royal Women's Hospital in Melbourne, Australia. He is also the former President of the Fertility Society of Australia, and was a founder of Melbourne IVF, now Virtus Health (ASX:VRT). Assoc. Prof. McBain served as a Director of Melbourne IVF and subsequently as a Director of Virtus Health prior to its listing on the ASX. Assoc.</p> <p>Prof. McBain holds a Medical degree from Glasgow University.</p>
Special responsibilities:	Member of the Audit Committee

Name:	Ms Lynette Swinburne AO
Title:	Non-Executive Director
Experience and expertise:	<p>Ms Swinburne is the founder of Breast Cancer Network Australia. She is internationally recognised as a pioneer and leader in developing best practice models for consumer input into health research, policy, services and commercial outcomes. An experienced Non-Executive Director in the corporate and not-for-profit sectors, Ms Swinburne recently stepped down after nine years as Chair of the Board of the Royal Women's Hospital, Melbourne. Ms Swinburne's contribution to the Australian health sector has been acknowledged with numerous awards including the Order of Australia 2018, Honorary Doctorate (Social Sciences) Swinburne University 2015, Australian of the Year finalist 2006, Melburnian of the Year 2007, Equity Trustees' Not-for-Profit CEO of the Year Award 2004, The Centenary Federation Medal 2003, Victorian Women's Honour Role 2002.</p>
Special responsibilities:	Member of the Remuneration Committee

## 5.2 Company Secretary

### ***Mr Sean Slattery***

Mr Slattery was appointed the Company's Chief Financial Officer in December 2018. Mr Slattery has over 20 years' experience as a director, company secretary and CFO of both private and ASX listed companies. Mr Slattery's previous roles have included media, financial services, and technology companies. Mr Slattery has a Master of Taxation from University of Melbourne, is a Member of the Institute of Chartered Accountants and completed his Bachelor of Science, majoring in Accounting, from Salisbury University in Maryland, USA.

### 5.3 Interests of Directors

(a) **Information disclosed in this Prospectus**

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

- (i) the formation or promotion of the Company;
- (ii) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- (iii) the Offers,

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:

- (iv) as an inducement to become, or to qualify as, a Director; or
- (v) for services provided in connection with the formation or promotion of the Company, or the Offers.

(b) **Security holdings**

The relevant interests of each of the Directors in Securities as at the date of this Prospectus and their Entitlements under the Rights Issue (assuming no Options are exercised) are set out below.

Director	Shares	Options	Entitlement
Michael Johnson	1,848,617	25,380,913 <sup>1</sup>	770,257
Ron Dewhurst	19,808,510	Nil	8,253,546
John McBain	53,017,490	Nil	22,090,621
Lynette Swinburne	178,000	Nil	74,167

**Notes:**

1. Mr Johnson holds 12,690,457 Options issued by the Company exercisable at \$0.116 each on or before 14 September 2024. Mr Johnson has also party to an option agreement with the Underwriter which entitles him to acquire 12,690,456 shares from the Underwriter at \$0.25 a share on or before 31 December 2026.

It is the current intention of all Directors to take up all or part of their Entitlement specified above under the Rights Issue.

(c) **Remuneration**

The Constitution provides that the non-executive Directors may be paid for their services as Directors a maximum total amount of director's fees as determined by the Company in general meeting. The fees are to be divided among the non-executive Directors as the Directors shall determine, and in default of agreement then in equal shares.

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

As set out in the Company's FY23 Annual Report, Directors received the following remuneration for the financial year ended 30 June 2023:



Director	Directors' fees and salary	Cash bonus	Super-annuation	Share based payments	Total
Michael Johnson	\$370,960	\$120,000	\$25,292	-	\$531,600 <sup>1</sup>
Ron Dewhurst	\$103,348	-	\$6,652	-	\$110,000
Brent Scrimshaw	\$66,365	-	\$6,968	-	\$73,333
John McBain	\$66,365	-	\$6,968	-	\$73,333
Lynette Swinburne	\$52,891	-	\$5,554	-	\$58,445
Dr Eric Knight	\$18,100	-	\$1,900	-	\$20,000

1. Includes \$15,348 in long service leave entitlements.

As set out in the Company's FY22 Annual Report, Directors received the following remuneration for the financial year ended 30 June 2022:

Director	Directors' fees and salary	Cash bonus	Super-annuation	Share based payments	Total
Michael Johnson	\$301,240	\$38,000	\$23,760	-	\$369,271 <sup>1</sup>
Ron Dewhurst	\$117,273	-	\$2,727	-	\$120,000
Brent Scrimshaw	\$77,727	-	\$7,273	-	\$80,000
John McBain	\$77,727	-	\$7,273	-	\$80,000
Dr Eric Knight	\$72,727	-	\$7,273	-	\$80,000

1. Includes \$6,271 in long service leave entitlements.

(d) **Loans**

Ron Dewhurst and John McBain have existing loans to the Company as set out in Section 2.9 and described in the Company's Half Year Report for FY24. Both directors do not intend on applying any of their outstanding loan balances to the subscription prices of their Entitlements.

## 6. Action required by Shareholders and investors

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### 6.1 Action in relation to the Offers

The Company will send this Prospectus, together with a personalised Entitlement and Acceptance Form, to all Eligible Shareholders.

The number of New Shares to which Eligible Shareholders are entitled are shown on the accompanying personalised Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) accept all of your Entitlement under the Rights Issue (refer to Section 6.2);
- (b) accept only part of your Entitlement under the Rights Issue and allow the remaining Entitlement to lapse (refer to Section 6.4);
- (c) apply for Shortfall Shares (refer to Section 6.5); or
- (d) allow all or part of your Entitlement to lapse (refer to Section 6.6).

The Offers may be closed at an earlier date and time at the discretion of the Directors, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. However, the Company reserves the right to extend the Offers or accept late Applications, subject to the Corporations Act, the Underwriting Agreement and any other applicable laws.

### 6.2 Accept all of your Entitlement under the Rights Issue

Should you wish to accept all of your Entitlement to New Shares under the Rights Issue, applications for Shares under this Prospectus must be made in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please pay the amount indicated on the Entitlement and Acceptance Form via electronic funds transfer (**EFT**) or BPAY by following the instructions on the Entitlement and Acceptance Form.

Payments in cash or by cheque will not be accepted.

Whether you are paying via EFT or BPAY®, Applicants 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 the Applicant to ensure that funds are submitted through EFT or BPAY® by the Closing Date. **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.**

If you have multiple holdings you will have multiple BPAY® reference numbers or unique payment references. To ensure that you receive your Entitlement in respect of each holding, you must use the reference number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to accept your Entitlement for in respect of that holding. Payments in excess of the amount payable for one holding will not be treated as payment for another holding, and the excess will be treated as an application for Shortfall Shares (refer to Section 6.5) or refunded to the Applicant without interest.

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

Applicants are encouraged to pay by BPAY®.

### 6.3 **Accept only part of your Entitlement under the Rights Issue**

Should you wish to accept part of your Entitlement under the Rights Issue, follow the instructions in Section 6.2 in relation to the part of the Entitlement that you wish to accept.

### 6.4 **Accept only part of your Entitlement under the Rights Issue and allow the remaining Entitlement to lapse**

Follow the instructions in Section 6.2 in relation to the Entitlement under the Rights Issue that you wish to accept.

If you do not wish to accept part of your Entitlement, you are not obliged to do anything. The part of the Rights Issue that you do not accept will lapse by the Closing Date.

### 6.5 **Apply for Shortfall Shares**

If you are an Eligible Shareholder and you wish to apply for New Shares in excess of your Entitlement under the Rights Issue by applying for Shortfall Shares, you may do so by completing the relevant separate section of the Entitlement and Acceptance Form relating to the Shortfall Offer and which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Any Shares applied for in excess of your Entitlement will be applied for under the Shortfall Offer and will be issued in accordance with the allocation policy described in Section 1.2.

Whether paying via EFT or BPAY®, Applicants 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 the Applicant to ensure that funds are submitted through EFT or BPAY® by the date and time mentioned above. **You must follow the instructions for BPAY® or EFT set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.**

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

Applicants are encouraged to pay by BPAY®.

The Company may also provide Shortfall Application Forms with a copy of this Prospectus to other investors who wish to subscribe for Shortfall Shares in accordance with the allocation policy described in Section 1.2.

### 6.6 **Entitlements not taken up**

If you do not wish to accept any or part of your Entitlement, you are not obliged to do anything for those particular Entitlements. The Rights Issue will lapse by the Closing Date. The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your Entitlement.

### 6.7 **Application Forms**

Acceptance of a completed Application Form 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 application for New Shares.

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

The Company will send this Prospectus, together with a personalised Entitlement and Acceptance Form, to all Eligible Shareholders.

By making a payment via BPAY® or EFT, you will be deemed to have:

- (a) represented and warranted that you are an Eligible Shareholder, if your Application Form is in respect of the Rights Issue;
- (b) represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus;
- (c) agreed to be bound by the terms of the relevant Offer/s;
- (d) declared that all details and statements in the Application Form are complete and accurate;
- (e) declared 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;
- (f) authorised the Company and its respective officers or agents, to do anything on your behalf necessary for the 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;
- (g) acknowledged that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that the Shares are suitable for you given your investment objectives, financial situation or particular needs; and
- (h) acknowledged that the New Shares offered under this Prospectus have not, and will not be, registered under the securities laws in any jurisdictions outside Australia.

## 6.8 Enquiries concerning an Application Form or your Entitlement

For all enquiries concerning an Application Form or your Entitlement, please contact Automic on +61 2 9698 5414.

## 7. Effect of the Offers

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### 7.1 Capital structure on completion of the Offers

	Shares	Options <sup>1</sup>
Balance at the date of this Prospectus	285,524,215	15,228,548
Shares to be issued under the Offers <sup>2</sup>	118,135,035	-
<b>TOTAL</b> <sup>3</sup>	<b>401,659,118</b>	<b>15,228,548</b>

**Notes:**

1. Existing Options on issue are comprised of 15,228,548 Options exercisable at \$0.116 each on or before 14 September 2024.
2. Assumes that no Securities will be issued or exercised prior to the Record Date. This number is also subject to rounding.
3. Assumes no further Securities are issued by the Company and no Options are exercised into Shares.

### 7.2 Pro forma consolidated statement of financial position

Set out below is:

- (a) the reviewed consolidated statement of financial position of the Company as at 31 December 2023 (**Balance Date**) (the Company's half-year report can be found at <https://www.rhinomed.global/investor-information/quarterly-annual-reports/>);
- (b) the unaudited significant changes since the Balance Date;
- (c) the unaudited effects of the Entitlement Offer; and
- (d) the unaudited pro forma statement of financial position of the Company at the Balance Date adjusted to reflect paragraphs (b) and (c).

The statements of financial position have been prepared to provide Shareholders with information on the assets and liabilities of the Company and the pro forma assets and liabilities of the Company as noted below. The historical and pro forma information is presented in abbreviated form and does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

	Reviewed Balance Sheet as at 31/12/23	Significant changes since 31/12/23	Effect of Offers	Unaudited Pro Forma Balance Sheet Post Offers
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<b>Current Assets</b>				
Cash & cash equivalents	369	488	3,451	4,308
Trade & other receivables	1,952	447	-	2,399
Inventories	408	414	-	822
Other assets	178	(26)	-	152
<b>Non-Current Assets</b>				
Financial assets at amortised cost	83	-	-	83
Property, plant, equipment & right of use assets	253	(88)	-	165
<b>TOTAL ASSETS</b>	<b>3,243</b>	<b>1,235</b>	<b>3,451</b>	<b>7,929</b>
<b>Current Liabilities</b>				
Trade & other payables	2,542	902	-	3,444
Contract liabilities - deferred revenue	500	55	-	555
Employee benefit obligations	420	17	-	437
Borrowings	9,619	1,693	-	11,312
Other current liabilities	102	(57)	-	45
<b>Non-Current Liabilities</b>				
Employee benefit obligations	96	4	-	100
<b>TOTAL LIABILITIES</b>	<b>13,279</b>	<b>2,614</b>	<b>-</b>	<b>15,893</b>
<b>NET ASSETS</b>	<b>(10,036)</b>	<b>(1,379)</b>	<b>3,451</b>	<b>(7,964)</b>
<b>EQUITY</b>				
Issued capital	77,650	(88)	3,544	81,106
Reserves	1,684	(677)	-	1,007
Accumulated Losses	(89,370)	(614)	(93)	(90,077)
<b>TOTAL EQUITY</b>	<b>(10,036)</b>	<b>(1,379)</b>	<b>3,451</b>	<b>(7,964)</b>

### Basis of Preparation

The pro forma statement of financial position is based on the reviewed financial position as at 31 December 2023 and is adjusted to reflect the following significant changes and assumptions:

- (a) the significant changes since 31 December 2023 are only due to the passing of time since the FY24 Half-Year Report figures were published and not as a result of any particular event or transaction;

- (b) material movements to the balance sheet items since 31 December 2023 are as follows; increase in cash and cash equivalents of \$488,000, increase in trade and other receivables of \$447,000, increase in inventory of \$414,000, decrease in other assets of \$26,000, decrease in property, plant, equipment & right of use assets of \$88,000, increase in trade & other payables of \$902,000, increase in contract liabilities - deferred revenue of \$55,000, increase in current employee benefit obligations of \$17,000, increase in borrowings of \$1,693,000, decrease in other current liabilities of \$57,000, and increase in non-current employee benefit obligations of \$4,000;
- (c) approximately \$3.54 million is raised under the Offers (before costs) by the issue of 118,135,035 New Shares at \$0.03 each; and
- (d) the costs of the Offers are approximately \$93,000 (refer to Section 10.8).

Other than in the ordinary course of business or as described above, there have been no other material changes to the Company's financial position between 31 December 2023 and the date of this Prospectus.

### 7.3 Substantial Shareholders

Based on information known to the Company as at the date of this Prospectus, those persons which, together with their associates, have a voting power in 5% or more of the Shares on issue are set out below:

Substantial Shareholder	Shares	Voting power
Mr W. Whitney George <sup>1</sup>	72,604,016	25.61%
John McBain	53,017,490	18.70%
Ryan McIntyre	28,000,000	9.88%
Darrel Harvey	25,000,000	8.82%
Ron Dewhurst	19,808,510	6.99%

**Note:**

1. Mr W. Whitney George is the Underwriter to the Offers. Please refer to Sections 1.3, 7.4 and 9.1 for details of the underwriting arrangements and Mr W. Whitney George's maximum potential relevant interest in Shares.

### 7.4 Effect on control of the Company

(a) **General**

The total number of New Shares proposed to be issued under the Offers is 118,135,035, which will constitute 29% of the Shares on issue following completion of the Offers (assuming no other Shares are issued or Options exercised to Shares prior to the Record Date).

Section 606(1) of the Corporations Act prohibits a person, unless an exception applies, from increasing their voting power in the Company:

- (i) from 20% or below to above 20%; or
- (ii) from a starting point of above 20% and below 90%.

As the Rights Issue is non-renounceable, the Company has appointed the Nominee (since approved by ASIC) to subscribe for and sell Ineligible New Shares and to account

to them for the net proceeds (if any) of the sale (see Section 1.10(e)). The Company has applied to ASIC for approval of the appointment pursuant to section 615 of the Corporations Act. ASIC has since provided in-principle approval of the appointment, and Shareholders may rely on the exception for rights issues in item 10 of section 611 of the Corporations Act in relation to an Application for their Entitlements. The Underwriter may also rely on this exception in relation to his Entitlements.

However, this exception does not extend to applications for Shortfall Shares by Shareholders (excluding the Underwriter) or new investors. Accordingly, Shareholders and new investors must have regard to and comply with the takeovers prohibition in section 606 of the Corporations Act when applying for Shortfall Shares. The Company reserves the right to reject or scale back any application for Shortfall Shares which it considers may result in breach of section 606. The Company expressly disclaims any responsibility for monitoring such applications or ensuring that individual Shareholders and investors in the Shortfall Offer do not breach section 606 as a result of their participation. Investors that may be at risk of exceeding the 20% threshold in section 606 or increasing their voting power from a position above 20% as a result of application for Shortfall Shares should seek professional advice before applying for Shortfall Shares.

(b) **Underwriting**

Another of the exceptions to section 606(1) is where that increase occurs as a result of an issue under a disclosure document to an underwriter or sub-underwriter to the issue. The Company intends that the Rights Issue will fall within this exception in respect of the Underwriter, the Company's largest Shareholder.

The Underwriter is a substantial Shareholder who has agreed to take up his Entitlement in full and to fully underwrite the Offers. The Underwriter is not a related party of the Company for the purposes of the Corporations Act.

The Underwriter is based in the United States and serves as President of Sprott Inc., Chief Investment Officer of Sprott Asset Management LP and Chairman of Sprott U.S. Holdings, Inc. He is also a Senior Portfolio Manager at Sprott Asset Management USA. Mr George joined Sprott in 2015 and previously spent 23 years in senior roles at Royce & Associates LLC (**Royce**) in New York. He was Co-Chief Investment Officer of Royce from 2009 to 2013 and played a key role in the firm's growth and evolution into a leading U.S. small-cap manager with peak assets of more than US\$40 billion. At Sprott, Mr George is also portfolio manager of Sprott Focus Trust (FUND), a closed-end equity investment fund that seeks to provide long-term growth of capital through a focused portfolio of value stocks of companies across all market capitalisations. Prior to joining Royce, Mr George held positions with Dominick & Dominick, Inc., WR Lazard & Laidlaw, Inc., Laidlaw, Adams & Peck and Oppenheimer & Co. Inc. Mr George holds a bachelor's degree from Trinity College.

As at the date of this Prospectus, the Underwriter and his associates hold a relevant interest in 72,604,016 Shares, with 25.61% voting power in the Company and an Entitlement to 30,251,673 New Shares under the Rights Issue. The Underwriter disposed of 28,000,000 shares at \$0.03 per share, representing 9.88% of the issued capital on or around 10 May 2024 and disposed a further 25,000,000 shares at \$0.03 per share, representing 8.82% on or around 2 July 2024 (**Recent Sell Downs**).

The Underwriter's current and potential significant interest in the capital of the Company means that he is in a position to potentially influence the financial decisions of the Company, and his interests may not align with those of all other Shareholders.

The Underwriter holds a relevant interest in more than 25% of the Company which means he has the potential to prevent special resolutions (i.e. resolutions requiring at



least 75% of the votes cast by members entitled to vote on the resolution) from being passed by the Company. Special resolutions are required for approval of certain Company matters, amending the Constitution, changing the Company name or type, approving a selective reduction of capital or selective buy-back of shares, approving the voluntary winding up of the Company, and, if at any time the share capital of the Company is divided into different classes of shares, approving the variation of the rights attached to any such class.

In the event that the Underwriter obtains a relevant interest in more than 50% of the Company as a result of his underwriting obligations, he will also have the power to unilaterally pass or block ordinary resolutions of the Company as they require approval by a majority of votes cast. Importantly, directors can be appointed and removed by shareholders by ordinary resolution.

The Underwriter's present intentions with respect to the Company's operations in the event that he is required to take up any additional New Shares pursuant to the underwriting arrangements are reproduced below:

- (i) the Underwriter does not intend to seek to re-constitute the Board of Directors. Therefore, the current Directors of the Company will remain, and the Underwriter does not have a current Director nominated on the Board;
- (ii) the Underwriter seeks to continue to maintain the Company's operations, assets, structure and employees;
- (iii) the Underwriter reserves his right to increase his shareholdings in the Company in accordance with the Corporations Act and all other applicable laws, and/or to inject further capital into the business to support operations;
- (iv) the Underwriter will acquire the New Shares for investment purposes only and will not distribute the New Shares in the United States nor act as an underwriter within the meaning of section 2(a)(11) of the US Securities Act; and
- (v) the Underwriter may only transfer or sell the New Shares outside the United States in transactions not subject to the registration requirements of the US Securities Act and applicable US state securities laws.

Shareholders should note that the first four statements above are statements of current intention only, which may change as new information becomes available or circumstances change.

The Underwriter's maximum potential relevant interests in Shares and voting power in the Company under several scenarios are set out in the table below and are based on the following assumptions:

- (i) that no further Shares are issued by the Company or Options exercised;
- (ii) the Rights Issue is:
  - (A) on a 5 for 12 basis;
  - (B) 118,135,035 New Shares are issued under the rights issue for a fully subscribed scenario; and
  - (C) the Underwriter subscribes for his full entitlement of 30,251,673 new shares in addition to underwriting.

	Total Shares on issue	Underwriter Shares	Voting power
Date of this Prospectus	283,524,083	72,604,016	25.61%
<b>Following completion of the Offers</b>			
Fully subscribed	401,659,118	102,855,689	25.61%
75% subscribed by other Shareholders and investors	401,659,118	124,826,530	31.08%
50% subscribed by other Shareholders and investors	401,659,118	146,797,370	36.55%
25% subscribed by other Shareholders and investors	401,659,118	168,768,210	42.02%
0% subscribed by other Shareholders and investors	401,659,118	190,739,051	47.49%

It is highly unlikely that no Eligible Shareholders will subscribe for New Shares or Shortfall Shares, and that no new investors subscribe for Shortfall Shares.

The Company has received verbal commitments from Mr Dewhurst and Mr McBain, each substantial shareholders listed in Section 7.3, that they will take their full entitlements under the Rights Issue. Those shareholders collectively hold 25.69% of the Shares on issue. Assuming this happens and no other Shareholders or investors subscribe for New Shares, this will result in the Underwriter's voting power reaching a maximum of 39.93%, which is less than the Underwriter's relevant interest prior to the Recent Sell Downs.

The underwriting obligation and therefore voting power of the Underwriter will reduce by a corresponding amount for the amount of New Shares subscribed for by the other Eligible Shareholders and any other investors whose applications are accepted by the Company under the Shortfall Offer.

As noted in Section 1.2, any Shortfall Shares will be allocated firstly to the Eligible Shareholders who apply for Shortfall Shares, then any third party investors who are unrelated to the Company (to the extent those applications are accepted by the Company as set out in Section 1.2), and lastly to the Underwriter.

(c) **Directors' consideration of underwriting and control implications**

The Directors have taken steps to help ensure that the structure and pricing of the Rights Issue is acceptable and any Shortfall Shares will be reasonably dispersed (as set out in Takeovers Panel Guidance Note 17: *Rights Issues*).

The Company notes the following in respect of the underwriting arrangements:

- (i) the Company entered into the Underwriting Agreement with the Underwriter rather than an independent underwriter, on the basis that:
  - (A) the Underwriting Agreement is provided on terms which are considered more favourable to the Company than market standard terms which may be obtained from a third party (see Section 9.1). For example, there is no fee payable for the underwriting (as the effect of a fee would be to reduce the price paid per Share by the Underwriter); and
  - (B) the Company approached other potential third party underwriters but had not received any alternative proposals from these parties on similar or comparative terms to underwrite the Offers;

- (ii) the Underwriter will not benefit from the proposed use of funds raised pursuant to the Offers, other than as a holder of Shares;
- (iii) it is the view of the Directors that Eligible Shareholders have been provided with adequate notice of the proposed Rights Issue and therefore will be provided with a reasonable opportunity to participate in the Rights Issue and the Shortfall Offer;
- (iv) similarly, it is the view of the Directors that external investors have been provided with adequate notice of the proposed Rights Issue and therefore will be provided with a reasonable opportunity to participate in the Shortfall Offer;
- (v) Eligible Shareholders have the ability to subscribe for Shortfall Shares in excess of their Entitlement, in priority to other investors and the underwriting;
- (vi) third parties unrelated to the Company also have the ability to subscribe for Shortfall Shares, at the Directors' discretion in accordance with the allocation policy set out in Section 1.2, in priority to the underwriting;
- (vii) the Company has discretion to source additional underwriters during the Offer period, which if successful will result in fewer Shares being issued to the Underwriter;
- (viii) the price at which the Offers are being made reflects:
  - (A) a 25% discount to:
    - (1) the price at which the Company undertook its unmarketable parcel buy back and share purchase plan in January 2024; and
    - (2) the price at close of trade on the last day the Company was listed on the ASX; and
  - (B) a 25% premium to the 30-day VWAP before the Company was delisted.

## 7.5 Potential dilution

Shareholders should note that if they do not participate in the Offers, their holdings are likely to be diluted (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Shareholding at Record Date	% at Record Date	Entitlements	Shareholding if Entitlement not subscribed	% post Offers
Shareholder 1	8,000,000	2.82%	3,333,333	8,000,000	1.99%
Shareholder 2	4,000,000	1.41%	1,666,667	4,000,000	1.00%
Shareholder 3	2,000,000	0.71%	833,333	2,000,000	0.50%
Shareholder 4	1,000,000	0.35%	416,667	1,000,000	0.24%
Shareholder 5	100,000	0.04%	41,667	100,000	0.02%

The above table assumes that no Shares are issued other than those offered pursuant to this Prospectus and that no Options are exercised. The dilution effect shown in the table is the

maximum percentage on the assumption that those Entitlements not accepted are subsequently placed under the Shortfall Offer.

## 8. Risk factors

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The New Shares offered under this Prospectus should be considered speculative because of the nature of the business activities of the Company and its current illiquid state as an unlisted public company. Whilst the Directors recommend the Offers, potential investors should consider whether the New Shares offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out below. This list is not exhaustive and potential investors should read this Prospectus in its entirety and if in any doubt consult their professional adviser before deciding whether to participate in the Offers.

The principal risks include, but are not limited to, the following:

### 8.1 Transaction specific risks

#### (a) Underwriting risk

The Underwriting Agreement entered into by the Company with the Underwriter is subject to certain terms and conditions (see Section 9.1). If certain conditions are not satisfied or certain events occur, the Underwriter may terminate the Underwriting Agreement. If the Underwriting Agreement is terminated and the Offers do not proceed or do not raise the funds required for the Company to meet its stated objectives, the Company would need to find alternative financing to meet its funding requirements. There is no guarantee that alternative funding could be sourced, either at all or on satisfactory terms and conditions.

#### (b) Control risk

The Underwriter is currently the largest Shareholder and has a relevant interest in approximately 25.61% of the Shares in the Company. Assuming the Underwriter takes up his full Entitlement and no other Eligible Shareholders or investors accept their Entitlements or subscribe for Shortfall Shares, the Underwriter's voting power in the Company could be increased to 47.49%. The Company notes that it has received verbal commitments from Mr Dewhurst and Mr McBain, substantial shareholders holding a combined 25.69% of the Shares in the Company that they will take up their Entitlements, meaning that the Underwriter's interest in the Company is unlikely to go above 39.93%.

The Underwriter's interest in the capital of the Company means that it is in a position to potentially influence the financial decisions of the Company, and its interests may not align with those of all other Shareholders. The Underwriter holds a relevant interest in more than 25% of the Company which means that it has the potential to prevent special resolutions (i.e. resolutions requiring at least 75% of the votes cast by members entitled to vote on the resolution) from being passed by the Company. If the Underwriter obtains a relevant interest in more than 50% of the Company, he will also have the potential to prevent ordinary resolutions from being passed by the Company, though as set out in section 7.4(b), the Underwriter can only obtain a relevant interest in 47.49% of the Company if no other Shareholders participate in the Offers.

### 8.2 Risks specific to the Company

#### (a) Additional requirements for capital

The funds raised under the Offers are considered sufficient to meet the immediate objectives of the Company. Additional funding may be required to meet any unanticipated liabilities or expenses which the Company may incur. Further additional

financing will be required for the continued development of the Company's technology and to effectively implement the Company's business and operational plans in the future.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of its activities and potential research and development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) **Early stage products and market risks**

Some of the Company's products are still at an early stage of development or commercialisation. Investors should consider the inherent risks encountered by an emerging company with early stage products, particularly in the fast-moving global consumer health and medical devices industry. With a limited trading and product sales history, rapidly changing international and domestic macro-economic environments and uncertain nature of the global consumer retail markets, there remains low visibility and a level of uncertainty on the future demand for the Company's products, within Australia or overseas.

The Company's business, in its current form, was established in February 2013 and is still at an early commercial stage. Total revenue for the half year ended 31 December 2023 was approximately \$4.0 million. The sales potential of the Company's products is still at a relatively early commercial stage. The ongoing and future demand for the Company's products, in existing and target markets, is still being established and remains uncertain. There is a risk that there may not be sufficient demand for the Company's products for their sustainable commercial exploitation.

(c) **Liquidity and realisation risk**

There is no active market in the Company's Shares as the Company is an unlisted public company and that there is no guarantee that the price of the Shares will not decrease. There may be relatively few potential buyers or sellers at any given time and this may increase the volatility of the market price of the Shares, making them illiquid and as a consequence, investors may be unable to readily exit or realise their investment in the Company. The Company is assessing all options in respect of capital management and structure with the objective of optimising shareholder value. The Company is continuing to consider a wide range of options to improve shareholder return.

(d) **Clinical trial risk**

The successful commercialisation of some of the Company's products (including the development of its Rhinoswab/Rapid antigen test kit range of products) is dependent on the Company's ability to conduct further user and clinical trials and the results of those trials being positive. There is no guarantee these trials will return positive results. Moving from discovery to development and subsequent commercialisation of technology typically involves multiple and progressively larger and increasingly robust clinical trials. Such trials can be expensive, time consuming, may be delayed or may fail. Clinical trial success can be impacted by a number of factors, including obtaining ethics approval, incomplete or slower than expected recruitment of patients, failure to meet trial end points, lack of product effectiveness during the trial, safety issues and modifications to trial protocols or changes to regulatory requirements for trials. There is no guarantee that any future clinical trials will demonstrate that the Company's products are successful or useful. Failure or material delay at any point of the clinical trial process will reduce the

Company's ability to commercialise its intellectual property and generate revenues and could materially adversely affect the Company.

(e) **Inherent risks in medical device development**

The development and commercialisation of medical devices is subject to the inherent risk of failure, including the possibility that products may:

- (i) be found to be unsafe or ineffective;
- (ii) fail to demonstrate any material benefit or advancement in safety and/or efficacy of an existing product;
- (iii) fail to receive necessary regulatory approvals;
- (iv) be difficult or impossible to manufacture on the necessary scale;
- (v) be uneconomical to market or otherwise not commercially exploitable;
- (vi) fail to be developed prior to the successful marketing of a similar product by competitors;
- (vii) compete with products marketed by third parties that are superior; and
- (viii) fail to achieve the support or acceptance of medical practitioners, patients or the medical community.

All of the above factors could materially adversely affect the Company and impede the achievement of its commercialisation objectives.

(f) **Product liability risk**

The Company may be adversely impacted by any manufacturing defects or unknown risks in its products. The Company's products on sale have been registered with relevant authorities such as the Therapeutic Goods Administration and hence it believes that they meet basic safety standards. Despite this, there may still be risks inherent in or risks caused by defective manufacturing of the Company's products. In the medical devices market, such defects may give rise to claims against the Company that could materially adversely affect its business to a degree that insurance may either not compensate or for which insurance is not economically available to the Company.

The Company maintains insurance to cover product liability risks, but there is no guarantee that adequate insurance coverage will be available at an acceptable cost (or in adequate amounts), if at all, or that product liability or other claims will not materially and adversely affect the operations and condition of the Company. A product liability claim may give rise to significant liabilities as well as damage the Company's reputation.

(g) **Regulatory risk**

Many of the Company's products are subject to strict regulation by the *Therapeutic Goods Act 1989* (Cth) and associated legislation, the US Food and Drug Administration (**FDA**) and equivalent legislation in other overseas jurisdictions where the products are sold. Any material changes in these regulations, or relevant legislation or policies may have the potential to affect the viability, profitability and progress of the Company's business.

Data obtained from pre-clinical and clinical activities are susceptible to varying interpretations, which could delay, limit or prevent regulatory approval or clearance. Before the Company can market and sell its products, it must demonstrate that the products are safe and effective and must obtain necessary approvals from market regulators (for example, the Australian Therapeutic Goods Administration (**TGA**) and the

FDA). Such approval may take longer than anticipated, require additional trials to be undertaken or may not be provided at all. As a result, the Company may require additional funding to clear the regulatory pathway. No assurance can be given that future funding will be available, or that it will be available on terms acceptable to the Company.

As a result, the Company's ability to complete its development programs may be delayed or halted until such funds are raised (if at all), preventing the Company from commercialising its intellectual property and generating revenues.

Further, should the Company's products that must be registered as medical devices under regulatory regimes in the Company's markets cease to be registered for any reason, the Company's sales of those products may be materially reduced.

(h) **Regulatory changes**

The Company operates in an industry which is subject to laws, regulatory restrictions and certain government directives, recommendations and guidelines relating to, amongst others, occupational health and safety, laboratory practice, use and handling of hazardous materials, prevention of illness and injury and environmental protection. Any changes to the regulatory environment may increase the cost of compliance and may have an impact on the Company's profitability in the future.

(i) **Regulatory approval of products under development**

The Company continues to develop and expand its Rhinoswab and Mute range of products. It also continues to examine new applications for the nasal stent platform. Any developed products will need to be registered by the TGA and FDA and other relevant overseas authorities before they can be sold in Australia, the USA and overseas markets. Under the TGA and overseas regulatory regimes, medical devices must undergo a comprehensive and highly regulated development and review process before receiving clearance for sale. Any further medical devices developed by the Company will also need to obtain the requisite registrations before they can be sold to customers in Australia and overseas markets. There is no guarantee that such registrations will be obtained.

(j) **Commercial, manufacturing and distribution risk**

The Company's success is dependent upon its ability to manufacture its products on a commercial scale with outsourced manufacturers, with continuity of supply and in accordance with current good manufacturing practices prescribed by regulatory authorities. Any delays or difficulties in the future manufacture of products, including as a result of unexpected termination of key agreements with the Company's manufacturers or the impact of the COVID-19 and any future pandemic may have a material adverse effect on the Company. Should the Company's outsourced manufacturing facilities be disrupted or agreements terminate unexpectedly, it may not be able to source alternate methods of creating its products within a reasonable time and could suffer reputational damage. The Company's distribution arrangements may be terminated at the discretion of the counterparties, which could, in cases of material distribution agreements, materially adversely affect the Company and may impact the ability of the Company's logistics suppliers to supply customers in a timely manner which may in turn cause reputational or financial damage. Additionally, the global supply chain is subject to disruptions caused by geopolitical issues that could have an impact on the company's ability to supply products to our end customers.

(k) **Competition**

The medical device and consumer health industries are highly competitive and subject to rapid change. The Company competes or will in due course compete with other



businesses. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company will compete effectively with these companies, or with new companies that enter the industry. There is also a risk that the Company's competitors may develop a product or products that causes the Company's products to become obsolete or unattractive to its current customers or potential consumers, with adverse effects on the Company.

(l) **Intellectual Property**

As the Company relies upon its own intellectual property to conduct its business it will need to protect its intellectual property. There may be circumstances where the Company's intellectual property cannot be protected or is subject to unauthorised disclosure, infringement or challenge by a third party. The Company may incur significant costs in asserting its rights in such circumstances. Even a registered patent can be invalidated in certain circumstances. Although the Company will seek to protect its intellectual property, there can be no assurance that these measures will be successful.

The Company relies on its ability to develop and commercialise intellectual property. A failure to protect its intellectual property successfully may lead to a loss of opportunities and adversely impact on the Company's operating results and financial position. There can be no assurance that any patents the Company may own or control or licence now and in the future will afford the Company a competitive advantage, commercially significant protection of the intellectual property, or that any of the projects that may arise from the intellectual property will have commercial application. Any challenge to the Company's intellectual property position, including its patents, would divert the limited resources of the Company away from its primary development program and may result in the Company requiring additional funds to complete that program. It may also result in the Company being unable to fully utilise its intellectual property portfolio or being required to in-licence certain intellectual property in order to be able to conduct its development program in a manner which will allow commercialisation of its products, and which may reduce the profits available from such activities. Any loss of key intellectual property of the Company will materially adversely affect the Company.

(m) **Infringement of Intellectual Property**

There is always a risk of third parties claiming involvement in technological and medical discoveries. Further, competition in retaining and sustaining protection of intellectual property and the complex nature of intellectual property can lead to expensive and lengthy patents disputes, for which there can be no guaranteed outcome. Some parties may be able to utilise their greater financial resources to sustain the costs of litigation or proceedings.

Securing rights to intellectual property, and in particular patents, is an integral part of securing potential product value in the outcomes of medical device research and development.

The granting of a patent does not guarantee that the rights of others are not infringed or that a competitor will not develop competing intellectual property that circumvents such patents. The patent position of medical device companies can be highly uncertain and frequently involves complex legal and scientific evaluation. The breadth of claims allowed in medical device patents and their enforceability cannot be predicted.

(n) **Australian Government R&D incentives may change**

The Company's development program includes anticipated receipt of research and development (R&D) tax incentives based on the Company's actual research and

development spending. If the status of the Company or its connected entities should change or the Australian Federal Government changes its R&D incentive program in a manner which adversely affects the amount of funds available or the timing of receipt of such funds, there is a risk that the Company may need to obtain additional funds to complete the program.

No assurance can be given that future funding will be available, or that it will be available on terms acceptable to the Company. As a result, the Company's ability to complete its development programs may be delayed or halted until such funds are raised (if at all), preventing the Company from commercialising its intellectual property and generating revenues.

(o) **R&D Claims**

In the last 3 years, the Company has received \$1,467,893 in R&D incentives. While the Company believes that its claims are substantiated with appropriate evidence, the Company cannot guarantee that the Australian Taxation Office (ATO) or another governmental authority may not in the future take a different view on some or all of those claims, in which case the Company may be compelled to refund amounts received to the ATO.

The Company employed an accounting firm with specialist expertise to assist it in making its R&D claims and the process employed by those accountants was rigorous. However, the legislation is complex, the issues are technical and should some or all of the Company's previous R&D refunds may be clawed back, this may have a material adverse impact on the Company.

(p) **Dependence on key personnel**

The success of the Company depends to a significant extent on the ability, performance and experience of its key personnel. The loss of key personnel or an inability to recruit or retain suitable replacement or additional personnel may impact the Company's ability to develop and implement its strategies, which may have an adverse effect on its future financial performance.

There can be no assurance that the Company will be able to attract or retain sufficiently qualified scientific and management personnel or maintain its relationship with key scientific organisations and contractors. The loss of key scientific and management personnel and the associated corporate knowledge of those people could have a detrimental impact on the Company and may adversely affect the Company by impeding the achievement of its research, product development and commercialisation objectives.

(q) **Dependence on key relationships and agreements**

The Company depends on the performance of its key commercial partners to successfully grow its business. The loss of any such relationships (including by termination of agreements between the Company and its key commercial partners such as manufacturers and suppliers) may have a material adverse effect on the Company.

The Company has engaged third parties to assist with the supply, sales and marketing of its products. Accordingly, the success of the Company may depend, in part, on the performance of these third parties. Poor performance or breakdown of the Company's relationships with these commercial partners may lead to loss of or poor production quality and customer dissatisfaction. The Company's distribution arrangements may be terminated at the discretion of the counterparties, which could, in cases of material distribution agreements, adversely affect the Company's ability to generate revenue.

(r) **Development of new markets**

The Company's ability to manufacture and sell its products in countries beyond those in which it is currently authorised, is dependent upon regulatory clearances in target markets. If and when the Company seeks to expand into additional markets, the Company may not obtain the regulatory clearances that it requires for sale of its products in those markets or such approvals may be subject to delay.

(s) **Innovation risk**

Should the Company fail to develop new technologies, or anticipate or react to changes in existing technologies, either within or outside of its industry, development of new products may be materially delayed, which could result in a reduction in net sales and a loss of market share, with materially adverse impacts on the Company.

(t) **Currency risk and lack of hedging**

The Company is exposed to foreign currency risk, mainly through its foreign currency cash balances, receivables and payables denominated in foreign currencies. Rhinomed's exposures are mainly against the US dollar (**USD**) and European euro (**EUR**) and are managed through continuous monitoring of movements in exchange rates, and by settling foreign currency purchases with proceeds from foreign currency income.

Currently, the Company does not have any currency hedging arrangements in place, but this may change if the Directors form the view that the cost of such arrangements is appropriate. This means the Company does not currently have measures in place to soften the adverse effect of currency movements.

(u) **Healthcare insurers and reimbursement**

In many markets, volumes of sales of medical devices are likely to be influenced by the availability and amounts of reimbursement of patients' medical expenses by third party payer organisations, including government agencies, private health care insurers and other health care payers.

There is currently no reimbursement available for the Company's products. Even if such reimbursement is provided, the approved reimbursement amounts may not be sufficient to enable the Company to sell future products on a profitable basis.

(v) **Reputational risk**

The Company's reputation and brand and its products are important to the Company's standing in its industry. Reputational damage could arise due to a number of circumstances, including:

- (i) inadequate services or unsatisfactory clinical outcomes for patients;
- (ii) error, malpractice or negligence of the Company's employees; or
- (iii) error, malpractice or negligence of the licensed medical specialists recommending the Company's products.

Any reputational damage or negative publicity around the Company or its products could adversely impact its business, by preventing it from attracting and retaining high calibre professionals, reducing its attractiveness to licensing partners and adversely impacting on its ability to raise funds in the broader market, all of which would adversely affect the Company and impede the achievement of its commercialisation objectives.

(w) **Management of growth**

If the Company's business experiences rapid growth in the future, the Company may not be able to manage this growth effectively. There is no guarantee that, should demand for the Company's products reach a level where its current manufacturing is insufficient to meet demand, the Company will be able to expand or upgrade existing facilities, build or obtain access to new facilities or develop manufacturing technology to meet such demand.

(x) **Litigation and counterparty risks**

The Company is exposed to litigation risks, including contractual disputes and potential defaults by contract counterparties. In either case, the litigation may not yield the results or recovery hoped for. Such events may materially adversely affect the Company and its business. The Company is not currently engaged in any litigation.

(y) **Strategy and delay risks**

The Company's strategies and milestones it sets may be affected by changes in market conditions and other circumstances, such as risks mentioned in this Section. In such circumstances, there is potential for the delay of strategic milestones set by the Company, which may result in failure to achieve anticipated revenue within anticipated timeframes or at all and potential cost overruns.

(z) **Debt collection risk**

Customers may be slow, or fail, to pay the Company, impacting cash flow. Where a customer fails to pay, the Company may be required to engage in litigation to recover the funds due to it. As with any litigation, there can be no guarantee of success.

(aa) **International agreements**

The Company has entered, and may in future enter into, contractual relations with parties that are domiciled in foreign jurisdictions. Changes to laws or absence of legal remedies in those countries may adversely affect the Company's ability to carry on its business. It is costly for the Company to enforce compliance with contractual obligations in foreign jurisdictions and outcomes in those legal systems may differ from those in Australia.

(bb) **Market failure**

The Company is dependent on commercially attractive markets remaining available to it. Commercial sales may not fund sufficient revenue for growth and potentially, continued operations, if it loses access to or its share of markets.

(cc) **Uncertainty of future profitability or dividends**

The extent of future profits, if any, of the Company and the time required to achieve a sustained profitability, is necessarily uncertain. Moreover, the level of such profitability cannot be predicted.

If the Company is in the future in a position to pay dividends, the amount, timing and payment of future dividends is dependent on a range of factors including future capital and research and development requirements, as well as the overall financial position of the Company. The Directors are unable to give any assurance regarding the payment of dividends in the future, if at all.

(dd) **Insurance**

The Company maintains insurance where it is considered appropriate for its needs. However, the Company is not insured against all risks, either because appropriate cover

is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue. Accordingly, the Company may not be fully insured against all losses and liabilities that could unintentionally arise from its operations. If the Company incurs losses or liabilities for which it is uninsured, the value of the Company's assets may be at risk.

(ee) **Infectious disease pandemics**

Infectious disease pandemics such as the coronavirus have the potential to interrupt the Company's operations, impair deployment of its products to customers and prevent suppliers or distributors from honouring their contractual obligations. Such pandemics could also cause hospitalisation or death of the Company's existing and potential customers and staff.

While the Company has introduced a COVID-19 action plan including remote working to mitigate the effects of the current pandemic of the Company's operations, there is no guarantee that this plan or similar plans will limit the impact of the pandemic on its operations and results.

### 8.3 **General risks**

(a) **Securities investments**

There are risks associated with any securities investment.

Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

Investment conditions are affected by many factors, including:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment towards equities or particular market sectors;
- (v) political instability;
- (vi) the demand for, and supply of, capital; and
- (vii) force majeure events.

(b) **Economic risk**

Changes in both Australia and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption, general economic outlook and economic growth may impact on future operations and earnings.

(c) **Government policy or regulatory change**

Any material changes in government policies or relevant legislation of the countries in which the Company may operate have the potential to affect the viability, profitability and progress of the Company's business.

(d) **Trade policy**

Access to international markets may be limited in the future, depending on trade policy. The Company's performance may be adversely affected by such changes in trade policy and, in particular, the trade policies of Australia, the USA, European Union and Canada (being the main markets in which the Company currently sells its products).

(e) **Unforeseen risks**

There may be other risks which Directors or management are unaware of at the time of issuing this Prospectus which may impact on the Company, its operations and/or the valuation of the Shares.

(f) **Force majeure**

Force majeure is a term used to refer to an event beyond the control of a party claiming that the event has occurred. Significant catastrophic events – such as war, acts of terrorism, pandemics, loss of power, cyber security breaches or global threats – or natural disasters - such as earthquakes, fire or floods or the outbreak of epidemic disease – could disrupt the Company's operations and impair deployment of its products to customers, interrupt critical functions, reduce demand for the Company's products, prevent suppliers from honouring their contractual obligations to the Company or otherwise harm the business. To the extent that such disruptions or uncertainties result in delays or cancellations of the deployment of the Company's products, its business, results of operations and financial condition could be harmed.

(g) **Taxation**

There may be tax implications arising from applications for New Shares and on the future disposal of Shares. Potential investors should consult their professional tax adviser before deciding whether to apply for New Shares.

#### 8.4 **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 New Shares offered under this Prospectus. Therefore, the New Shares 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 Shares.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Shares pursuant to this Prospectus.

## 9. Material contracts

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The Directors consider there are a number of contracts or arrangements that are significant or material to the Company or of such a nature that an investor may wish to have details of them when making an assessment of whether to apply for New Shares.

Summaries for material contracts set out in the Prospectus do not purport to be complete and are qualified by the text of the contracts themselves.

### 9.1 Underwriting Agreement

The Offers are fully underwritten by substantial shareholder, Mr W. Whitney George (**Underwriter**) pursuant to an underwriting agreement between the Company and the Underwriter (**Underwriting Agreement**).

The Underwriter, together with his associates, is a current substantial Shareholder and has undertaken to support the Rights Issue by subscribing in full for his Entitlements, being approximately \$907,500, or 30,251,673 New Shares.

The obligations of the Underwriter under the Underwriting Agreement are subject to ASIC approving pursuant to section 615 of the Corporations Act the appointment of the Nominee for the Rights Issue. The Company has received ASIC in-principle approval on 23 July 2024 .

All valid Applications for New Shares pursuant to this Prospectus received and accepted by the Company, from all sources, will go towards relief of the obligations of the Underwriter under the Underwriting Agreement. Further, in the event an additional underwriter or underwriters are sourced during the Offer period, the Underwriter's obligation to subscribe for Shortfall Shares will be reduced to the extent of any commitment from additional underwriters.

No underwriting fees are payable to the Underwriter under the Underwriting Agreement. However, the Company is required to pay and indemnify the Underwriter against all reasonable costs and expenses of and incidental to the Rights Issue, including but not limited to the professional fees and disbursements of the Underwriter up to a total cap of \$10,000, provided that the aggregate of all costs and expenses does not exceed \$2,000 without the Company's prior consent.

The Underwriter will acquire the New Shares for investment purposes only and will not distribute the New Shares in the United States nor act as an underwriter within the meaning of section 2(a)(11) of the US Securities Act. The Underwriter may only transfer or sell the New Shares outside the United States offshore transactions not subject to the registration requirements of the US Securities Act (in compliance with Regulation S under the US Securities Act) and applicable US state securities laws.

The Underwriter has provided an unsecured loan of approximately USD 500,000 to the Company. These funds will be set-off against the Underwriters take up of his entitlements and/or as part of fulfilling the Underwriters commitments under the Underwriting Agreement. This means that the \$3.54 million raised under the Offers will include the USD 500,000 unsecured loan provided by the Underwriter. Shareholders should refer to Section 1.4 for a detailed breakdown of the use of funds raised under the Offers.

As is normal for agreements of this nature, the Underwriter may terminate his obligations under the Underwriting Agreement if certain events occur before completion of the Rights Issue (**Unqualified Termination Events**). In respect of the occurrence of certain other events, the Underwriter's ability to terminate is limited to circumstances in which the Underwriter is of the reasonable opinion reached in good faith that the event has had or is likely to have a Material Adverse Effect or the event can be expected to give rise to a liability for the Underwriter under the Corporations Act or otherwise (**Qualified Termination Events**).

The Company notes that it has received a duly executed waiver from the Underwriter, waiving the Underwriter's right to terminate the Underwriting Agreement in respect of the lodgement of this Replacement Prospectus and that ASIC had given notice to the Company of its intention to hold a hearing under section 739 of the Corporations Act.

The Unqualified Termination Events are:

- (a) **(Prospectus)**: the Prospectus or the Rights Issue is withdrawn by the Company;
- (b) **(Supplementary Prospectus)**: the Underwriter, having elected not to exercise its right to terminate his obligations under the Underwriting Agreement as a result of significant change, 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 and the Company fails to lodge a supplementary or replacement Prospectus in such form and content and within such time as the Underwriter may reasonably require;
- (c) **(Non-compliance with disclosure requirements)**: it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
  - (i) the effect of the Rights Issue on the Company; and
  - (ii) the rights and liabilities attaching to the New Shares;
- (d) **(Misleading Prospectus)**: it transpires that 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 sections 711, 712 and 716 of the Corporations Act) or if any statement in the Prospectus becomes or 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;
- (e) **(Restriction on allotment)**: the Company is prevented from allotting the New Shares within the time required by the Underwriting Agreement, the Corporations Act, any statute, regulation or order of a court of competent jurisdiction by ASIC or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (f) **(Withdrawal of consent to Prospectus)**: any person (other than the Underwriter) 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;
- (g) **(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;
- (h) **(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;
- (i) **(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;
- (j) **(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 the Underwriter;
- (k) **(Indictable offence)**: a director or senior manager of a Relevant Company is charged with an indictable offence;



- (l) **(Event of Insolvency)**: an event of insolvency occurs in respect of a Relevant Company;
- (m) **(Suspension of debt payments)**: the Company suspends payment of its debts generally;
- (n) **(Certificate)**: any certificate which is required to be furnished by the Company under the Underwriting Agreement is not furnished when required; or
- (o) **(Timetable)**: there is a delay in any specified date in the timetable in the Underwriting Agreement which is greater than 5 Business Days without the prior written consent of the Underwriter.

The Qualified Termination Events are:

- (a) **(Default)**: default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
- (b) **(Adverse change)**: an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a prospective adverse change after the date of this agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
- (c) **(Significant change)**: in the reasonable opinion of the Underwriter, at any time on or after the lodgement of the Prospectus, a new circumstance arises which is a matter materially adverse to investors in New Shares and which would have been required by the Corporations Act to be included in the Prospectus had the new circumstance arisen before lodgement of the Prospectus with ASIC;
- (d) **(Certificate incorrect)**: a statement in any certificate provided to the Underwriter by the Company under the Underwriting Agreement is false, misleading, inaccurate, untrue or incorrect;
- (e) **(Prescribed Occurrence)**: a Prescribed Occurrence occurs;
- (f) **(Judgment against a Relevant Company)**: a judgment in an amount exceeding \$300,000 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (g) **(Force Majeure)**: a force majeure affecting the Company's business or any obligation under this agreement lasting in excess of 14 days occurs;
- (h) **(Certain resolutions passed)**: a Relevant Company 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 the Underwriter;
- (i) **(Capital Structure)**: any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus;
- (j) **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of a Relevant Company;
- (k) **(Hostilities)**: there is an outbreak of 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, the United States, Canada, the United Kingdom, China, Hong Kong, Singapore, Japan or a member state of the European Union; or
- (l) **(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 completion of the Offers without the prior written consent of the Underwriter.

The Underwriting Agreement contains various representations and warranties made by the Underwriter and the Company, which are customary in such agreements. The Company is not liable for any inaccuracy or breach of the warranties or representations if the inaccuracy or breach is, or the facts giving rise to the inaccuracy or breach were made known to the Underwriter in writing. The Company has agreed to indemnify each of the Underwriter, its related bodies corporate and their officers, employees, partners, agents and advisers against any damage, loss, cost or expense (excluding any consequential loss or indirect loss) incurred directly in connection with the Rights Issue or the Underwriting Agreement. This is limited to losses other than losses caused from the wilful default, misconduct, fraud, negligence or breach of contract of the Underwriter or an indemnified party.

## 9.2 **Executive Services Agreement - Michael Johnson**

The Company has entered into an executive services agreement with Mr Michael Johnson effective from 24 January 2023, pursuant to which Mr Johnson will serve as Executive Director and CEO of the Company on a full-time basis (**ED Agreement**).

The remuneration currently payable to Mr Johnson is \$363,323 per annum (excluding supputation). Mr Johnson is entitled to participate in bonus and/or other incentive schemes that may be implemented from time to time.

The ED Agreement is for an indefinite term, continuing until terminated by either Mr Johnson giving no less than 180 days' notice or the Company giving not less than 180 days' written notice of termination (or shorter periods in limited circumstances).

On termination of the ED Agreement, however occurring, Mr Johnson is required to resign without claim for compensation from any office held by Mr Johnson in the Company or any subsidiary.

The ED Agreement contains additional provisions considered standard for agreements of this nature.

## 9.3 **Chinamed Products (China) Ltd**

ASAP Breatheassist Pty Ltd (**Breatheassist**) has a manufacturing agreement with Chinamed Products (China) Ltd (**CMP**) for the manufacture of Breatheassist products.

### (a) Pricing and Payment

Breatheassist is required to pay CMP 50% of the invoice amount at the time of issuing a purchase order with the remaining 50% to be paid within 10 days following delivery of the manufactured products.

Breatheassist must also pay 50% of the tolling charge at the time of the issuing a purchase order and the remaining 50% is payable upon completion of commission and testing of the relevant tooling to confirm the Breatheassist's reasonable satisfaction that the tooling is capable of manufacturing the products in accordance with the agreement.

The prices of the products is reviewed by CMP every 12 months. Breatheassist may object to any price adjustment by CMP with the parties to try in good faith to agree on an adjusted price.

### (b) Termination

The agreement may be terminated by Breatheassist immediately if CMP:

- (i) suffers an insolvency event;
- (ii) otherwise commits a material breach of any of its obligations under the agreement, which breach is not cured within 20 business days following receipt

of written notice from Breatheassist, or by its nature or timing cannot be cured within such time period;

- (iii) commits multiple or recurring breaches, whether or not remedied, that in aggregate are material in the opinion of Breatheassist;
- (iv) in Breatheassist reasonable opinion, the activities of CMP bring disrepute on Breatheassist's intellectual property;
- (v) is guilty of serious misconduct or dishonesty which Breatheassist believe, in its absolute discretion, has impaired CMP's ability to perform its obligations under the agreement;
- (vi) has one of the following circumstances occur without the prior written consent of Breatheassist:
  - (A) a change in its control; or
  - (B) CMP sells or otherwise disposes of or ceases to carry on part or all of its business, or attempts or purports to do so.

The agreement may be terminated by CMP immediately, if Breatheassist:

- (vii) Suffers an insolvency event; or
- (viii) Otherwise commits a material breach of any of its obligations under the agreement, which breach is not cured within 20 business days following receipt of written notice from CMP, or by its nature or timing cannot be cured within such time period.

(c) Liability

Breatheassist indemnifies CMP against all claims whether incurred by or awarded against CMP arising from or as a result, whether directly or indirectly, of any breach of the agreement by Breatheassist, any damage to any property or injury to or death of any person to the extent that it is caused by any negligent act or omission or wilful misconduct of Breatheassist or its directors, officers, employees, agents and subcontractors, Breatheassist's own negligence, fraud or wilful misconduct, or that of its employees, agents or sub-contractors or of any other person for which Breatheassist is vicariously liable, or any claim that the manufacture, use or sale of the products infringes the intellectual property rights of a third party, provided that Breatheassist will not be liable under this indemnity to the extent to which the claim arises from a breach of the agreement by CMP or the error, omission, negligence, fraud or wilful misconduct of CMP or any of CMP's employees, contractors and agents.

#### 9.4 One World Distribution, Inc.

One World Distribution, Inc. (**One World Direct**) provide the Company with third-party logistics services in the US.

(a) Pricing and Payment

The costs and fees in the agreement are subject to change upon 30 days prior notice from One World Direct to the Company. All amounts due under the agreement are to be paid by the Company to One World Direct on a monthly basis, due by the 15<sup>th</sup> of each month.

(b) Termination

Either party may terminate the agreement without cause by providing 30 days' prior written notice to the other party.

Either party may terminate for cause if the other party shall fail to perform any of the covenants or obligations of performance and payment imposed upon it under the agreement. The non-defaulting party shall give the defaulting party a written notice stating specifically the cause for which the notice is given and if within a period of 10 days after such notice, the defaulting party has not remedied the default, then the non-defaulting party may terminate the agreement without any further obligation.

(c) Liability

One World Direct is only liable for such loss, damage, or destruction to the Company's goods if there is substantial evidence to show that One World Direct's failure to exercise such care in regard to the goods as a reasonably careful warehouseman would exercise under like circumstances, resulted in that loss, damage, or destruction to the Company's goods.

One Word Direct is only liable for mis-shipments where substantial evidence establishes that the mis-shipment was caused by One World Direct's gross negligence.

## 10. Additional information

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### 10.1 Rights and liabilities attaching to Shares

A summary of the rights attaching to Shares in the Company is provided below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the 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 the 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) **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 of the Company.

(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 each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable, whether or not called (excluding amounts credited), on the Shares.

(c) **Dividend rights**

Subject to the rights of persons entitled to Shares with special rights as to dividends, 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 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.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the shareholders in kind all or any of the Company's assets, and may for that purpose determine how the division is to be carried out as between the Shareholders or different classes of Shareholders but may not require a Shareholder to accept Shares or other securities in respect of which there is any liability.

(e) **Transfer of Shares**

Generally, Shares in the Company 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.

(f) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company as appointed from time to time. Subject to restrictions on the issue or grant of Securities contained in the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing Share or class of shares), the Directors may issue Shares and options over Shares as they shall, in their absolute discretion, determine.

(g) **Variation of rights**

Under 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) 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.

## 10.2 **Company is an unlisted disclosing entity**

The Company is an unlisted disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under the Corporations Act. These obligations require the Company to lodge material information with ASIC or follow the good practice guidance for website disclosure set out in Regulatory Guide 198. The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 10.4 below).

## 10.3 **Dividend Policy**

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

## 10.4 **Copies of documents**

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offers a copy of:

- (a) the Annual Report for the period ending 30 June 2023 lodged with ASX on 18 October 2023 (**Annual Financial Report**);
- (b) the half year financial report for the period ending 31 December 2023; and
- (c) the continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Financial Report lodged with ASX on 18 October 2023, until the date the Company was delisted from the ASX on 16 February 2024:

Date lodged	Subject of Announcement
16 February 2024	Removal from Official List
14 February 2024	Suspension from Official Quotation
13 February 2024	Change in substantial holding WG
7 February 2024	Notification of cessation of securities - RNO
2 February 2024	Results of Minimum Holding Buy-back
31 January 2024	Monthly Activities/Appendix 4C Cash Flow Report
30 January 2024	Appendix 3Y MJ
29 January 2024	Application for quotation of securities - RNO
29 January 2024	Proposed issue of securities - RNO
29 January 2024	Results of SPP
16 January 2024	Results of EGM
18 December 2023	Share Purchase Plan
18 December 2023	Cleansing Notice - SPP
11 December 2023	Rhinomed investor webinar
11 December 2023	Proposed Issue of securities - RNO
11 December 2023	Notice of Extraordinary General Meeting/Proxy Form
11 December 2023	Share Purchase Plan Offer
11 December 2023	Minimum Holding Buy-Back
11 December 2023	Delisting Announcement
17 November 2023	2023 AGM Chairman's Address
17 November 2023	Results of Meeting

Date lodged	Subject of Announcement
17 November 2023	Rhinomed AGM Presentation
17 November 2023	Final Director's Interest Notice BS
27 October 2023	Appendix 4C - quarterly
27 October 2023	Appendix 4G and Corporate Governance Statement
24 October 2023	Operational Review
19 October 2023	Rhinoswab program update
18 October 2023	Annual Report to shareholders

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

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 10.9 and the consents provided by the Directors to the issue of this Prospectus.

#### 10.5 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 the Corporations Act other than as is set out in this Prospectus.

#### 10.6 Related party transactions

There are no related party transactions involved in the Offers.

#### 10.7 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the New Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the New Shares offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the New Shares offered under this Prospectus.

HWL Ebsworth Lawyers will be paid approximately \$79,000 (plus GST) in fees for legal services in connection with the Offers.

Mr W. Whitney George has been appointed by the Company as Underwriter and will not be paid any fees in connection with the Offers.



Canaccord Genuity (Australia) Limited will be appointed as nominee under section 615 of the Corporations Act (subject to ASIC approval) and will be paid the fees set out in Section 1.10(e) in connection with the Offers.

## 10.8 Expenses of Offers

The estimated expenses of the Offers are as follows:

Estimated expense	\$ (ex. GST)
ASIC lodgments	\$7,000
Legal and preparation expenses	\$79,000
Nominee expenses	\$25,000
Underwriter legal expenses	\$10,000
Printing, mailing and other expenses	\$14,000
<b>TOTAL</b>	<b>\$135,000</b>

## 10.9 Consents

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

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take 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 that party as specified in this Section.

HWL Ebsworth Lawyers has given its written consent to being named as the Solicitors to the Company in this Prospectus. HWL Ebsworth Lawyers has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Mr W. Whitney George has given his written consent to being named as the Underwriter to the Offers and to statements attributable to him in this Prospectus. Mr George has not withdrawn his consent prior to lodgment of this Prospectus with ASIC.

Canaccord Genuity (Australia) Limited has given its written consent to being named as Nominee to the Company in this Prospectus. Canaccord Genuity (Australia) Limited has not withdrawn its consent prior to lodgment of this Prospectus with ASIC.

Grant Thornton Audit Pty Ltd has given its written consent to being named as Auditor to the Company in this Prospectus. Grant Thornton has not withdrawn its consent prior to lodgment of this Prospectus with ASIC.

## 11. Directors' authorisation

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The issue of this Prospectus has been authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:

A handwritten signature in black ink, appearing to be 'RD' followed by a long horizontal stroke that ends in a small upward tick.

**Ron Dewhurst**  
Non-Executive Chairman  
Rhinomed Limited

Dated: 23 July 2024

## 12. Glossary

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These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

<b>\$</b>	means Australian dollars.
<b>AEST</b>	means Australian Eastern Standard Time, being the time in Melbourne, Victoria, Australia.
<b>Applicant</b>	means a person who submits an Application Form.
<b>Application</b>	means a valid application for New Shares and/or Shortfall Shares made on an Application Form.
<b>Application Form</b>	means the relevant application form for an Offer provided by the Company with a copy of this Prospectus, including an Entitlement and Acceptance Form and/or a Shortfall Application Form.
<b>Application Monies</b>	means the amount of money in dollars and cents payable for New Shares at \$0.03 per New Share pursuant to the Offers.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
<b>Board</b>	means the Directors meeting as a board.
<b>Business Day</b>	means Monday to Friday inclusive, other than a day that is a public holiday in Melbourne, Victoria.
<b>Closing Date</b>	has the meaning given in Section 1.5.
<b>Company</b>	means Rhinomed Limited (ACN 107 903 159).
<b>Constitution</b>	means the constitution of the Company as at the date of this Prospectus.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>Directors</b>	mean the directors of the Company.
<b>EFT</b>	means electronic funds transfer.
<b>Eligible Shareholder</b>	means a person registered as the holder of Shares on the Record Date whose registered address is in Australia, New Zealand, or the United States (but only if (i) such person in the United States is an “accredited investor” as defined in Rule 501(a) under the US Securities Act and (ii) the Company would like to extend the Offers to such person taking into account any US state “blue sky” securities law requirements).

<b>Entitlement</b>	means the number of New Shares for which an Eligible Shareholder is entitled to subscribe under the Rights Issue, being 5 New Shares for every 12 existing Shares held on the Record Date.
<b>Entitlement and Acceptance Form</b>	means the application form provided by the Company with a copy of this Prospectus that describes the entitlement of Eligible Shareholders to subscribe for Shares pursuant to the Rights Issue.
<b>Exposure Period</b>	means period of seven days starting on 28 June 2024 and ending on 12 July 2024, or such longer period as determined by ASIC.
<b>FY23</b>	means the financial year 2023.
<b>FY24</b>	means the financial year 2024.
<b>Ineligible Foreign Shareholder</b>	means a person registered as the holder of Shares on the Record Date who is not an Eligible Shareholder.
<b>Material Adverse Effect</b>	means: <ul style="list-style-type: none"> <li>(a) a material adverse effect on the outcome of the Offers or on the subsequent market for the New Shares (including, without limitation, matters likely to have a material adverse effect on a decision of an investor to invest in New Shares); or</li> <li>(b) a material adverse effect on the assets, condition, trading or financial position, performance, profits and losses, results, prospects, business or operations of the Company and its subsidiaries either individually or taken as a whole.</li> </ul>
<b>New Shares</b>	means Shares offered under the Rights Issue.
<b>Nominee</b>	means Canaccord Genuity (Australia) Limited.
<b>Offers</b>	means the Rights Issue and/or the Shortfall Offer, as applicable.
<b>Official List</b>	means the official list of ASX.
<b>Official Quotation</b>	means quotation of Securities on the Official List.
<b>Option</b>	means an option to acquire a Share, subject to the terms and conditions attaching to that option.
<b>Prescribed Occurrence</b>	means: <ul style="list-style-type: none"> <li>(a) a Relevant Company converting all or any of its shares into a larger or smaller number of shares;</li> <li>(b) a Relevant Company resolving to reduce its share capital in any way;</li> <li>(c) a Relevant Company: <ul style="list-style-type: none"> <li>(i) entering into a buy-back agreement or;</li> </ul> </li> </ul>

- (ii) resolving to approve the terms of a buy-back agreement under section 257C or 257D of the Corporations Act;
- (d) a Relevant Company making an issue of, or granting an option to subscribe for, any of its shares, or agreeing to make such an issue or grant such an option, other than an issue or agreement to issue in accordance with the Offer or the terms of this agreement;
- (e) a Relevant Company issuing, or agreeing to issue, convertible notes;
- (f) a Relevant Company disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;
- (g) a Relevant Company charging, agreeing to charge, the whole, or a substantial part, of its business or property;
- (h) a Relevant Company resolving that it be wound up;
- (i) the appointment of a liquidator or provisional liquidator to a Relevant Company;
- (j) the making of an order by a court for the winding up of a Relevant Company;
- (k) an administrator of a Relevant Company, being appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) a Relevant Company executing a deed of company arrangement; or
- (m) the appointment of a receiver, or a receiver and manager, in relation to the whole, or a substantial part, of the property of a Relevant Company.

<b>Prospectus</b>	means the prospectus dated 28 June 2024, this replacement prospectus dated 23 July 2024 and any supplementary or replacement prospectus in relation to this document.
<b>Record Date</b>	means 7.00pm (AEST) on the date identified in the Timetable as the record date.
<b>Relevant Company</b>	means the Company and each subsidiary.
<b>Rights Issue</b>	means the offer under this Prospectus of up to approximately 118,135,035 New Shares to Eligible Shareholders in accordance with their Entitlements.
<b>Section</b>	means a section of this Prospectus.
<b>Securities</b>	mean any securities including Shares or Options issued or granted by the Company.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Share Registry</b>	means Automic Pty Ltd (ACN 152 260 814).

<b>Shareholder</b>	means a holder of Shares.
<b>Shortfall Application Form</b>	means the application form provided by the Company with a copy of this Prospectus that enables an investor to apply for Shortfall Shares pursuant to the Shortfall Offer.
<b>Shortfall Offer</b>	means the offer of the Shortfall Shares under this Prospectus.
<b>Shortfall Shares</b>	means the Entitlements not subscribed for under the Rights Issue.
<b>Timetable</b>	means the proposed timetable on page iii of this Prospectus.
<b>Underwriter</b>	means Mr W. Whitney George, who is also an Eligible Shareholder.
<b>Underwriting Agreement</b>	means the formal underwriting agreement between the Company and Mr W. Whitney George dated 28 June 2024, a summary of which is set out in Section 9.1.
<b>US Securities Act</b>	means the United States Securities Act of 1933, as amended.